

# Oldham Borough Council



**Council Meeting  
Wednesday 25 February 2015**

## OLDHAM BOROUGH COUNCIL

To: **ALL MEMBERS OF OLDHAM BOROUGH COUNCIL,  
CIVIC CENTRE, OLDHAM**

**Tuesday, 17 February 2015**

**You are hereby summoned to attend a meeting of the Council which will be held on Wednesday 25 February 2015 at 6.00 pm in the Council Chamber, Civic Centre, for the following purposes:**

- 1 To receive apologies for absence
- 2 To receive declarations of interest in any matter to be determined at the meeting
- 3 To note the draft Minutes of the Budget Cabinet Meeting held on the 16th February 2015 and to consider the recommendations of Cabinet in relation to the Budget for 2015/16 further to the following attached reports: (Pages 1 - 728)
  - a) Treasury Management Strategy Statement 2015/16
  - b) Capital Strategy and Capital Programme 2015/2020
  - c) Housing Revenue Account Estimates for 2014/15 to 2018/19
  - d) Statement of the Financial Officer on Reserves, Robustness of the Estimates and Prudence of Capital Investments
  - e) (i) Administration Budget Report 2015/16  
(ii) Opposition Budget Report 2015/16
  - f) Medium Term Financial Strategy 2015/16 to 2019/20

And if thought fit, pass the following resolutions:

- 1 That it be noted that on 26 January 2015, the following amounts were approved by the Cabinet as the Council's Council Tax Base for the financial year 2015/16:
  - (a) 53,401 for the whole Council area [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")]
  - (b) 8,237 for dwellings in the Saddleworth Parish area to which a Parish precept relates  
  
5,270 for dwellings in the Shaw and Crompton Parish area to which a Parish precept relates
- 2 That the Council Meeting approve the Council Tax Requirement for the Council's own purposes for 2015/16 (excluding Parish precepts) as being £74,384,923
- 3 That the following amounts be calculated by the Council for the year 2015/16 in accordance with sections 31A to 36 of the Local Government Finance Act 1992:

- (a) £645,305,404 being the aggregate of the amounts which the Council estimates for the items set out in section 31A(2) of the Act taking into account any Precepts for the Saddleworth and Shaw & Crompton Parish areas
- (b) £570,681,435 being the aggregate of the amounts which the Council estimates for the items set out in section 31A(3) of the Act
- (c) £74,623,969 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council, in accordance with section 31A(4) of the Act, as its Council Tax Requirement for the year (Item R in the formula in Section 31B of the Act).
- (d) £1,397.43 being the amount at 3(c) above, all divided by Item T (1(a) above), calculated by the Council, in accordance with section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
- (e) £239,046 being the aggregate amount of all special items referred to in section 34(1) of the Act, being the Saddleworth and Shaw & Crompton Parish precepts.
- (f) £1,392.95 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by the amount by Item T (1(a) above), calculated by the Council, in accordance with section 34(2) of the Act, as the basic amount of its council tax for the year for dwellings in those parts of its area to which no special item relates.
- (g) £1,412.30 Saddleworth Parish area  
being the amounts given by adding to the amount at 3(f) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned at 3(e) above divided by the amount at 1(b) above, calculated by the Council, in accordance with section 34(3) of the Act, as the basic amounts of its council tax for the year for dwellings in those parts of its area to which one or more special items relate
- (h) £1,408.06 Shaw & Crompton Parish area  
being the amounts given by adding to the amount at 3(f) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned at 3(e) above divided by the amount at 1(b) above, calculated by the Council, in accordance with section 34(3) of the Act, as the basic amounts of its council tax for the year for dwellings in those parts of its area to which one or more special items relate.

- 4 That it be noted that for the year 2015/16 the Police and Crime Commissioner for Greater Manchester and the Greater Manchester Fire and Rescue Authority have issued precepts to the Council in accordance with section 40 of the Local Government Finance Act 1992, for each category of dwellings in the Council's area as indicated in the table below.
- 5 That the Council, in accordance with Sections 30 to 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2015/16 for each part of its area and for each of the categories of dwellings.

Authority/Parish	Council Tax Bands (£)							
	A	B	C	D	E	F	G	H
Oldham Council	928.63	1,083.40	1,238.18	1,392.95	1,702.50	2,012.05	2,321.58	2,785.91
PCCGM Precept	101.53	118.45	135.38	152.30	186.14	219.99	253.83	304.60
GM Fire and Rescue Authority Precept	38.43	44.83	51.24	57.64	70.45	83.26	96.07	115.28
Saddleworth Parish Precept	12.90	15.05	17.20	19.35	23.65	27.95	32.25	38.70
Shaw and Crompton Parish Precept	10.07	11.75	13.43	15.11	18.47	21.83	25.18	30.22

#### AGGREGATE OF COUNCIL TAX REQUIREMENTS

Authority/Parish	Council Tax Bands (£)							
	A	B	C	D	E	F	G	H
Saddleworth Parish Area	1,081.49	1,261.73	1,442.00	1,622.24	1,982.74	2,343.25	2,703.73	3,244.49
Shaw & Crompton Parish Area	1,078.66	1,258.43	1,438.23	1,618.00	1,977.56	2,337.13	2,696.66	3,236.01
All other parts of the Council's area	1,068.59	1,246.68	1,424.80	1,602.89	1,959.09	2,315.30	2,671.48	3,205.79

**NOTE: The meeting of the Council will conclude 3 hours and 30 minutes after the commencement of the meeting.**



**Carolyn Wilkins  
Chief Executive**

**PROCEDURE FOR NOTICE OF MOTIONS**  
**NO AMENDMENT**

MOTION – Mover of the Motion to MOVE



MOTION – Secunder of the Motion to SECOND – May reserve right to speak



DEBATE ON THE MOTION: Include Timings



MOVER of Motion – Right of Reply



VOTE – For/Against/Abstain



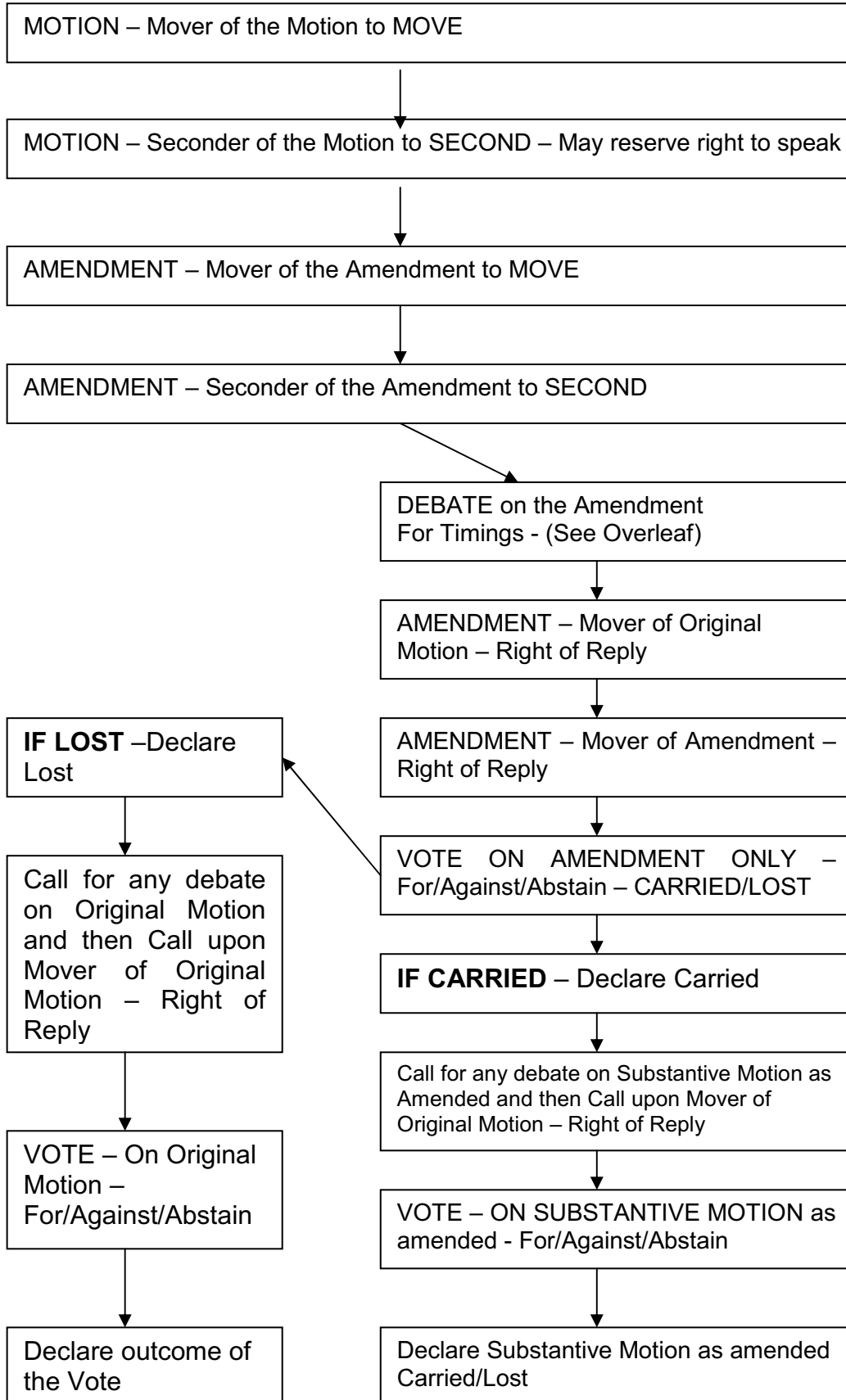
Declare outcome of the VOTE

**RULE ON TIMINGS**

(a) No Member shall speak longer than four minutes on any **Motion or Amendment**, or by way of question, observation or reply, unless by consent of the Members of the Council present, he/she is allowed an extension, in which case only one extension of 30 seconds shall be allowed.

(b) A Member replying to more than question will have up to six minutes to reply to each question with an extension of 30 seconds

**WITH AMENDMENT**





**DRAFT CABINET MINUTES**  
**16/02/2015 at 6.00 pm**

**Present:** Councillor Stretton (Chair)  
Councillors Akhtar, Brownridge, A Chadderton, Harrison, Hibbert  
and Jabbar

1           **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor McMahon.

2           **URGENT BUSINESS**

There were no items of urgent business received.

3           **DECLARATIONS OF INTEREST**

There were no declarations of interest received.

4           **PUBLIC QUESTION TIME**

There were no public questions received.

5           **DRAFT MINUTES OF THE PERFORMANCE AND VALUE  
FOR MONEY SELECT COMMITTEE , CONSIDERATION OF  
THE ADMINISTRATION BUDGET HELD ON 22ND  
JANUARY 2015**

RESOLVED – That the deliberations and comments of the  
Performance and Value for Money Committee held on the 22<sup>nd</sup>  
January 2015 be approved.

6           **DRAFT MINUTE OF THE PERFORMANCE AND VALUE  
FOR MONEY COMMITTEE CONSIDERATION OF  
OPPOSITION BUDGET 3RD FEBRUARY 2015**

RESOLVED – That the deliberations and comments of the  
Performance and Value for Money Committee held on the 3<sup>rd</sup>  
February 2015 be approved.

7           **REVENUE MONITOR 2014/15; MONTH 08 (NOVEMBER  
2014)**

The Cabinet gave consideration to a report of the Interim  
Director of Finance which provided Members with an update on  
the Council's 2014/15 revenue budget position forecast to the  
year end, for the month ending 30<sup>th</sup> November 2014.

It was reported that the current position for 2014/15 was a  
projected underspend of £475k following Cabinet approval of  
reserve transfers as detailed at Section 6 and Appendix 2 of the  
report.

The current position was in accordance with the Council's  
normal practice of setting the budget and the Council would  
move to a balanced position by the end of the financial year with  
a slight underspend.

Options/Alternatives considered

Option 1 – Not to approve Management actions within the report

Option 2 – To approve some of the management actions as  
detailed within the report

Option 3 – Approval of the management actions detailed within  
the report.

RESOLVED – That:

1. The forecast position of the end of Month 8 (November 2014) being a projected underspend of £475k be approved.
2. The forecast positions for both the Housing Revenue Account and Collection Fund be approved.
3. The transfer to/from reserves as detailed at section 6.1 of the report be approved.
4. The additional unringfenced grants and amendments to the baseline budget be approved.

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### **CAPITAL INVESTMENT PROGRAMME 2014/15**

Consideration was given to a report of the Interim Director of Finance which sought to provide the Cabinet with details of the financial position of the Capital Programme at the end of month 8 (November 2014) 2014/20/15 and the proposed changes to the programme as outlined in section 3 of the report.

It was reported that the financial monitoring element of the report outlined the most up to date capital spending proposals for 2014/2018.

The proposals included the current project manager's forecast outturn position of £87.274m expenditure.

The forecast outturn position based on statistical analysis was £83.660m

The revised capital programme at month 8, taking into account approved carry forwards, new schemes and variations had expenditure of £98.968m matched by resources of £98.968m. A detailed explanation of the changes of £921k between month 7 and month 8 was provided at appendix A to the report.

Options/Alternatives considered

Option 1 – Not to approve changes as detailed within the report  
Option 2 – To approve some of the changes as detailed within the report.

Option 3 – To approve all of the changes as detailed within the report.

RESOLVED – That:

1. The projected capital outturn at the end of month 8 (November 201) be approved.
2. The variations to the 2014/15 capital programme as detailed in appendix A to the report which advised of budget movements of schemes, resulting in a net increase in expenditure and resources of £921k in 2014/15 be approved.

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### **STATEMENT OF THE CHIEF FINANCIAL OFFICER ON RESERVES, ROBUSTNESS OF THE ESTIMATES AND AFFORDABILITY AND PRUDENCE OF CAPITAL INVESTMENTS**

The Cabinet gave consideration to a report of the Interim Director of Finance that was required to be prepared in accordance with Section 25 of the Local Government Act 2003 to report on the robustness of the estimates made for the purposes of the budget calculations and the adequacy of the proposed reserves. The report provided information to address this requirement.

It was reported that Members could be assured that the Council continued to be well placed to meet the challenging financial



future facing Local Authorities and that the Council was preparing a two year budget, a five year approved capital programme and an early closure of accounts. This would allow early focus on the coming challenges and a robust financial transformation programme.

Options/Alternatives considered

The Cabinet could comment on the recommendations of the report however Members had a statutory duty to have regard to the Chief Financial Officer's report on the robustness of the estimates and the adequacy of the proposed financial reserves when making decisions.

The robustness of the estimates and reserves were satisfactory, however this was only the case provided the necessary actions were taken to ensure the balances were set at the level recommended, that all budget options or in year alternatives were delivered as planned and monitored as noted in paragraph 5 of the report.

RESOLVED – That:

1. The General Balances currently calculated for 2015-16 at £17,704k financed by an element of the underspend reported for the financial year 2013/14 be approved
2. The initial estimate of General Balances to support the 2016-17 and 2017-18 budgets are amounts of £18,075k and £18,458k reflecting the budgetary challenges for these financial years be noted.
3. Submission of the intended report to the Audit Committee at the financial year-end, to ensure the Council reserves were subject to appropriate scrutiny, be noted.
4. The actions necessary to secure a properly balanced budget as noted in paragraph 4.5 be approved.
5. The actions necessary to ensure the prudence of the capital investments as noted in paragraph 5.4 be approved.

RECOMMENDATION – That the report be commended to Council for approval.

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## **CAPITAL STRATEGY AND CAPITAL PROGRAMME 2015/20**

The Cabinet gave consideration to a report of the Interim Director of Finance which set out the capital strategy including capital investment priorities, together with the indicative capital programme for 2016/20 having regard to the resources available.

It was reported that the Council's Capital Strategy and Programme had for the first time been set over a five year timeframe and the strategy contained the key principles under which the capital programme operated.

It was reported that the Council was aiming to take a strategic view in relation to capital investment so that it could make a real impact on the economy of Oldham by regenerating the Borough, building on the investment programme and using the regeneration investment to drive up Gross Added (GVA) and increase the yield of business rates.

Options/Alternatives considered



Members had the option to revise the proposed Capital Strategy and Capital Programme and suggest an alternative approach to capital investment including the revision of capital priority areas.

RESOLVED – That:

1. The Capital Strategy for 2015/20 at Appendix 1 of the report and summarised in Section 2.1 of the report be approved.
2. The Capital Programme for 2015/16 and indicative programmes for 2016/17 to 2019/20 as set out in Section 2.2 and Annex C of Appendix 1 to the report be approved.

RECOMMENDATION – That the report be commended to Council for approval.

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### **TREASURY MANAGEMENT STRATEGY STATEMENT 2015/16 INCLUDING MINIMUM REVENUE PROVISION POLICY STATEMENT, ANNUAL INVESTMENT STRATEGY AND PRUDENTIAL INDICATORS**

Consideration was given to a report of the Interim Director of Finance that outlined the Treasury Management Strategy 2015/16 including Prudential Indicators, the annual Investment Strategy and the Minimum Revenue Provision policy.

It was reported that the strategy for 2015/16 covered two main areas, capital issues and treasury management issues and the report therefore outlined the implications and key factors in relation to each of the two main areas.

Options/Alternatives considered

The Council was required to comply with the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management the Council and has no option other than to consider and approve the contents of the report.

Therefore no options/alternatives have been considered.

RESOLVED – That:

1. The Capital Financing Requirement (CFR) Projections as per paragraph 2.2.3 of the report be approved.
2. The Minimum Revenue Provision policy and method of calculation as per section 2.3 of the report be approved.
3. The projected treasury position as at 31/03/2015 as per paragraph 2.5.3. of the report be approved.
4. The Treasury Limits for 2015/16 to 2017/18 as detailed in sections 2.6.2 and 2.6.3;
5. Borrowing Strategy for 2015/16 as per section 2.9 of the report be approved.
6. Limits to interest rate exposures as set out in section 2.10.2 of the report be approved.
7. The upper and lower limits on fixed rate debt maturity structure as set out in Section 2.10.3 of the report be approved.
8. The Annual Investment Strategy as per section 2.14 including the investment credit rating criteria and the level of investment in non-specified investments be approved.

RECOMMENDATION – That the report be commended to Council for approval.

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### **HOUSING REVENUE ACCOUNT ESTIMATES FOR 2014/15 TO 2018/19**

The Cabinet gave consideration to a report of the Interim Director of Finance which set out the latest Housing Revenue Account (HRA) outturn estimate for 2014/15, the detailed budget for 2015/16 and strategic estimates for the three years 2016/17 through to 2018/19.

It was reported that after taking all relevant issues into account, the projected financial position for 2014/15 was estimated to be a £409k adverse variance when compared to the original forecast made in March 2014.

The report outlined the financial position for 2015/16 showing an estimated HRA closing balance of £17,492k and this was considered to be sufficient to meet the future operational commitments and potential financial pressures identified in the risk assessment.

Options/Alternatives considered

In order that the Council complied with legislative requirements, it was required to consider and approve an HRA budget for 2015/16.

The Self-Financing Housing Revenue Account was underpinned by a 30 year business plan which used the guideline rent calculation as the basis of the income stream. The rental assumption reflected the current guidance which prescribed that all calculations were based on CPI plus 1% as the annual inflator.

Should the Council wish to move away from the established practice of following Government guidelines, then two potential scenarios had been assessed by way of example, the:

1. proposed rent increase of £1.63 per week was reduced to £0.80
2. proposed rent increase was removed altogether.

The loss to the HRA in terms of rental income would be:

Average increase in rent	£0.80 £k	£0.00 £k
Impact in 2015/16	81	159
Impact over life of Business Plan	2,341	4,557

Clearly, whilst the impact in 2015/16 was not huge, the cumulative impact of sustained income losses of income would have had a lasting impact on the long term financial strength of the HRA and potentially the ability to meet its current and future financial commitments.

RESOLVED – That:

1. The forecast HRA out-turn for 2014/15 be approved
2. The proposed HRA budget for 2015/16 be approved.
3. The strategic estimates for 2016/17 to 2018/19 be approved.
4. The proposed increases in dwelling rents, non-dwelling rents, service charges and leaseholder service charges be approved.

RECOMMENDATION – That the report be commended to Council for approval.

The Cabinet gave consideration to a report of the Interim Director of Finance which presented to the Cabinet the Labour administration's budget report and budget proposals for 2015/16

having regard to the impact of the final Local Government finance settlement and other issues.

The report provided details of the current position for 2015/16 and the indicative position of the budget for 2016/17.

It was reported that the savings proposals to address the calculated budget gap for 2015/16 of £35.229m were identified during 2014/15 and had been scrutinised by the Performance and Value for Money Select Committee.

The Cabinet on the 8<sup>th</sup> December 2014 and Council on the 17<sup>th</sup> December 2014 had approved budget proposals for 2015/16 totalling £27.471m and had noted three savings proposals with a total of £7.758m for which consultation was still in progress. The three savings proposals plus another proposal, DO64C - the use of additional resources to support the budget process were considered by Performance and Value for Money Select Committee on the 22<sup>nd</sup> January 2015.

It was reported that the Local Government Final Settlement was announced on the 3<sup>rd</sup> February 2015 and this confirmed the grant funding allocations announced in December, however Revenue Support Grant increased by £478k with a minor grant reduction of £3k. The revised net revenue budget for 2015/16 was proposed to be set at £195.792 (subject to no further change in levy notifications).

It was further reported that the Council Tax policy for 2015/16 was to accept the Council Tax Freeze Grant for 2015/16 and therefore leave Council Tax unchanged for the residents of the Borough.

The report also contained the Fees and Charges schedule for 2015/16 and the Council's Pay Policy Statement.

Options/Alternatives Considered

Option 1 – To request amendments to the budget proposals within the report and commend to Council.

Option 2 – To agree the budget proposals and commend to Council.

The Cabinet noted the lack of requirement to hold a referendum on the change in the Relevant Basic Amount of Council Tax and that the savings target for 2016/17 may need to change as a result of developments during 2015/16.

RESOLVED – That:

1. The Net revenue budget for 2015/16 for the Council be set at £195.792m (subject to there being no further changes in Levy notifications) be agreed and commended to Council for approval.
2. The acceptance of the Council Tax Freeze Grant be agreed and commended to Council for approval.
3. The savings proposals to balance the 2015/16 budget of £7.758m as set out in Appendix D in summary and Appendix E of the report in detail be agreed and commended to Council for approval
4. The Council Tax for 2015/16 as set out in Appendix H of the report (subject to confirmation from preceptors) be agreed and commended to Council for approval
5. The total draw on the Collection Fund of £85.549m for Borough Wide services with £74.384m for Council services (subject to confirmation from preceptors) be agreed and commended to Council for approval

6. The Fees & Charges schedule at Appendix F of the report be agreed and commended to Council for approval
7. The increase in the required savings for 2016/17 by £4.393m to £29.489m be agreed and commended to Council for approval
8. The Councils Pay Policy Statement as set out in Appendix I of the report be agreed and commended to Council for approval
9. The approval of £27.471m of savings as set out in Appendices B and C of the report be confirmed.

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### **MEDIUM TERM FINANCIAL STRATEGY 2015/16 TO 2019/20**

The Cabinet gave consideration to a report of the Interim Director of Finance which presented the Medium Term Financial Strategy (MTFS) financial years 2015/16 to 2019/20 having regard for the uncertainties around a number of issues including the level of reduction in future funding from Central Government and the consequential changes required from the Council. It was reported that based on current information, trends and demand, the Council would continue to be required to make considerable revenue budget changes over the MTFS period 2015/16 to 2019/20.

The MTFS was one of the key strategic plans of the Council setting out the proposed revenue spending plans over the next 5 years together with the key factors which influenced the strategy including local factors which influence policy within the Council, key Council policy areas and the influence of central Government policy and strategy and key issues affecting the revenue budget.

Options/Alternatives considered

Option 1 – Adopt the Medium Term Financial Strategy 2015/15 to 2019/20.

Option 2 – Allow the existing Medium Term Financial Strategy to remain unchanged.

**RESOLVED** – That the Medium Term Financial Strategy 2015/16 to 2019/20 be approved.

**RECOMMENDATION** – That the report be commended to Council for approval.

The meeting started at 6.00pm and finished 6.24pm

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**Council**

**25 February 2015**

## **Treasury Management Strategy Statement 2015/16 Including Minimum Revenue Provision Policy Statement, Annual Investment Strategy and Prudential Indicators**

**Portfolio Holder: Councillor Jabbar, Cabinet Member for  
Finance & HR**

**Officer Contact: Anne Ryans, Interim Director of Finance  
Ext. 4902**

### **Purpose of Report**

To present to Council, the strategy for 2015/16 Treasury Management activities including the Minimum Revenue Position Policy Statement, the Annual Investment Strategy and Prudential Indicators.

### **Executive Summary**

The report outlines the Treasury Management Strategy for 2015/16 including Prudential Indicators and the Minimum Revenue Provision policy.

The Strategy for 2015/16 covers two main areas.

#### Capital Issues

- The Capital plans and the Prudential Indicators
- The Minimum Revenue Provision Policy (MRP) Statement

#### Treasury Management Issues:

- The Current Treasury Position
- Treasury Indicators for the three years 2015/16 to 2017/18
- Prospects for Interest Rates
- The Borrowing Requirement
- The Borrowing Strategy
- Policy on Borrowing in Advance of Need
- Debt Rescheduling

- The Investment Strategy
- Creditworthiness Policy
- Policy on use of external service providers.

The report therefore outlines the implications and key factors in relation to each of the above Capital and Treasury Management issues and makes recommendations with regard to the Treasury Management strategy for 2015/16.

## **Recommendations**

Council is requested to approve the:

- Capital Financing Requirement (CFR) Projections as per paragraph 2.2.3
- Minimum Revenue Provision policy and method of calculation as per section 2.3;
- Projected treasury position as at 31/03/2015 as per paragraph 2.5.3.
- Treasury Limits for 2015/16 to 2017/18 as detailed in sections 2.6.2 and 2.6.3;
- Borrowing Strategy for 2015/16 as per section 2.9
- Limits to interest rate exposures as set out in section 2.10.2;
- Upper and lower limits on fixed rate debt maturity structure as set out in Section 2.10.3
- Annual Investment Strategy as per section 2.14 including the investment credit rating criteria and the level of investment in non-specified investments;



## Treasury Management Strategy Statement 2015/16 Including Minimum Revenue Provision Policy Statement, Annual Investment Strategy and Prudential Indicators

### 1 Background

- 1.1 The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low investment risk appetite, providing adequate liquidity initially before considering investment return.
- 1.2 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.
- 1.3 Treasury management is defined as:

"The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

#### Statutory Requirements

- 1.4 The Local Government Act 2003 and supporting regulations requires the Council to 'have regard to' the Prudential Code and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable. The Act therefore requires the Council to set out its Treasury Strategy for borrowing and to prepare an Annual Investment Strategy. This sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.

#### CIPFA Requirements

- 1.5 The Council has adopted the Revised Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management 2011. The primary requirements of the code are as follows:
- Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's Treasury Management activities

- Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives
- Receipt by the full Council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead, a Mid-year Review Report and an Annual Report (stewardship report) covering activities during the previous year
- Delegation by the Council of responsibilities for implementing and monitoring Treasury Management Policies and Practices and for the execution and administration of treasury management decisions. In Oldham, this responsibility is delegated to the section 151 Officer (Director of Finance). The treasury management role of the Section 151 Officer is shown at appendix 5
- Delegation by the Council of the role of scrutiny of the Treasury Management Strategy and policies to a specific named body. In Oldham, the delegated body is the Audit Committee. The treasury management scheme of delegation is provided at Appendix 4.

### **Treasury Management Strategy 2015/16**

1.6 The Strategy for 2015/16 covers two main areas.

#### 1.6.1 Capital Issues

- The Capital plans and the Prudential Indicators
- The Minimum Revenue Provision (MRP) Policy Statement

#### 1.6.2 Treasury Management Issues

- The Current Treasury Position
- Treasury Indicators for the three years 2015/16 to 2017/18
- Prospects for Interest Rates
- The Borrowing Requirement
- The Borrowing Strategy
- Policy on Borrowing in Advance of Need
- Debt Rescheduling
- The Investment Strategy
- Creditworthiness Policy
- Policy on use of external service providers.

These elements are each addressed with the Treasury Management report.

## Balanced Budget Requirement

1.7 It is a statutory requirement under Section 33 of the Local Government Finance Act 1992, for the Council to produce a balanced budget. In particular, Section 32 requires a Local Authority to calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions. This, therefore, means that increases in capital expenditure must be limited to a level whereby increases in charges to revenue from:

- increases in interest charges caused by increased borrowing to finance additional capital expenditure; and
- any increases in running costs from new capital projects;

are limited to a level which is affordable and within the projected income of the Council for the foreseeable future.

## Treasury Management Consultants

1.8 Oldham Council uses Capita Asset Services, Treasury Solutions as its external treasury management advisors. The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon external service providers.

1.9 It is also recognised that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

1.10 The contract for external treasury management advisory services is due to expire on 31<sup>st</sup> March 2015; the Council has drawn up a contract specification and is intending to pursue a joint tender exercise with Bury Council, Warrington Council and the Greater Manchester Waste Disposal Authority. The intention being to have an AGMA wide agreement for the provision of advisory services that other Councils can adopt if they so desire as their respective contracts fall due for renewal.

## 2 **Capital Plans & Prudential Indicators 2015/16 – 2017/18**

### 2.1 Capital Plans

2.1.1 The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in prudential indicators, which are designed to assist Member's overview and confirm capital expenditure plans. These indicators as per the Capital Programme include previous year's actual expenditure, forecast expenditure for this current year and estimates for the next three year period.

## Capital Expenditure Estimates

- 2.1.2 This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts in the table below:

**Table 1 - Capital Expenditure Estimates**

Capital Expenditure	2013/14 Actual £'000	2014/15 Estimate £'000	2015/16 Estimate £'000	2016/17 Estimate £'000	2017/18 Estimate £'000
Neighbourhoods	9,820	16,564	7,812	3,051	2,380
Commissioning	992	1,265	1,950	400	400
Commercial Services	13,680	24,545	19,058	10,466	17,840
Deputy Chief Executives/Corporate	0	100	0	0	0
Development and Infrastructure	15,828	37,601	61,824	37,272	8,685
Available for new projects	0	3,532	0	0	0
<b>General Fund Services</b>	<b>40,320</b>	<b>83,607</b>	<b>90,644</b>	<b>51,189</b>	<b>29,305</b>
HRA	3,344	6,189			0
<b>HRA</b>	<b>3,344</b>	<b>6,189</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>43,664</b>	<b>89,796</b>	<b>90,644</b>	<b>51,189</b>	<b>29,305</b>

- 2.1.3 The capital expenditure shown above excludes other long term liabilities, such as PFI and leasing arrangements which already include borrowing instruments. It should be noted that new expenditure commitments are likely to increase the borrowing requirement
- 2.1.4 Table 2 below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding need (borrowing). The borrowing need for 2015/16 is £55.464m. This will however change if there is a change to the spending profile of the capital programme. Some of the expected borrowing will be supported by new income streams and is underwriting expected grants and contributions and may not be required.

**Table 2 - Funding of the Capital Programme**

Capital Expenditure	2013/14 Actual £'000	2014/15 Estimate £'000	2015/16 Estimate £'000	2016/17 Estimate £'000	2017/18 Estimate £'000
General Fund Services	40,320	83,607	90,644	51,189	29,305
HRA	3,344	6,189	0	0	0
<b>Total</b>	<b>43,665</b>	<b>89,796</b>	<b>90,644</b>	<b>51,189</b>	<b>29,305</b>
<b>Financed by:</b>					
Capital receipts	(4,098)	(10,780)	(14,554)	(3,723)	(1,280)
Capital grants	(15,872)	(26,090)	(20,026)	(14,589)	(19,340)
Revenue	(7,842)	(17,405)	(600)	0	0
<b>Net financing need for the year</b>	<b>15,852</b>	<b>35,521</b>	<b>55,464</b>	<b>32,877</b>	<b>8,685</b>

2.1.5 All other performance indicators included within this report are based on the above capital estimates.

## 2.2 The Council's Borrowing Need (the Capital Financing Requirement)

2.2.1 The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure above, which has not immediately been paid for, will increase the CFR.

2.2.2 The CFR does not increase indefinitely, as both minimum revenue provision (MRP) which is a statutory annual revenue charge and voluntary revenue provision (VRP) which broadly reduces the borrowing need in line with each assets life.

2.2.3 The CFR includes other long term liabilities (e.g. Private Finance Initiative (PFI) schemes, finance leases). Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility and so the Council is not required to separately borrow for these schemes. The Council currently has £271m of such schemes within the CFR, decreasing to £266m in 2015/16.

**Table 3 Capital Financing Requirement (CFR)**

	2013/14 Actual £'000	2014/15 Estimate £'000	2015/16 Estimate £'000	2016/17 Estimate £'000	2017/18 Estimate £'000
<b>Capital Financing Requirement</b>					
CFR	479,699	534,730	572,382	582,022	567,767
CFR - housing					
<b>Total CFR</b>	<b>479,699</b>	<b>534,730</b>	<b>572,382</b>	<b>582,022</b>	<b>567,767</b>
<b>Movement in CFR</b>	<b>13,297</b>	<b>55,031</b>	<b>37,651</b>	<b>9,640</b>	<b>(14,255)</b>
<b>Movement in CFR represented by</b>					
Net financing need for the year (above)	15,852	35,521	55,464	32,877	8,685
PFI Additions	19,713	38,840	3,737	0	0
Less MRP/VRP and other financing movements	(22,268)	(19,329)	(21,550)	(23,237)	(22,940)
<b>Movement in CFR</b>	<b>13,297</b>	<b>55,031</b>	<b>37,651</b>	<b>9,640</b>	<b>(14,255)</b>

## 2.3 Minimum revenue provision (MRP) policy statement

2.3.1 The Council is required to pay off an element of the accumulated capital spend each year (the CFR) through a revenue charge, the minimum revenue provision, to

the income and expenditure account. The Council is also allowed to undertake additional voluntary payments if required (voluntary revenue provision - VRP).

- 2.3.2 Department for Communities and Local Government (CLG) regulations require the full **MRP Statement** in advance of each year to be decided upon and reported to Council. The Council has to ensure that the chosen options are prudent.
- 2.3.3 For capital expenditure incurred before 1 April 2008 or which in the future will be Supported Capital Expenditure, the MRP policy will follow existing practice outlined in former CLG regulations. This sets aside 4% each year of the Council's Capital Financing Requirement less an adjustment for changes to regulations. This historic approach will continue for all capital expenditure incurred in the years before the change was introduced.
- 2.3.4 From 1 April 2008 for all unsupported borrowing, referred to as prudential borrowing the MRP policy will be the Asset Life Method. MRP will be based on the estimated life of the assets, in accordance with the regulations issued by CLG. The calculation of the provision will either be the annuity method or equal instalments method depending on which is most appropriate. Furthermore, where appropriate provision for MRP will commence upon the completion of assets rather than when expenditure is incurred.
- 2.3.5 Repayments included in annual PFI or finance leases are applied as MRP.
- 2.3.6 The Council currently operates a Local Authority Mortgage Scheme (LAMS) using the cash backed option. The mortgage lenders require a five year deposit from the Local Authority to match the five year life of the indemnity. The deposit placed with the mortgage lender provides an integral part of the mortgage lending, and is treated as capital expenditure and a loan to a third party. The Capital Financing Requirement (CFR) will increase by the amount of the total indemnity. The cash advance is due to be returned in full at maturity, with interest paid annually. Once the cash advance matures and funds are returned to the Local Authority, the returned funds are classed as a capital receipt, which will be applied to reduce the CFR. As this is a temporary (five years) arrangement and the funds will be returned in full, there is no need to set aside prudent provision to repay the debt liability in the interim period, so there is no MRP application.

## 2.4 Affordability prudential indicators

- 2.4.1 The previous sections cover the overall capital programme and control of borrowing prudential indicators, but within this framework, prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances. Council is asked to approve the following indicators:
  - a) Ratio of financing costs to net revenue stream.  
This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream. The estimates of financing costs include current commitments and the proposals in this report.

**Table 4 Ratio of net financing cost to net revenue stream**

	2013/14 Actual	2014/15 Forecast	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
General Fund excluding DSG	14.10%	14.95%	18.62%	22.03%	23.52%

Table 4 above includes financing costs in relation to PFI schemes, for which the Council receives PFI grant direct from Central Government and therefore the above figures would reduce with the exclusion of PFI income and expenditure i.e. the Council's financing costs requiring funding from the council tax base.

b) Incremental impact of new capital investment decisions on council tax

Table 5 identifies the revenue costs associated with proposed changes to the capital programme recommended in the report for 2015/16 compared to the Council's existing approved commitments and current plans. The assumptions are based on the budget, but will invariably include some estimates, such as the level of Government support, which are not published over a five year period. The indicators in tables 4 and 5 will change with any variation in the profile of expenditure.

**Table 5 Incremental impact of new capital investment decisions on band D council tax**

	2013/14 Actual	2014/15 Forecast	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
Increase in council tax (Band D)	£14.45	£26.98	£57.44	£86.10	£50.56

2.4.2 The above calculation is based on Band D equivalent properties, using the proposed tax base for 2015/16 of 53,401 properties.

2.5 Borrowing

2.5.1 The capital expenditure plans set out in section 2.1 provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury and prudential indicators, the current and projected debt positions and the annual investment strategy.

Current portfolio position

2.5.2 The Council's treasury portfolio position at 31 March 2015, with forward projections is summarised below. Table 6 shows the actual external debt (the treasury

management operations), against the underlying capital borrowing need (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

2.5.3 Table 6 shows the forecast position of gross borrowing as at 31<sup>st</sup> March 2015 at £443,853k and an under borrowed position of £90,877k. Council is asked to note the expected year end position.

**Table 6 Current & Forecast Treasury Portfolio**

	2013/14 Actual £'000	Forecast position as at 31/3/15 £'000	2015/16 Estimate £'000	2016/17 Estimate £'000	2017/18 Estimate £'000
<b>External Debt</b>					
Debt @ 1st April	148,425	148,117	173,117	216,117	234,617
Expected change in debt	(309)	25,000	43,000	18,500	0
Other long-term liabilities	240,600	248,003	270,736	266,141	258,022
Expected change in OLTL*	7,403	22,733	(4,595)	(8,118)	(6,849)
<b>Actual gross debt at 31 March</b>	<b>396,120</b>	<b>443,853</b>	<b>482,257</b>	<b>492,639</b>	<b>485,790</b>
<b>The Capital Financing Requirement</b>	<b>479,699</b>	<b>534,730</b>	<b>572,382</b>	<b>582,022</b>	<b>567,767</b>
<b>Under / (over) borrowing</b>	<b>83,579</b>	<b>90,877</b>	<b>90,125</b>	<b>89,383</b>	<b>81,977</b>

\* Other Long Term Liabilities (OLTL)

2.5.4 Table 6 above shows the Council will need to take out significant borrowings during 2015/16 to 2017/18 if the capital programme spends in accordance with the anticipated profile. The borrowing requirement is a key influence over the borrowing strategy as set out in section 2.9. However, the Council has not yet needed to take out additional borrowing and the timing of the borrowing is being closely monitored

2.5.5 Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2015/16 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes. It is clear from the table above that the Council's gross borrowing position is well within these limits.

2.5.6 The Council has complied with this prudential indicator in the current year and does not envisage difficulties in the future. This view takes into account current commitments, existing plans, and the proposals in this report.



## 2.6 Treasury Limits for 2015/16 to 2017/18

2.6.1 The Council is required to determine its operational boundary and authorised limit for external debt for the next three years.

### Operational boundary

2.6.2 The proposed operational boundary for 2015/16 to 2017/18 is set out in Table 7 below. The boundary reflects the maximum anticipated level of external debt consistent with budgets and forecast cash flows, and the capital financing requirement. This boundary will be used as a management tool for ongoing monitoring of external debt, and may be breached temporarily due to unusual cash flow movements. However a sustained or regular trend above the operational boundary should trigger a review of both the operational boundary and the authorised limit.

**Table 7 Operational Boundary**

<b>Operational boundary</b>	<b>2014/15 Forecast £'000</b>	<b>2015/16 Estimate £'000</b>	<b>2016/17 Estimate £'000</b>	<b>2017/18 Estimate £'000</b>
Borrowing	280,000	325,000	345,000	335,000
Other long term liabilities	280,000	275,000	270,000	260,000
<b>Total</b>	<b>560,000</b>	<b>600,000</b>	<b>615,000</b>	<b>595,000</b>

### Authorised limit

2.6.3 A further key prudential indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all Councils' plans, or those of a specific Council, although this power has not yet been exercised.

Council is asked to note the following authorised limit:

**Table 8 Authorised Limit**

<b>Authorised limit</b>	<b>2014/15 Forecast £'000</b>	<b>2015/16 Estimate £'000</b>	<b>2016/17 Estimate £'000</b>	<b>2017/18 Estimate £'000</b>
Borrowing	300,000	345,000	365,000	355,000
Other long term liabilities	290,000	285,000	280,000	270,000
<b>Total</b>	<b>590,000</b>	<b>630,000</b>	<b>645,000</b>	<b>625,000</b>

## 2.7 Prospects for Interest Rates

2.7.1 The Council has appointed Capita Asset Services as its Treasury Advisor and part of its service is to assist the Council to formulate a view on interest rates. Appendix 1 draws together a number of current City forecasts for short term (Bank Rate) and longer fixed interest rates. The following table gives the Capita Asset Services view to March 2018.

**Table 9 Interest Rate Forecast**

Annual Average %	Bank Rate %	PWLB Borrowing Rates % (including certainty rate adjustment)		
		5 year	25 year	50 year
Mar 2015	0.50	2.10	3.30	3.30
Jun 2015	0.50	2.20	3.40	3.40
Sep 2015	0.50	2.30	3.60	3.60
Dec 2015	0.50	2.50	3.80	3.80
Mar 2016	0.75	2.60	3.90	3.90
Jun 2016	0.75	2.70	4.00	4.00
Sep 2016	1.00	2.80	4.20	4.20
Dec 2016	1.25	3.00	4.30	4.30
Mar 2017	1.25	3.10	4.40	4.40
Jun 2017	1.50	3.20	4.50	4.50
Sep 2017	1.50	3.30	4.60	4.60
Dec 2017	1.75	3.40	4.60	4.60
Mar 2018	2.00	3.50	4.70	4.70

2.7.2 UK Gross Domestic Product (GDP) growth surged during 2013 and 2014 but cooled somewhat towards the end of 2014. However, growth is expected to regain stronger momentum during 2015 and 2016 under the stimulative effect of the sharp fall in oil prices and inflation potentially falling into negative territory, but anyway being near to zero until towards the end of 2015. Combined with a significant rise in average wage rates, this is expected to lead to consumer disposable income rising by around 3.5% in 2015. This would therefore strengthen consumer expenditure without much downside to the savings ratio.

2.7.3 There needs to be a significant rebalancing of the economy away from consumer spending to manufacturing, business investment and exporting in order for this recovery to become more firmly established.

2.7.4 The Bank of England February Inflation Report drew attention to the falling level of unemployment and the reduction of spare capacity or slack in the economy. This is expected to feed through into an increase in pressure for wage increases and together with the sharp fall in the price of oil starting to fall out of the twelve month calculation of Consumer Price Inflation (CPI) in quarter 4 of 2015, is expected to result in a sharp rise in inflation from near zero in that quarter and also onward into 2016.

- 2.7.5 The US, the biggest world economy, has generated stunning growth rates of 4.6% (annualised) in quarter 2 2014 and 5.0% in quarter 3, followed by a cooler 2.6% in quarter 4 (overall 2.4% for 2014 as a whole). This is hugely promising for the outlook for strong growth going forwards and it very much looks as if the US is now firmly on the path of full recovery from the financial crisis of 2008.
- 2.7.6 Consequently, it is now confidently expected that the US will be the first major western economy to start on central rate increases by the end of 2015.
- 2.7.7 The current economic outlook and structure of market interest rates and government debt yields have several key treasury management implications:
- Greece: the general election on 25 January 2015 brought to power a coalition which is strongly anti EU imposed austerity. However, if this should eventually result in Greece leaving the Euro, it is unlikely that this will directly destabilise the Eurozone as the EU has put in place adequate firewalls to contain the immediate fallout to just Greece. However, the indirect effects of the likely strengthening of anti EU and anti austerity political parties throughout the EU is much more difficult to gauge;
  - As for the Eurozone in general, concerns in respect of a major crisis subsided considerably in 2013. However, the downturn in growth and inflation during the second half of 2014, and worries over the Ukraine situation and the Middle East, have led to a resurgence of those concerns as risks increase that it could be heading into deflation and prolonged very weak growth.
  - Sovereign debt difficulties have not gone away and major concerns could return in respect of individual countries that do not dynamically address fundamental issues of low growth, international uncompetitiveness and the need for overdue reforms of the economy (as Ireland has done). It is, therefore, possible over the next few years that levels of government debt to GDP ratios could continue to rise to levels that could result in a loss of investor confidence in the financial viability of such countries. Counterparty risks therefore remain elevated. This continues to suggest the use of higher quality counterparties for shorter time periods;
  - Investment returns are likely to remain relatively low during 2015/16 and beyond;
  - Borrowing interest rates have been volatile during 2014 and early 2015 as alternating bouts of good and bad news have promoted optimism, and then pessimism, in financial markets. The opening weeks of 2015 saw gilt yields dip to historically phenomenally low levels after inflation plunged, a flight to quality as a result of the Greek situation and the start of a huge programme of quantitative easing (purchase of EZ government debt), by the ECB in January 2015.
  - The policy of avoiding new borrowing by running down spare cash balances has served well over the last few years. However, this needs to be carefully reviewed to avoid incurring higher borrowing costs in later times, when authorities will not be able to avoid new borrowing to finance new capital expenditure and/or to refinance maturing debt;

- There will remain a cost of carry to any new borrowing which causes an increase in investments as this will incur a revenue loss between borrowing costs and investment returns.

## 2.8 Public Works Loan Board (PWLB) rates

2.8.1 PWLB rates are expected to gradually increase during the year and continue to do so for the next three years. Rates on loans of less than ten years duration are expected to be substantially lower than longer term PWLB rates offering a range of options for new borrowing which will spread debt maturities away from a concentration in long dated debt. There is likely to be little or no difference between 25 year and 50 year rates thus loans in the 25-30 year periods could be seen as being more attractive than 50 year borrowing as the spread between the PWLB new borrowing and early repayment rates is considerably less.

## 2.9 Borrowing strategy

2.9.1 The factors that influence the 2015/16 strategy are: -

- The increasing Capital Financing Requirement as per Table 3
- Impending Option dates on £59m of Lender Option Borrower Option loans (LOBO's) in 2015/16
- The interest rate forecasts (as included in Table 9)
- Aiming to minimise revenue costs to minimise the impact on Council Tax.
- The impact of the Council's Investment Programme

2.9.2 The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is high, however as interest rates are low, consideration will be given to taking advantage of this by securing fixed rate funding and reducing the under borrowed position.

2.9.3 Against this background and the risks within the economic forecast, caution will be adopted with the 2015/16 treasury operations. The Treasury Management team will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances so that:

- if it was considered that there was a significant risk of a sharp fall in long and short term rates (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowings will be postponed,

and potential rescheduling from fixed rate funding into short term borrowing will be considered.

- if it was considered that there was a significant risk of a much sharper rise in long and short term rates than that currently forecast, perhaps arising from a greater than expected increase in the anticipated rate to US tapering of asset purchases, or in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised with the likely action that fixed rate funding will be drawn whilst interest rates are still lower than they will be in the next few years.

2.9.4 The gross borrowing requirement in Table 6 shows, based on current estimates, that the Council will need to take out a significant amount of new borrowings, to support the capital programme. Any new borrowing taken out will be completed with regard to the limits, indicators and interest rate forecasts set out above.

2.9.5 During 2015/16, £59m of LOBO (Lender Option Borrower Option) debt will reach the option renewal date. Table 10 sets out the maturity structure of fixed rate debt. At the renewal date the loans will either:

- Move to the option rate of interest, which in all cases will be the same as the current rate or:
- Be offered at a rate above the option rate, in which case the Council has the option to repay. This would then require re-financing at the prevailing market rates. Based on current interest rates it is not anticipated that these loans will require re-financing.

2.9.6 The latest 2014/15 capital programme now shows anticipated prudential borrowing of £35.521m with £55.464m in 2015/16 and £32.877m in 2016/17. These figures have been reflected in this report and factored into the borrowing strategy for 2015/16 and future years. As highlighted earlier some of this is to be financed by external income streams.

## 2.10 Treasury Management Prudential Indicators – Limits on Activity

2.10.1 There are three debt related treasury activity limits. The purpose of these are to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive they will impair the opportunities to reduce costs and, or improve performance. The indicators are:

- Upper limits on variable interest rate exposure. This identifies a maximum limit for variable interest rates based upon the debt position net of investments
- Upper limits on fixed interest rate exposure. This is similar to the previous indicator and covers a maximum limit on fixed interest rates;
- Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

2.10.2 Council is asked to approve the limits on interest rate exposures:

**Table 10 - Limits on Interest rate exposures**

	2015/16 £'000	2016/17 £'000	2017/18 £'000
Upper Limit on Fixed Interest Rate Exposure	100%	100%	100%
Upper Limit on Variable Interest Rate Exposure	30%	30%	30%

2.10.3 Table 11 below sets out the proposed upper and lower limits on maturity structure of fixed rate debt, for 2015/16. The maturity structure guidance of LOBO's (Lender Option Borrower Option) changed in the 2011 guidance notes, the call date is now deemed to be the maturity date. LOBO's are classed as fixed rate debt until the call date. Within the next 12 months 2015/16 up to 47% of LOBO debt will reach its call date, however it is not anticipated that these loans will be called by the lending institutions and require refinancing.

**Table 11 Upper and lower limits on maturity structure of fixed rate debt**

Maturity Structure of fixed interest rate debt	2015/16	
	Upper Limit	Lower Limit
Under 12 months	40%	0%
12 months and within 24 months	15%	0%
24 months and within 5 years	30%	0%
5 years and within 10 years	5%	0%
10 years and above	100%	40%

## 2.11 Policy on Borrowing in Advance of Need

2.11.1 The Council will not borrow more than or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

2.11.2 Risks associated with any borrowing in advance of activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

## 2.12 Debt Rescheduling

2.12.1 As short term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).

2.12.2 The reasons for any rescheduling to take place will include:

- the generation of cash savings and/ or discounted cash flow savings;
- helping to fulfil the treasury strategy;
- enhancing the balance of the portfolio (amending the maturity profile and/or the balance of volatility).

2.12.3 Consideration will also be given to identifying if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.

2.12.4 All rescheduling will be reported to Cabinet and Council at the earliest meeting following its action.

2.13 Local Capital Finance Company (originally Municipal Bond Agency)

2.13.1 It is likely that Local Capital Finance Company, currently in the process of being set up, will be offering loans to local authorities in the near future. It is also hoped that the borrowing rates will be lower than those offered by the Public Works Loan Board (PWLb).

2.13.2 The Council has currently invested £100k in the Company and intends to make use of this new source of borrowing as and when appropriate.

2.14 Annual investment strategy

Changes to credit rating methodology

2.14.1 The main rating agencies (Fitch, Moody's and Standard & Poor's) have, through much of the financial crisis, provided some institutions with a ratings "uplift" due to implied levels of sovereign support. More recently, in response to the evolving regulatory regime, the agencies have indicated they may remove these "uplifts". This process may commence during 2014/15 and, or 2015/16. The actual timing of the changes is still subject to discussion, but this does mean immediate changes to the credit methodology are required.

2.14.2 It is important to stress that the rating agency changes do not reflect any changes in the underlying status of the institution or credit environment, merely the implied level of sovereign support that has been built into ratings through the financial crisis. The eventual removal of implied sovereign support will only take place when the regulatory and economic environments have ensured that financial institutions are much stronger and less prone to failure in a financial crisis.

2.14.3 Both Fitch and Moody's provide "standalone" credit ratings for financial institutions. For Fitch, it is the Viability Rating, while Moody's has the Financial Strength Rating. Due to the future removal of sovereign support from institution assessments, both agencies have suggested going forward that these will be in

line with their respective Long Term ratings. As such, there is no point monitoring both Long Term and these “standalone” ratings.

- 2.14.4 Furthermore, Fitch has already begun assessing its Support ratings, with a clear expectation that these will be lowered to 5, which is defined as “A bank for which there is a possibility of external support, but it cannot be relied upon.” With all institutions likely to drop to these levels, there is little to no differentiation to be had by assessing Support ratings.
- 2.14.5 As a result of these rating agency changes, the credit element of our future methodology will focus solely on the Short and Long Term ratings of an institution. Rating Watch and Outlook information will continue to be assessed where it relates to these categories. This is the same process for Standard & Poor’s that we have always taken, but a change to the use of Fitch and Moody’s ratings. Furthermore, we will continue to utilise Credit Default Swap (CDS) prices as an overlay to ratings in our new methodology.

#### Investment Policy

- 2.14.6 The Council’s investment policy has regard to the Department for Communities and Local Government (CLG’s) Guidance on Local Government Investments (“the Guidance”) and the 2011 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes (“the CIPFA TM Code”). The Council’s investment priorities are:
- firstly, the security of capital
  - secondly, the liquidity of it’s investments
  - thirdly, the optimum return on its investments comensurate with proper levels of security and liquidity
  - finally, ethical Investments.
- 2.14.7 In accordance with the above guidance from the CLG and CIPFA, and in order to minimise the risk to investments, the Council applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoids risk concentration.
- 2.14.8 Continuing regulatory changes in the banking sector are designed to see greater stability, lower risk and the removal of expectations of Government financial support should an institution fail. This withdrawal of implied sovereign support is anticipated to have an effect on ratings applied to institutions. This will result in the key ratings used to monitor counterparties being the Short Term and Long Term ratings only. Viability, Financial Strength and Support Ratings previously applied will effectively become redundant. This change does not reflect deterioration in the credit environment but rather a change of method in response to regulatory changes.
- 2.14.9 As with previous practice, ratings will not be the sole determinant of the quality of an institution and that it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To this end the



Council will engage with its advisors to maintain a monitor on market pricing such as “credit default swaps” and overlay that information on top of the credit ratings.

2.14.10 Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

2.14.11 Investment instruments identified for use in the financial year are detailed below under the ‘specified’ and ‘non-specified’ investments categories.

Specified Investments

2.14.12 The table below sets out the specified investments. These are sterling denominated with maturities less than 364 days, meeting the minimum ‘high’ rating criteria where applicable.

**Table 12 Specified Investments**

Type of Investment	Minimum credit criteria / colour band	Max. maturity period
Debt Management Account Deposit Fund – UK Government (Debt Management Office)	N/A	6 months
UK Government gilts	UK sovereign rating	1 year
UK Government Treasury bills	UK sovereign rating	1 year
Money market funds	AAA	Liquid
Enhanced money market funds	AAA	Liquid
Public Sector Bodies	N/A	1 year
Term deposits with banks and building societies	Blue	1 year
	Orange	1 year
	Red	6 Months
	Green	100 days
	No Colour	Not for use
CDS or corporate bonds with banks and building societies	Blue	1 year
	Orange	1 year
	Red	6 Months
	Green	100 days
	No Colour	Not for use
Corporate bond funds	N/A	1 year

Gilt funds	UK sovereign rating	1 year
Property funds	N/A	1 year

Non Specified investments

2.14.13 The table below lists some of the non-specified investments. These are investments which do not meet the specified investment criteria detailed above in Table 12.

**Table 13 Non specified investments**

Type of Investment	Minimum credit criteria / colour band	Max. maturity period
UK Government gilts	UK sovereign rating	2 years
UK Government Treasury bills	UK sovereign rating	2 years
Public Sector Bodies	N/A	5 years
Term deposits with banks and building societies	Yellow	5 years
	Purple	2 years
	No Colour	Not for use
CDS or corporate bonds with banks and building societies	Yellow	5 years
	Purple	2 years
	No Colour	Not for use
Corporate bond funds	N/A	2 year
Gilt funds	UK sovereign rating	2 year
Municipal Bonds Agency	N/A	N/A
Property funds	N/A	3 Years

2.14.14 As highlighted above (2.3.6), the Council participates in the Local Authority Mortgage Scheme. Under this scheme the Council has placed funds of £2m, with Lloyds TSB, for a period of 5 years. This is classed as being a service investment rather than a treasury management investment, and is also outside the specified / non specified categories.

## 2.15 Creditworthiness policy

2.15.1 Oldham Council applies the creditworthiness service provided by Capita Asset Services Treasury Advisors. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moodys and Standard and Poor. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- Credit Default Swap (CDS) spreads to give early warning of likely changes in credit ratings;
- sovereign ratings to select counterparties from only the most creditworthy countries.

2.15.2 This modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the duration for investments.

2.15.3 Institutions are split into colour bandings and the Council will therefore use counterparties within these colours, durational bands and investment limits. Table 14 below shows these limits.

**Table 14 Investment Criteria**

Capital Colour Band	Maximum Duration	Maximum Principal Invested £
Yellow (Note 1)	5 Years	£10m
Dark Pink (Note 2)	5 Years	£10m
Light Pink (Note 3)	5 Years	£10m
Purple	2 Years	£20m
Blue (Note 4)	1 Year	£20m
Orange (Note 5)	1 Year	£15m
Red	6 months	£10m
Green	100 days	£10m
No Colour	Not to be used	Not to be used

Note 1 – Includes Public Sector Bodies

Note 2 – Enhanced money market funds (EMMF) with a credit score of 1.25

Note 3 - Enhanced money market funds (EMMF) with a credit score of 1.5

Note 4 – Blue Institutions only applies to nationalised or semi nationalised UK Banks, which are currently:

- Lloyds Banking Group – Lloyds and Bank of Scotland.
- RBS Group – Royal Bank of Scotland, Natwest Bank and Ulster Bank.

Note 5 - Includes the Council's banking provider, if it currently falls into category below this colour band.

- 2.15.4 The Capita Asset Services creditworthiness service uses a wider array of information than just primary ratings and by using a risk weighted scoring system, does not give undue preponderance to just one agency's ratings.
- 2.15.5 Typically the minimum credit ratings criteria the Council use will be a Short Term rating (Fitch or equivalent) of F1 and a Long Term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.
- 2.15.6 All credit ratings will be monitored on a daily basis. The Council is alerted to changes to ratings of all three agencies through its use of the Capita Asset Services Treasury Advisory creditworthiness service.
- if a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn or notice given to withdraw immediately.
  - in addition to the use of credit ratings the Council will be advised of information in movements in Credit Default Swap against the iTraxx benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.
- 2.15.7 Sole reliance will not be placed on the use of this external service. In addition the Council will also use market data and market information, information on Government support for banks and the credit ratings of that supporting Government.
- 2.16 Country Limits
- 2.16.1 It is not proposed to restrict the Council's investment policy to only UK banks and building societies, however in addition to the credit rating criteria set out above consideration will be given to the sovereign rating of the country before any investment is made.
- 2.16.2 In February 2013 the UK lost its AAA rating and moved to an AA+ rating. The Council will continue to invest with UK Banks, providing the individual institutions still meet the relevant criteria
- 2.16.3 The Council has determined that it will only use approved counterparties from non UK countries with a minimum sovereign credit rating of AAA from Fitch (or equivalent). The list of countries that qualify using this credit criteria as at the date of this report are shown in Appendix 3. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy, therefore for illustrative purposes the appended list is extended to also show AA+ i.e. the countries currently assessed to be in the rating below those that currently qualify.

## 2.17 Investment Strategy

2.17.1 Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). The Council currently has investments totalling £15m which span the financial year as shown in Table 15. These investments are either current as at February 2015 or forward deals that commence in the new financial year 2015/16.

**Table 15 Investments maturing in 2015/16**

Counterparty	Amount	Maturity Date	Rate
Leeds Building Society	£5,000,000	30/04/2015	0.50%
Bank of Scotland	£5,000,000	11/05/2015	0.70%
Bank of Scotland	£5,000,000	04/06/2015	0.70%
Grt London Authority (GLA)	£5,000,000	15/10/2015	0.90%

2.17.2 The Bank Rate is forecast to remain unchanged at 0.50% before starting to rise from quarter 1 of 2016. Bank rates forecasts for financial year ends are:

- 2015/16 0.75%
- 2016/17 1.25%
- 2017/18 2.00%

2.17.3 There are downside risks to these forecasts (i.e. the start of increases in Bank Rate occurs later) if economic growth weakens. However, should the pace of growth quicken, there could be an upside risk.

2.17.4 The Council looks to achieve a return on its investment greater than the London Interbank Bid Rate (LIBID). It will benchmark investment returns both on 7 day LIBID and 3 month LIBID multiplied by 5%. Forecast LIBID rates can be seen in Appendix 1.

2.17.5 The Council will maintain sufficient cash reserves to give it its necessary liquidity and may place investments for up to 5 years if the cash flow forecast allows and the credit rating criteria is met.

2.17.6 The Council will avoid locking into longer term deals i.e., “more than 364 days” while investment rates are down at historically low levels unless attractive rates are available with counterparties of particularly high creditworthiness which make longer term deals worthwhile and within the risk parameters set by the Council.

2.17.7 For daily cash management, the Council will seek to utilise its business reserve instant access accounts, 15 and 30 day accounts, money market funds and short-dated deposits (overnight to 100 days) in order to benefit from the compounding of interest.

## Investment Treasury Indicator and Limit

- 2.17.8 This indicator looks at total principal funds invested for greater than 364 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of investment, and are based on the availability of funds after each year end.

**Table 16 – Maximum principal sum invested greater than 364 days**

	2015/16	2016/17	2017/18
Principal sums invested > 364 days	£20m	£20m	£20m

## 2.18 Investment Risk Benchmarking

- 2.18.1 These benchmarks are simple guides to maximum risk, so they may be breached from time to time, depending on movements in interest rates and counterparty criteria. The purpose of the benchmark is that officers will monitor the current and trend position and amend the operational strategy to manage risk as conditions change. Any breach of the benchmarks will be reported, with supporting reasons in the mid-year or Annual Report.

Liquidity – in respect of this area the Council seeks to maintain:

- Bank overdraft facility £2m
- Liquid short term deposits of at least £10m available with a week's notice.

Yield - local measures of yield benchmarks are

- Investments – internal returns above the 7 day LIBID rate multiplied by 5%
- Investments – internal returns above the 3 month LIBID rate multiplied by 5%

- 2.18.2 At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report, which is in accordance with required practice and is presented to Council and Cabinet for approval.

## 3 Options/Alternatives

- 3.1 In order that the Council complies with the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management the Council has no option other than to consider and approve the contents of the report. Therefore no options/alternatives have been presented. The role of Cabinet is to approve the proposed Treasury Management Strategy to ensure that the document that the Council is approving is robust and enables the financial position of the Council to be safeguarded.

## 4 Preferred Option

- 4.1 The preferred option is that the contents of the report are approved by Council

**5 Consultation**

5.1 There has been consultation with Capita Asset Services, Treasury Management Advisors, the Overview and Scrutiny Performance and Value for Money Select Committee at its meeting on 22nd January 2015. The report was approved by Cabinet on 16th February 2015.

**6 Financial Implications**

6.1 All included in the report.

**7 Legal Services Comments**

7.1 None

**8 Cooperative Agenda**

8.1 The treasury management strategy embraces the Council's cooperative agenda. The Council will develop its investment framework to ensure it complements the cooperative ethos of the Council.

**9 Human Resources Comments**

9.1 None

**10 Risk Assessments**

10.1 There are considerable risks to the security of the Authority's resources if appropriate treasury management strategies and policies are not adopted and followed. The Council has established good practice in relation to treasury management which have previously been acknowledged in the External Auditors' Annual Governance Report presented to the Audit Committee.

**11 IT Implications**

11.1 None

**12 Property Implications**

12.1 None

**13 Procurement Implications**

13.1 None

**14 Environmental and Health & Safety Implications**

14.1 None

**15 Equality, community cohesion and crime implications**

15.1 None

**16 Equality Impact Assessment Completed?**

16.1 No

**17 Equality Impact Assessment Completed?**

17.1 No

**18 Key Decision**

18.1 Yes

**19 Forward Plan Reference**

19.1 CFHR -14 - 22

**20 Background Papers**

20.1 The following is a list of background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents which would disclose exempt or confidential information as defined by the Act:

File Ref:	Background papers are provided in Appendices 1 - 6
Officer Name:	Anne Ryans
Contact No:	0161 770 4902

**21 Appendices**

Appendix 1	Capita Asset Services - Treasury Advisor's Interest Rate Forecast 2015-18
Appendix 2	Economic Background
Appendix 3	Approved Countries for Investments
Appendix 4	Treasury Management Scheme of Delegation
Appendix 5	Treasury Management Role of the S151 Officer
Appendix 6	Treasury Management Indicators



## Appendix 1 – Capita Asset Services Interest rate forecast 2015 – 2018

PWLB rates and forecast shown below have taken into account the 20 basis point certainty rate reduction effective as of the 1st November 2012

<b>Capita Asset Services Interest Rate View</b>													
	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18
<b>Bank Rate View</b>	0.50%	0.50%	0.50%	0.50%	0.75%	0.75%	1.00%	1.25%	1.25%	1.50%	1.50%	1.75%	2.00%
3 Month LIBID	0.50%	0.50%	0.50%	0.60%	0.80%	0.90%	1.10%	1.30%	1.40%	1.50%	1.80%	1.90%	2.10%
6 Month LIBID	0.70%	0.70%	0.70%	0.80%	1.00%	1.10%	1.30%	1.50%	1.60%	1.70%	2.00%	2.10%	2.30%
12 Month LIBID	0.90%	1.00%	1.00%	1.10%	1.30%	1.40%	1.60%	1.80%	1.90%	2.00%	2.30%	2.40%	2.60%
5yr PWLB Rate	2.10%	2.20%	2.30%	2.50%	2.60%	2.70%	2.80%	3.00%	3.10%	3.20%	3.30%	3.40%	3.50%
10yr PWLB Rate	2.70%	2.80%	3.00%	3.10%	3.20%	3.40%	3.50%	3.60%	3.70%	3.80%	3.90%	4.00%	4.10%
25yr PWLB Rate	3.30%	3.40%	3.60%	3.80%	3.90%	4.00%	4.20%	4.30%	4.40%	4.50%	4.60%	4.60%	4.70%
50yr PWLB Rate	3.30%	3.40%	3.60%	3.80%	3.90%	4.00%	4.20%	4.30%	4.40%	4.50%	4.60%	4.60%	4.70%
<b>Bank Rate</b>													
Capita Asset Services	0.50%	0.50%	0.50%	0.50%	0.75%	0.75%	1.00%	1.25%	1.25%	1.50%	1.50%	1.75%	2.00%
Capital Economics	0.50%	0.50%	0.75%	0.75%	1.00%	1.00%	1.25%	1.25%	-	-	-	-	-
<b>5yr PWLB Rate</b>													
Capita Asset Services	2.10%	2.20%	2.30%	2.50%	2.60%	2.70%	2.80%	3.00%	3.10%	3.20%	3.30%	3.40%	3.50%
Capital Economics	1.80%	2.05%	2.30%	2.55%	2.80%	2.80%	3.05%	3.05%	-	-	-	-	-
<b>10yr PWLB Rate</b>													
Capita Asset Services	2.70%	2.80%	3.00%	3.10%	3.20%	3.40%	3.50%	3.60%	3.70%	3.80%	3.90%	4.00%	4.10%
Capital Economics	2.30%	2.55%	2.55%	2.80%	3.05%	3.05%	3.30%	3.30%	-	-	-	-	-
<b>25yr PWLB Rate</b>													
Capita Asset Services	3.30%	3.40%	3.60%	3.80%	3.90%	4.00%	4.20%	4.30%	4.40%	4.50%	4.60%	4.60%	4.70%
Capital Economics	2.95%	3.15%	3.15%	3.50%	3.90%	3.90%	4.15%	4.15%	-	-	-	-	-
<b>50yr PWLB Rate</b>													
Capita Asset Services	3.30%	3.40%	3.60%	3.80%	3.90%	4.00%	4.20%	4.30%	4.40%	4.50%	4.60%	4.60%	4.70%
Capital Economics	3.10%	3.30%	3.30%	3.60%	4.00%	4.00%	4.30%	4.30%	-	-	-	-	-

## **APPENDIX 2: Economic Background**

The UK economy cannot be considered in isolation and the impact of the financial and economic performance of other countries and groups of countries has a significant influence on the global economic position as well as that of the UK. This section of the report therefore sets out key issues relating the UK and other regions.

### **UK.**

After strong UK Gross Domestic (GDP) growth in 2013 at an annual rate of 2.7%, and then growth in 2014 of 0.6% in quarter 1, 0.8% quarter 2, 0.7% quarter 3 and 0.5% quarter 4 (annual rate for 2014 of 2.6%), growth is expected to gain increased momentum during 2015 and 2016 to annual rates of 2.9%, (2017 2.7%). This will be a response to two developments; firstly, the stimulative effect of the sharp fall in oil prices in quarter 4 of 2014 and then inflation potentially falling into negative territory during 2015, but anyway being near to zero until towards the end of the year. Secondly, due to an expected return to a significant rise in average wage rates due to the continuing fall in unemployment to about 5.5% by mid 2015, (the long run equilibrium level is 5.0%), and the further erosion of spare capacity, (slack), to about 0.5% of GDP. This is expected to lead to total consumer disposable income rising by no less than around 3.5% during quarter 3 2015. This would therefore strengthen consumer expenditure, but without much downside to the savings ratio.

However, for this recovery to become more balanced and sustainable in the longer term, the recovery still needs to move away from dependence on consumer expenditure and the housing market to exporting, and particularly of manufactured goods, both of which need to substantially improve on their recent lacklustre performance.

In addition, there has been a need for a major improvement in labour productivity, which has languished at dismal levels since 2008, to support longer term increases in pay rates and economic growth after the positive effect of the fall in oil prices dissipates. The February Inflation Report contained good news on that score that productivity was forecast to increase by just under 0.75% in the first three quarters of 2015.

The February Inflation Report also explained that the initial fall in the price of oil of over 50% would cause an overall reduction in CPI of about 0.8% in quarter 2 2015 and boost UK GDP by around 0.5% during the Monetary Policy Committees (MPC) three year forecast period.

It also forecast that the sharp fall in the price of oil and its knock on effects, would start falling out of the twelve month calculation of CPI inflation in quarter 4 of 2015. This is expected to result in a sharp rise in inflation from near zero in that quarter and also onward into 2016.

The report also mentioned a potential risk of deflation becoming embedded, which could then require remedial action by the MPC such as a cut in Bank Rate and / or further quantitative easing, This is viewed as being a small risk given the above expected sharp increase in inflationary pressures.

However, while inflation is at or near 0% for much of 2015, it is unlikely that the MPC would make a start on increasing Bank Rate. Market expectations for the first increase in

Bank Rate have therefore moved from quarter 3 2015 after the November 2014 report, to around mid year 2016 during February 2015.

However, the MPC is focused on where inflation will be over a 2 – 3 year time horizon so too much emphasis should not be placed on the short term inflation outlook, especially when the February report identified a slight increase in inflationary pressures on that time horizon to just above the 2% target.

This treasury management report is therefore based on a forecast of a first increase in Bank Rate in quarter 1 of 2016, though it would be quite possible for it to be in quarter 4 of 2015 if events were to turn out favourably in Greece, the EZ as a whole and elsewhere.

The return to strong growth has helped lower forecasts for the increase in Government debt over the last year but monthly public sector deficit figures during 2014 have disappointed, being only a fraction lower than the previous year through to December 2014.

The autumn statement, therefore, had to revise the speed with which the deficit is forecast to be eliminated. The flight to quality in January 2015 has seen gilt yields fall to incredibly low levels, which will reduce interest costs on new and replacement government debt.

### **Eurozone (EZ).**

The Eurozone is facing an increasing threat from weak or negative growth and from deflation. In January 2015, the inflation rate fell further, to reach a low of -0.6%. However, this is an average for all EZ countries and includes some countries with even higher negative rates of inflation.

Initially, the European Central Bank (ECB) took some rather limited action in June and September 2014 to loosen monetary policy in order to promote growth. As this failed to have much of a discernible effect, the ECB launched a massive €1.1 trillion programme of quantitative easing in January 2015 to buy up high credit quality government debt of selected EZ countries. This programme will run to September 2016.

Concern in financial markets for the Eurozone had subsided considerably after the prolonged crisis during 2011-2013. However, sovereign debt difficulties have not gone away and major issues could return in respect of any countries that do not dynamically address issues of low growth, international uncompetitiveness and the need for overdue reforms of the economy, (as Ireland has done).

It is, therefore, possible over the next few years that levels of government debt to GDP ratios could continue to rise for some countries. This could mean that sovereign debt concerns have not disappeared but, rather, have only been postponed. The ECB's pledge in 2012 to buy unlimited amounts of bonds of countries which ask for a bailout has provided heavily indebted countries with a strong defence against market forces. This has bought them time to make progress with their economies to return to growth or to reduce the degree of recession.

However, debt to GDP ratios (2013 figures) of Greece 180%, Italy 133%, Portugal 129%, Ireland 124% and Cyprus 112%, remain a cause for concern, especially as some of these countries are experiencing continuing rates of increase in debt in excess of their rate of economic growth i.e. these debt ratios are likely to continue to deteriorate.

Any sharp downturn in economic growth would make these countries particularly vulnerable to a new bout of sovereign debt crisis. It should also be noted that Italy has the third biggest debt mountain in the world behind Japan and the US.

**Greece:** the general election on 25 January 2015 has brought to power a coalition which is anti EU imposed austerity. Although it is not certain that Greece will leave the Euro, the recent intractability of the troika (the EU, ECB and the International Monetary Fund), to finding a negotiated compromise with the new Greek government leaves this as a real possibility. However, if Greece was to leave the EZ, it is unlikely that this will directly destabilise the Eurozone as the EU has put in place adequate firewalls to contain the immediate fallout to just Greece. Nevertheless, the indirect effects of the likely strengthening of anti EU and anti austerity political parties throughout the EU is much more difficult to gauge.

There are particular concerns as to whether democratically elected governments will lose the support of electorates suffering under EZ imposed austerity programmes, especially in countries which have high unemployment rates. Of particular concern is the fact that Spain and Portugal have general elections coming up in late 2015. This will give ample opportunity for anti austerity parties to make a big impact.

There are also major concerns as to whether the governments of France and Italy will effectively implement austerity programmes and undertake overdue reforms to improve national competitiveness. These countries already have political parties with major electoral support for anti EU and anti austerity policies. Any loss of market confidence in either of the two largest Eurozone economies, after Germany, would present a huge challenge to the resources of the ECB to defend their debt.

**USA.** The U.S. Federal Reserve ended its monthly asset purchases in October 2014. GDP growth rates (annualised) for quarter 2 of 4.6%, quarter 3 of 5.0% and quarter 4 of 2.6%, (overall 2.4% during 2014 as a whole), provides great promise for strong growth going forward. It is confidently forecast that the first increase in the Fed. rate will occur by the end of 2015.

**China.** Government action in 2014 to stimulate the economy almost succeeded in achieving the target of 7.5% growth but recent government statements have emphasised that growth going forward will slow marginally as this becomes the new normal for China.

There are concerns that the Chinese leadership has only just started to address an unbalanced economy, which is heavily over dependent on new investment expenditure, and for a potential bubble in the property sector to burst, as it did in Japan in the 1990s, with its consequent impact on the financial health of the banking sector. There are also concerns around the potential size, and dubious creditworthiness, of some bank lending to local government organisations and major corporates.

This primarily occurred during the government promoted expansion of credit, which was aimed at protecting the overall rate of growth in the economy after the Lehmans crisis.

**Japan.** Japan is causing considerable concern as the increase in sales tax in April 2014 has suppressed consumer expenditure and growth to the extent that it has slipped back into recession. The Japanese government already has the highest debt to GDP ratio in the world.

## **CAPITA ASSET SERVICES FORWARD VIEW**

Economic forecasting remains difficult with so many external influences weighing on the UK. Bank Rate forecasts, (and also MPC decisions), will be liable to further amendment depending on how economic data transpires over 2015. Forecasts for average earnings beyond the three year time horizon will be heavily dependent on economic and political developments. Major volatility in bond yields is likely to endure as investor fears and confidence ebb and flow between favouring more risky assets i.e. equities, or the safe haven of bonds.

The overall longer run trend is for gilt yields and PWLB rates to rise, due to the high volume of gilt issuance in the UK, and of bond issuance in other major western countries. Increasing investor confidence in eventual world economic recovery is also likely to compound this effect as recovery will encourage investors to switch from bonds to equities.

There has been exceptionally high volatility in gilt yields and PWLB rates during January and February 2015. It is likely that this trend could continue through 2015 and that there could be swings of 50 basis points, (0.50%), during even one quarter.

The overall balance of risks to economic recovery in the UK is currently evenly balanced. Only time will tell just how long this current period of strong economic growth will last; it also remains exposed to vulnerabilities in a number of key areas.

The interest rate forecasts in this report are based on an initial assumption that there will not be a major resurgence of the EZ debt crisis. There is an increased risk that Greece could end up leaving the Euro but if this happens, the EZ now has sufficient fire walls in place that a Greek exit would have little immediate direct impact on the rest of the EZ and the Euro.

It is therefore expected that there will be an overall managed, albeit painful and tortuous, resolution of any EZ debt crisis that may occur where EZ institutions and governments eventually do what is necessary - but only when all else has been tried and failed.

Under this assumed scenario, growth within the EZ will be weak at best for the next couple of years with some EZ countries experiencing low or negative growth, which will, over that time period, see an increase in total government debt to GDP ratios.

There is a significant danger that these ratios could rise to the point where markets lose confidence in the financial viability of one, or more, countries, especially if growth disappoints and / or efforts to reduce government deficits fail to deliver the necessary reductions.

However, it is impossible to forecast whether any individual country will lose such confidence, or when, and so precipitate a sharp resurgence of the EZ debt crisis. While the ECB has adequate resources to manage a debt crisis in a small EZ country, if one, or

more, of the larger countries were to experience a major crisis of market confidence, this would present a serious challenge to the ECB and to EZ politicians.

Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

- Geopolitical risks in Eastern Europe, the Middle East and Asia, increasing safe haven flows.
- UK strong economic growth is weaker than we currently anticipate.
- Weak growth or recession in the UK's main trading partners - the EU, US and China.
- A resurgence of the Eurozone sovereign debt crisis.
- Recapitalisation of European banks requiring more government financial support.
- Monetary policy action failing to stimulate sustainable growth and to combat the threat of deflation in western economies, especially the Eurozone and Japan.

The potential for upside risks to current forecasts for UK gilt yields and PWLB rates, especially for longer term PWLB rates include: -

- An adverse reaction by financial markets to the result of the UK general election in May 2015 and the economic and debt management policies adopted by the new government.
- The ECB severely disappointing financial markets with a programme of asset purchases which proves insufficient to significantly stimulate growth in the EZ.
- The commencement by the US Federal Reserve of increases in the Fed. funds rate in 2015, causing a fundamental reassessment by investors of the relative risks of holding bonds as opposed to equities and leading to a major flight from bonds to equities. There could also be a sharp fundamental reassessment of investments in the debt and equities of emerging countries which have chased higher yields during a prolonged period when yields and returns in western countries have been heavily suppressed; countries such as Brazil and Russia are already in recession and facing major economic and political challenges.
- UK inflation returning to significantly higher levels than in the wider EU and US, causing an increase in the inflation premium inherent to gilt yields.

## **APPENDIX 3: Approved countries for investments**

**February 2015**

### AAA

- Australia
- Canada
- Denmark
- Germany
- Luxembourg
- Norway
- Singapore
- Sweden
- Switzerland

### AA+

- Finland
- Hong Kong
- Netherlands
- U.K.
- U.S.A.

## **APPENDIX 4: Treasury management scheme of delegation**

The scheme of delegation is as follows:

### **(i) Full council is the responsible body for:**

- receiving and reviewing reports on treasury management policies, practices and activities;
- approval of annual strategy.
- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices;
- budget consideration and approval;
- approval of the division of responsibilities;
- receiving and reviewing regular monitoring reports and acting on recommendations;

### **(ii) Cabinet is the responsible body for:**

- reviewing the treasury management policy and procedures and making recommendations to the responsible body.

### **(iii) Audit Committee is responsible for scrutiny**

- reviewing the treasury management policy and procedures and making recommendations to the responsible body.



**APPENDIX 5: The treasury management role of the section 151 officer (Director of Finance)**

**The S151 (responsible) officer will discharge the treasury management role by:**

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers.

## Appendix 6 - TREASURY MANAGEMENT INDICATORS

Table 1 Prudential indicators	2013/14	2014/15	2015/16	2016/17	2017/18
	actual	probable out-turn	estimate	estimate	estimate
	£'000	£'000	£'000	£'000	£'000
<b>Capital Expenditure</b>					
General Fund	40,320	83,607	90,644	51,189	29,305
HRA	3,344	6,189	0	0	0
TOTAL	<b>43,664</b>	<b>89,796</b>	<b>90,644</b>	<b>51,189</b>	<b>29,305</b>
<b>In year Capital Financing Requirement (Including Long term Liabilities)</b>					
General Fund	13,297	55,031	37,651	9,640	(14,255)
<b>Capital Financing Requirement as at 31 March (Including Long Term Liabilities)</b>					
General Fund	479,699	534,730	572,382	582,022	567,767
<b>Borrowing requirement</b>	0	25,000	43,000	18,500	0
<b>Ratio of financing costs to net revenue stream</b>					
General Fund	14.10%	14.95%	18.62%	22.03%	23.52%
<b>Incremental impact of capital investment decisions</b>	£ p	£ p	£ p	£ p	£ p
Increase in Council Tax (band D) per annum	14.45	26.98	57.44	86.10	50.56

<b>TABLE 2: Treasury management indicators</b>	<b>2013/14 actual</b>	<b>2014/15 probable out-turn</b>	<b>2015/16 estimate</b>	<b>2016/17 estimate</b>	<b>2017/18 estimate</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Operational Boundary for external debt -</b>					
borrowing		280,000	325,000	345,000	335,000
other long term liabilities		280,000	275,000	270,000	260,000
<b>TOTAL</b>	<b>0</b>	<b>560,000</b>	<b>600,000</b>	<b>615,000</b>	<b>595,000</b>
<b>Authorised Limit for external debt -</b>					
borrowing		300,000	345,000	365,000	355,000
other long term liabilities		290,000	285,000	280,000	270,000
<b>TOTAL</b>	<b>0</b>	<b>590,000</b>	<b>630,000</b>	<b>645,000</b>	<b>625,000</b>
<b>Actual external debt</b>	396,120				
<b>Upper Limit on Fixed Interest Rate Exposure</b>		100%	100%	100%	100%
<b>Upper Limit on Variable Interest Rate Exposure</b>		30%	30%	30%	30%
<b>Upper limit for total principal sums invested for over 364 days</b>		20,000	20,000	20,000	20,000

<b>TABLE 3: Maturity structure of new fixed rate borrowing during 2015/16</b>	<b>Upper Limit</b>	<b>Lower Limit</b>
under 12 months	40%	0%
12 months and within 24 months	15%	0%
24 months and within 5 years	30%	0%
5 years and within 10 years	5%	0%
10 years and above	100%	40%

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## Capital Strategy and Capital Programme 2015/20

**Portfolio Holder: Councillor Jabbar, Cabinet Member for Finance & HR**

**Officer Contact: Anne Ryans, Interim Director of Finance  
Ext. 4902**

### **Purpose of Report**

To set out the capital strategy for 2015/16 to 2019/20 and thereby the proposed 2015/16 capital programme including identified capital investment priorities, together with the indicative programme for 2016/20, having regard to the resources available for the five year life of the programme.

### **Executive Summary**

The Council's Capital Strategy and Programme is for the first time set over a five year timeframe. The proposed Capital Strategy and Programme for 2015/16 to 2019/20 take the essential elements of the 2014/18 and previous year's strategies and programmes and moves them forward in the context of the financial and political environment for 2015/16.

The Council began its investment programme in 2012/13 to support a range of regeneration priorities and due to delays in the delivery of some schemes the programme has now been re-profiled. Given the size of this programme, it is the main focus of Council spending within the period covered by this capital strategy. The investment is mostly being financed or underwritten by prudential borrowing (pending confirmation of external funding). This requires revenue budget support including increasing income streams from new developments and the 2015/16 revenue budget has been prepared to accommodate this (with future years projected costs included in the Medium Term Financial Strategy).

Over recent years, Government grant funding for capital expenditure has generally been reducing as a result of the austerity agenda, however the downward trend has reversed somewhat in the last two years with the Council receiving the following allocations;

- Targeted Basic Need Grant
- Formulaic Education Basic Needs Grant
- Universal Infant Free School Meals Grant

- Disabled Facilities / Social Care Grant

The previously announced Education Basic Need Grant of £5.241m in 2015/16 and £5.504m in 2016/17 has been supplemented with the announcement on 12 February 2015 of an additional allocation of £15.405m for 2017/18.

Disabled Facilities/ Social Care (£1.550m in 2015/16) grants have also carried through to 2015/16 and beyond

The Government has on 23 December announced that it will be providing local authorities in England (not including London) with just under £6 billion for maintenance of local highways. Of this funding £4.7 billion will be allocated according to a needs-based formula, with £580 million to incentivise good asset management and efficiencies, and £575 million reserved for a challenge fund for large one-off maintenance and renewal projects; the deadline for bids being 9 February 2015. The needs based allocation is initially paid to the GMCA and then re-allocated; the Oldham share of this allocation is £12.801 million for the period 2015/16 to 2020/21.

Additional Universal Free School Meals funding in the sum of £210k for the provision of school kitchen works at Clarksfield and Broadfield primaries was announced in January 2015.

The Department for Education (DfE), on 9 February announced details of the Schools Condition Allocation Grant (SCA; formerly known as Education Capital Maintenance), the Oldham allocation for 2015/16 is £1.955m with advice that the confirmed allocation is indicative of what responsible bodies will receive in 2016/17 and 2017/18. Based on the assumption that some schools will become academies and associated funding will be withdrawn, £1.855m and £1.755m has therefore been included in each of the two following years. In addition, on the same date the Devolved Formula Capital (DFC) allocation for 2015/16 was confirmed as £452,338. No assumption has been made as to grant in future years

The Council submitted a bid to the second phase of the Priority Schools Build Programme (PSBP2) for Royton and Crompton, Greenfield and Clarksfield schools. In each case the schools require major investment to bring the fabric of the building up to standard. On 9 February the Government announced that the bid for Royton and Crompton had been successful. The precise level of funding available remains unconfirmed; the bids for the other two schools were not successful.

In preparing the 2015/20 Capital Strategy account has been taken to reflect local issues, the increase and change in the nature of Government funding and the continued uncertainty about the level of funding in future years. The principles of the Capital Strategy have therefore been prepared in the light of all available information. The strategy includes a list of areas for potential future investment subject to the availability of resources. Due to the review of capital spending that has taken place during 2014/15, there is a currently £3.532m of unallocated resources that are available to support priority schemes in the remainder of 2014/15 and into 2015/16. The Council is keen to maximise the use of the resources it has available and undertake targeted investment in priority projects.

The Capital Investment Programme Board (CIPB) will continue as an Advisory Board chaired by the Cabinet Member for Finance and HR acting in its role as the strategic lead for capital investment providing a coordinated approach to the capital investment programme. The CIPB will be supported in its work by the Strategic Regeneration Project Management Office which has improved the management and governance of strategic regeneration projects. The Capital Investment Programme Board will consider and recommend the appropriate allocation of the £3.532m during the remainder of 2014/15 and if appropriate into 2015/16.

In overall terms, the capital programme includes proposed expenditure for 2015/16 of £90.644m, with the largest area of expenditure being on development and infrastructure projects. Expenditure tapers to £51.189m in 2016/17, £29.305m in 2017/18 and £3.253m p.a. thereafter in each of the final two years of the programme.

The main sources of funding are prudential borrowing and Government grants. The programme in 2015/16 relies on £36.952m of prudential borrowing, with a further £9.245m being ear-marked to underwrite grant bids and external contributions and £9.267m of borrowing is financed by new income streams. In addition there is £20.026m of Government grants (and other contributions) and £12.054m of capital receipts (including an estimated £1.927 brought forward from the previous year). Future years are also heavily reliant on prudential borrowing and Government grants.

It is, however, likely that the capital position will change as:

- it is possible that there will be further Central Government funding allocations prior to the start of 2015/16
- the outcome of specific grant bids become known
- it is likely that there will be additional initiatives announced later in the financial year
- there may also be the opportunity to bid for additional funding, for example, for Regional Growth Funds and transport initiatives
- the Council may identify other funding sources including capital receipts to finance additional capital expenditure

Therefore the overall capital programme position will be kept under review and any new information about funding allocations will be presented to Members in future reports.

## **Recommendations**

That Council approves the:

- Capital Strategy for 2015/20 at Appendix 1 of the report and summarised in section 2.1
- Capital Programme for 2015/16 and indicative programmes for 2016/17 to 2019/20 as set out in section 2.2 and Annex C of Appendix 1.

**Capital Strategy and Capital Programme 2015/16 to 2019/20****1 Background**

- 1.1 The Council's Capital Strategy and Programme is for the first time set over a five year timeframe. The proposed Capital Strategy and Programme for 2015/16 to 2019/20 takes the essential elements of the 2014/18 and previous year's strategies and programmes and moves them forward in the context of the financial and political environment for 2015/16.
- 1.2 The four year investment programme began in 2012/13 to support a range of regeneration priorities and due to delays in the delivery of some schemes has been reprofiled to run to 2016/17 and 2017/18. Given the size of this programme, it is the main focus of Council spending within the period covered by this capital strategy. The investment is mostly being financed by prudential borrowing some of which requires revenue budget support and the 2015/16 budget has been prepared to accommodate this (with future years projected costs included in the Medium Term Financial Strategy). Other projects will be financed by new income streams. Whilst in the current financial climate this capital investment is a considerable sum, it reflects the Council's commitment to the regeneration of the Borough. The Capital Strategy is attached at Appendix 1 with the Capital Programme reflecting the principles of the strategy attached as Annex C of Appendix 1.
- 1.3 Over recent years, Government grant funding for capital expenditure has generally been reducing as a result of the austerity agenda and Councils have either had to finance capital expenditure from their own resources or curtail capital spending plans. The Government has also continued its policy of treating most grants as unringfenced, thus reflecting its preference that Councils have increased local freedom and flexibility in the use of capital resources (although some of the grants are awarded with an expectation of targeted spending). The availability and direction of Government resources therefore has a significant impact on the Capital Strategy and Programme of the Council.
- 1.4 The general downward trend in funding has been stemmed in recent years with the introduction of a number of funding initiatives, namely;
- Targeted Basic Need (TBN) grant, a Government initiative to fund a two year programme to address the increasing pressure on school places. The programme will see the expansion of four primary schools and the building of a new Special Academy. Funding totalling £9.476m has been provided across 2013/14 and 2014/15, with associated expenditure taking place in 2015/16.
  - Formulaic Basic Need, to create more school places up to 2017; £10.745m across 2015/16 and 2016/17 plus a further allocation of £15.405m that was announced on 12 February 2015, the final utilisation of the most recently announced grant is still to be determined.



- Universal Free School Meals for children in reception, Year 1 and Year 2 in state-funded schools; grant funding of £412k in 2014/15 and £210k for 2015/16 having been awarded.
- Better Care Funding covering Disabled Facilities Grant and a Social Care allocation totalling £1.550m in 2015/16. This is now a pooled budget linked into a joint programme of spending with the NHS.

1.5 The Government has on 23 December announced that it will be providing local authorities in England (not including London) with just under £6 billion for maintenance of local highways. Of this funding £4.7 billion will be allocated according to a needs-based formula, with £580 million to incentivise good asset management and efficiencies, and £575 million reserved for a challenge fund for large one-off maintenance and renewal projects; the authority has submitted a bid for funding amounting to £3.16m which if successful will require a council contribution of £840k. All needs based formula grant for GM authorities is initially allocated to the GMCA. The Oldham share of this allocation, extending one year beyond the life of the current programme is £12.801m as illustrated in the table below;

	£k
2015/16	2,452.5
2016/17	2,248.3
2017/18	2,180.3
2018/19	1,973.4
2019/20	1,973.4
2020/21	1,973.4
<b>Total</b>	<b>12,801.3</b>

- 1.6 The 2015/16 needs based allocation of £2.453m compares favourably with the 2014/15 allocation of £2.093m. It is currently assumed that GMCA will distribute the capital maintenance block in line with the Department for Transport (DfT) distribution and whilst Local Transport Plan funding is un-ringfenced, it comes with the expectation of both the Department for Transport and AGMA that it will be invested in delivering the Local Transport Plan strategy. As such the capital maintenance allocation for 2015/16 and subsequent years to 2020/21 will be pass-ported for investment in and maintenance of Oldham's transport network.
- 1.7 The Department for Education, on 9 February announced details of the Schools Condition Allocation Grant (SCA; formerly known as Education Capital Maintenance), the Oldham allocation for 2015/16 is £1.955m with advice that the confirmed allocation is indicative of what responsible bodies will receive in 2016/17 and 2017/18. Assuming that some schools will convert to academies in 2016/17 and 2017/18 and that associated funding will be lost £1.855m and £1.755m has therefore been included in each of the two following years. It should be noted that award will be revised annually to reflect schools moving responsible body, opening or closing. In addition, on the same date the Devolved Formula Capital (DFC) allocation for 2015/16 was confirmed as £452,338, no assumption has been made as to grant in future years.

- 1.8 The Council submitted a bid to the second phase of the Priority Schools Build Programme (PSBP2) for Royton and Crompton, Greenfield and Clarksfield schools. In each case the schools require major investment to bring the fabric of the building up to standard. On 9 February the Government announced that the bid for Royton and Crompton had been successful, however the precise level of funding available remains unconfirmed; the bids for the other two schools were not successful and a local allocation of resources will be required to address these needs

## **2 Current Position**

### **2.1 Capital Strategy**

- 2.1.1 The overarching aim of the Oldham Capital Strategy is to provide a framework within which the Council's capital investment plans will be delivered. The plans are driven by the Corporate Plan (due to be refreshed early in 2015) which sets out the corporate objectives and all capital schemes should contribute to the achievement of these objectives.
- 2.1.2 The capital strategy must also align to the Council's Medium Term Property Strategy (MTPS) which is currently in the process of being updated to reflect the most recent service transformation changes and financial challenges. It sets out a framework for strategic management of the Council's land and property portfolio, reflecting corporate priorities, aims and objectives and driving transformational change in service delivery. Aligned to service priorities, individual schemes are included within approved capital spending plans or are to be considered for a resource allocation over the period of the capital strategy.
- 2.1.3 The revised MTPS will incorporate the Community Use of Assets Framework, reflecting statutory requirements and align to the Council's Co-operative ethos. In addition it will encompass the emerging Building Maintenance Policy which sets a clear process protocol prioritising assets closely aligned to future investment requirements.
- 2.1.4 The Council is currently reviewing the structure of the property function and anticipates making further changes which will improve the way in which the strategic property objectives can be delivered. This will enable the Council to accelerate progress and realise benefits within a shorter timeframe, whilst maximising regeneration and inward investment opportunities.
- 2.1.5 Oldham is part of the Greater Manchester Combined Authority (GMCA). The GMCA works alongside the GMLEP (Local Enterprise Partnership) and they jointly own the Greater Manchester Strategy (GMS), which sets out a series of priorities to secure sustainable economic growth for the benefit of the conurbation and its residents. GMCA is continuing to develop an investment framework that complements the Greater Manchester (GM) Strategy as a means of identifying GM investment priorities. It is clear that the Oldham capital strategy must be consistent with and aligned to the Greater Manchester strategy and investment framework in order to secure resources and maximise the impact of its own capital

investment. The Council's strategy has therefore been framed to complement the recently refreshed GM Strategy

- 2.1.6 The Government has advised that as a number of grant programmes distribute grants on the basis of bids as reward grants then it is unable to give access to all grant allocations in time for the preparation of the Capital Strategy. Government Departments will provide information of further grant allocations as they become available.
- 2.1.7 The Capital Investment Programme Board (CIPB) will continue in its role as an Advisory Board chaired by the Cabinet Member for Finance and HR to whom decision making powers are delegated by Council, in conjunction with the Executive Director, Economy and Skills and the Director of Finance.
- 2.1.8 The Council will continue to utilise the Strategic Regeneration Project Management Office (PMO) to improve the management and governance of strategic regeneration projects and support the CIPB in ensuring that there is a thorough examination of all key issues in relation to the delivery and financing of a project. The CIPB will consider Business Cases but having enhanced information from the PMO will help the CIPB make decisions based on more robust information.
- 2.1.9 In addition to prudential borrowing and Government grants, which together are the main financing source for the capital programme, the Council will, depending on the circumstances, consider using a range of resources and opportunities to finance capital expenditure and will continue to monitor the availability and suitability of alternative sources of financing. Financing decisions will, however, be made in the context of the schemes being considered for approval and the financial position of the Council at the time a decision is required.
- 2.1.10 Having regard to the above and other relevant issues, the key principles of the 2015/20 capital strategy are therefore summarised so that:
- 1) The CIPB will lead the strategic direction of capital investment for the Council operating on a commissioning basis and linking to regional strategies and programmes ensuring that the capital strategy reflects the Greater Manchester Strategy and links into those of other GM Authorities.
  - 2) The first call on capital resources will always be the financing of any over-programming from previous financial years.
  - 3) A capital project sponsor must be able to demonstrate that a rigorous process of options appraisal has been followed, requiring evidence of need, cost, risk, outcomes and methods of financing.
  - 4) All capital investment decisions will be made with reference to Council objectives and regional strategies and, only after a positive contribution to one or more of the objectives has been demonstrated, is a project to be considered for resource allocation.
  - 5) All non-ring fenced capital funding and other non-specific Council capital resources that are not required to support existing commitments will initially

be pooled into one central fund. Regard will however be had to obligations around the:

- transport agenda and transport grant funding
- funding of adaptations to homes for the disabled
- current pressure on primary places and the lack of capacity in the current stock and Government grant funding to address such issues
- Government initiatives to support universal free school meals for children in reception, Year 1 and Year 2 in state-funded schools
- 2015/16 Social Care funding allocation which is an element of the Better Care Fund pooled budget arrangements

Unringfenced grants will be passported in full to these five areas

- 6) Pooled corporate resources will be managed by the CIPB and it will review all bids for resources, evaluate them and then agree on the prioritisation of resources accordingly
- 7) The CIPB will also review any bids for and use of any ring fenced resources to ensure alignment with other spending plans and the maximisation of benefits to the Council and achievement of Council objectives
- 8) The CIPB will recommend the use of both unringfenced and ring fenced resources and also the general prioritisation of resources
- 9) There will be no ring fencing of capital receipts to specific projects with the exception of the:
  - Building Schools for the Future programme, where the ring fencing principle has previously been approved as part of project viability
  - Equity Loan Initiative which was established when Housing Market Renewal (HMR) resources were ring fenced to the HMR programme.
  - Saddleworth School as part of the Priority Schools Build Programme
- 10) Building upon established good practice and the successful exercises undertaken in earlier financial years, the CIPB will initiate periodic reviews of the capital programme.
- 11) All resources reprioritised that remain unallocated within 2014/15 will be treated as though they are fully committed in 2014/15 or carried forward into 2015/16 as a central pool for reallocation to other projects.
- 12) As well as using traditional funding mechanisms to fund capital schemes, the Council will also consider the use of new initiatives and develop these options if it is considered financially advantageous in the context of the Council achieving its capital investment objectives
- 13) Any future Public Private Initiatives e.g. BSF/ PFI requiring the deployment of Council capital resources or impacting in any way on the overarching capital investment policies or plans of the Council should be presented for consideration to the CIPB. The resources deployed to support such projects will also be subject to the on-going review of the CIPB.

- 14) The Government is likely to introduce a range of grant funding opportunities for which bids must be submitted at short notice. The Council will respond as it considers appropriate ensuring that such bids that are submitted align with its objectives and capital investment priorities and that any matched funding requirements are considered on a scheme by scheme basis with resource requirements prioritised accordingly.
- 15) The Council has a number of capital investment priorities. Whilst these are initially set on an annual basis, it will review and update the priorities in accordance with in-year developments responding to local and national emerging issues.

The priorities for 2015/16 to 2019/20 are set out below with greater detail included in the Capital Strategy document at Appendix 1 (section 3):

a) Continuation Funding

There are requirements for continued funding of existing programmes of work for Corporate Major Repairs /Disability Discrimination Act (DDA) Adaptations/ Legionella / Health and Safety Projects (Corporate Landlord Function) and School Condition Works. Therefore an initial funding allocation (including the recently announced School Condition Allocation) of £4,054k has been made in 2015/16 with a further £3,355k in 2016/17, £2,255k in 2017/18 and £500k p.a. thereafter to cover these works. In addition CIPB has recommended, as a priority, that the first call on any future underspends identified within the programme are also applied to support expenditure on the works outlined above.

b) New Projects

New projects for which funding may be required and for which funds could be allocated are as follows:

- School Capacity
- Priority School Building Works- Royton and Crompton School
- Greenfield Primary
- Clarksfield Primary
- Targeted Basic Need Initiative
- Schools kitchen extensions
- Low Carbon and Energy Efficiency Initiatives
- AGMA Green Deal Scheme
- AGMA Growing Places Loans
- Werneth Music Rooms
- Foxdenton
- Former School Sites
- Town Centre Regeneration
- Borough Wide Regeneration
- Housing projects in support of Government housing initiatives
- Supported housing for adults with complex learning disabilities
- Equity Home Loans
- Adult Social Care
- Car Parking

- Matched Funding for Grant Bids

2.1.11 The changes in Government policy with regard to the financing of major capital programmes and the unringfenced label being applied to funding but carrying an expectation that the resource will be used for the purpose it was issued, together with the limited ability of the Council to finance any further capital investment from its own resources, makes it difficult to plan for new investment over the medium to longer term. Resources that are available are therefore being deployed not only to meet corporate priorities but to meet the aspirations of residents.

## 2.2 Capital Programme

2.2.1 The Council is required to set out its capital programme for the period 2015/20 based on the principles of the capital strategy (as set out above and in Appendix 1). A five year timeframe for the capital programme has been presented. The Capital Programme and Strategy has at this stage been prepared on the basis of grants known at the time of preparation (Mid February 2015). If additional resources become available, projects that meet the Council's strategic capital objectives will be brought forward for approval.

2.2.2 Clearly, the programme for 2015/16 is influenced by the performance of the capital programme for 2014/15. A review has taken place of the planned spending in 2014/15 and the programme has been reprofiled as necessary. An update on the 2014/15 capital programme is set out below.

### Update on the 2014/15 Capital Programme

2.2.3 The capital programme for 2014/15 was approved at the Council meeting of 5 March 2014, with expenditure of £113.526m and supporting financing, this was supplemented by slippage of £34.556m from the previous year and has subsequently been amended month on month to reflect agreed changes, this includes the 2014/15 Annual Review of the capital programme, a comprehensive project by project scrutiny of the capital programme conducted over the summer/autumn months.

2.2.4 The capital programme for 2014/15 to 2017/18 (month 8) was approved at the Cabinet meeting on 16 February 2015. At which, in overall terms, spending for 2014/15 was estimated to total £88.951m with corresponding financing of £90.878m, any surplus generated from excess receipts will be used to finance deficits in later years. Development and infrastructure projects constituted the major area of expenditure and prudential borrowing was the main source of financing (£37.601m).

2.2.5 The Capital Strategy has been prepared to balance to the information contained in the month 8 monitoring report but also to reflect more recent developments. The most up to date 2014/15 capital programme estimates revised total expenditure of £89.796m together with corresponding financing of £91.723m, allowing resources of £1.927m to be carried forward. The last approved and the current re-profiled programmes are set out in Table 1 below.

**Table 1 Revised 2014/15 Capital Programme**

<b>Directorate</b>	<b>Capital Programme as at M08</b>	<b>New schemes/ Variations</b>	<b>Reprofiled Programme for Strategy</b>
	<b>£k</b>	<b>£k</b>	<b>£k</b>
<b><u>Expenditure</u></b>			
Neighbourhoods	22,333	420	22,753
Commissioning	1,265	0	1,265
Commercial Services	24,000	545	24,545
Development and Infrastructure	37,601	0	37,601
Deputy Chief Executive/ Corporate	100	0	100
Yet to be Allocated	3,652	(120)	3,532
<b>Total Expenditure</b>	<b>88,951</b>	<b>845</b>	<b>89,796</b>
<b><u>Resources</u></b>			
Grants & Other Contributions	(25,495)	(595)	(26,090)
Prudential Borrowing	(45,671)	10,150	(35,521)
Revenue	(7,005)	(10,400)	(17,405)
Capital Receipts Required	(10,780)	0	(10,780)
<b>Total Resources</b>	<b>(88,951)</b>	<b>(845)</b>	<b>(89,796)</b>
<b>Capital Receipts Available</b>	<b>(12,707)</b>		<b>(12,707)</b>
<b>Expenditure to be funded from capital receipts</b>	<b>10,780</b>		<b>10,780</b>
<b>Over programming/ (Carry Forward) Position</b>	<b>(1,927)</b>		<b>(1,927)</b>

2.2.6 As referred to at 2.2.3 above, Members will recall that there has been a review of the capital programme during 2014/15 undertaken as in previous years to ensure that planned expenditure was still relevant and that projects were aligned with corporate objectives. In addition the review for 2014/15 was tasked with delivering a £10m reduction in the current year's programme. The proposed capital programme for 2014/15 (and future years) reflects the results of the review, which delivered a reduction in spending of £12.047m.

2.2.7 It is anticipated that the position will change with amendments reviewed by the CIPB and approved under delegated authority as a result of the on-going monitoring process.

## The 2015/16 to 2019/20 Capital Programme

2.2.8 The table below sets out the summary of the anticipated expenditure (£90.644m for 2015/16) and available financing of £88.144m. The detailed programme is set out at Annex C of Appendix 1 on a Portfolio basis. The over programming in 2015/16 is balanced over the life of the capital programme.

**Table 2 - Capital Proposals for 2015/16 to 2019/20**

<b>Proposed Capital Spending</b>	<b>2015/16 £000</b>	<b>2016/17 £000</b>	<b>2017/18 £000</b>	<b>2018/19 £000</b>	<b>2019/20 £000</b>
Neighbourhoods	7,812	3,051	2,380	2,173	2,173
Commissioning	1,950	400	400	400	400
Commercial Services	19,058	10,466	17,840	680	680
Development and Infrastructure	61,824	37,272	8,685	0	0
Deputy Chief Executive/ Corporate	0	0	0	0	0
<b>Total Expenditure</b>	<b>90,644</b>	<b>51,189</b>	<b>29,305</b>	<b>3,253</b>	<b>3,253</b>
<b>Total Funding</b>	<b>(88,144)</b>	<b>(53,683)</b>	<b>(29,311)</b>	<b>(3,253)</b>	<b>(3,253)</b>
<b>Balance of Resources available by year – Over/(Under) programming</b>	<b>2,500</b>	<b>(2,494)</b>	<b>(6)</b>	<b>0</b>	<b>0</b>
<b>Cumulative balance of resources – Over/(Under)</b>	<b>2,500</b>	<b>6</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>

### 2.3 Resources Available to Support the Capital Programme

2.3.1 The level of Government resources seen in the last few years remains buoyant with a number of grants having been announced in January and February 2015. The main source of grant income remains education related with the receipt of Formulaic Basic Need funding totalling £26.15m for the period 2015/16 to 2017/18 together with the remainder of the Targeted Basic Need funding of £2.868m now being applied in 2015/16. Further education related grants in the form of School Condition Allocation grant; £5.565m for the period 2015/16 to 2017/18 and Devolved Formula Capital of £452k in 2015/16. In addition highways maintenance funding of £2.453m has also been confirmed for 2015/16. The resources available to support the programme are described in the following section.

#### **Government Grant Funding**

2.3.2 The Government resources available to the Council can be split into two categories; non-ring fenced and ring fenced resources as explained in Section 5 of the Capital Strategy.

2.3.3 Some Government grant resources have been moved between financial years in order to support reprofiled expenditure. Table 3 summarises the level of non ringfenced Government resources available in 2015/20 and future years with Table 4 presenting ringfenced resources.



- **Non Ring-fenced Grants**

The 2015/16 allocations that the Council has had confirmed at this time are:

- Education Basic Need allocations of £5.241m in 15/16 and £5.504m in 2016/17, as notified on 18 December 2013, supplemented by the announcement on 12 February 2014 of an allocation of £15.405m for 2017/18.
- Department of Transport (DfT) grant for Local Transport Funding has been confirmed as £2.453m for 2015/16. The funding is notionally allocated at an individual authority level but paid to the Greater Manchester Combined Authority, which determines the distribution of resources across the 10 Greater Manchester Local Authorities and Transport for Greater Manchester. It is currently assumed that the Council will receive its full allocation.
- The Department of Health has established a Better Care Fund for 2015/16. This will include the Councils Disabled Facilities Grant allocation which has been notified as £925k; it also incorporates a Social Care funding allocation of £625k.
- Department for Education grant to support free hot school meals for pupils in reception and years 1 and 2; £210k in total for kitchen works at Greenfield and Broadfield primaries.
- Department for Education Schools Condition Allocation Grant (SCA) (formerly known as Education Capital Maintenance) for 2015/16 is £1.955m with advice that the confirmed allocation is indicative of what responsible bodies will receive in 2016/17 and 2017/18, £1.855m and £1.755m respectively has therefore been included in each of the two following years.

Other grant notifications may be forthcoming in the coming months. In addition to specific 2015/16 grants, the programme relies on a range of grants carried forward from 2014/15 to support the overall level of planned spending, including those for which there are new allocations in 2015/16.

**Table 3 - Non Ring-fenced Grants**

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
Basic Need Capital Grant	(5,241)	(5,504)	(15,405)	0	0
Disabled Facilities Grant	(925)	0	0	0	0
Social Care Reform Grant	(625)	0	0	0	0
LTP Highway Maintenance Grant	(2,453)	(2,248)	(2,180)	(1,973)	(1,973)
Universal Infant School Meals (Kitchens)	(210)				
School Condition Allocation	(1,955)	(1,855)	(1,755)		
Un-Ring-fenced Grant brought forward from prior years	(1,432)	(375)	0	0	0
<b>TOTAL</b>	<b>(12,841)</b>	<b>(9,982)</b>	<b>(19,340)</b>	<b>(1,973)</b>	<b>(1,973)</b>

- **Ring-fenced Specific Grants**

The Council has been notified by the DfE of the 2015/16 allocation of Devolved Formula Capital in the sum of £452k, to date this is the only new ring fenced allocation that has been released and has been added to the amount brought forward from 2014/15 in the table below. With this exception Table 4 therefore consists solely of prior year allocations that have been re-profiled into 2015/16, including £2.868m for Targeted Basic Need, which needs to be fully spent by 31 August 2015.

2.3.4 Members will, however, recall that there is a statutory requirement for Local Transport Authorities to prepare a Local Transport Plan (LTP) every five years and to keep it under review. The preparation of the fourth Greater Manchester Local Transport Plan (GMLTP4) is underway, and will include a long-term transport strategy for Greater Manchester (to 2040) and a 5-year spending plan commencing in 2015/16. The Council receives grant funding from the LTP from the wider Greater Manchester allocation, which comes with a national and regional expectation that it will be used for LTP purposes. As previously highlighted in section 1.6 and 1.7 Oldham has been allocated an indicative settlement of £2.453 million for 2015/16. Whilst LTP funding is non ring-fenced, the DfT and the GMCA both have an expectation that it will be invested in delivering the Local Transport Plan strategy. The Council's strategy is to passport transportation grant funding to support the LTP programme.

2.3.5 In addition, the strategy of the Council is to passport other Government unringfenced grant to services namely, DFG, Education Basic Need, universal infant free school meal provision, School Condition Allocation Grant (formerly Education Capital Maintenance) and Better Care (Social Care) grant, thus explaining inclusion in table 3 as opposed to 4.

**Table 4 - Ring-fenced Specific Government Funding for 2015/20**

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
Cycle City Ambition Grant	(120)	0	0	0	0
Devolved Capital (inc. carry forward)	(1,202)	0	0	0	0
DfT - Better Bus Area Fund	(1)	0	0	0	0
GM Casualty Reduction Fund	(80)	0	0	0	0
Integrated Children's Services Grant	(1)	0	0	0	0
Targeted Basic Need Grant	(2,868)	0	0	0	0
Revenue Contribution to Capital Outlay - Individual Schools Budget	(12)	0	0	0	0
<b>TOTAL</b>	<b>(4,284)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

2.3.6 The resources available can also be split between those which have no revenue consequences which need to be funded via the revenue budget, and those with revenue consequences.

## No Revenue Consequence

- Government Grants and other external grants and contributions

This is funding provided directly by Government or other external providers. This can be ring fenced specific and non ringfenced. All Government funding is now via direct grant. In addition to the Government grants identified in tables 3 and 4 it is anticipated that funding of £2.901m in 15/16 and £4.607m in 2016/17 will be received from other sources.

- Capital Receipts

This is money received from the sale of Council assets and is usually non ring fenced, for 2015/ 20 it includes estimated income from right to buy receipts, the FCHO VAT shelter arrangement and the commencement from 2017/18 of the repayment of maturing Local Authority Mortgage Scheme (LAMS) indemnities. The 2015/16 capital programme requires £14.554m of capital receipts; exceeding the estimated actual income (including brought forward from 2014/15). The resultant over programming of £2.5m is carried forward into 2016/17 where sufficient receipts are available to finance the prior year shortfall and meet the in-year requirement. In general it should be noted that a prudent approach is taken in relation to the anticipated level of receipts with no resources anticipated in excess of the requirement to support already approved schemes. This is because the property market, whilst improving remains generally depressed which impacts on the:

- i) ability of the Council to sell assets within the timescale anticipated
- ii) level of receipt that can actually be generated, which may be less than originally expected

## With Revenue Consequences

- Prudential Borrowing

This is borrowing undertaken by the Council for specific projects. It is financed by revenue resources and is entirely at the discretion of the Council. Prudential borrowing has been used to support the major investment programme which could not otherwise have been funded.

The 2015/16 programme estimates outright prudential borrowing of £36.952m used to finance a range of schemes, predominantly in relation to development and infrastructure activities. In addition prudential borrowing has in the first instance been applied to underwrite grant applications and other contributions including anticipated fundraising receipts (£9.245m) and therefore may not be required. A further tranche of borrowing is financed by new operational annual income streams associated with specific revenue generating regeneration schemes (£9.267m).

2.3.7 Table 5 sets out the overall level of available resources by category for the period 2015/20. This shows that in total, funding for the capital programme in 2015/16 is £88.144m with the majority of funding being the various categories of prudential borrowing referred to above. There is £20.026m of Government grant funding and

other contributions and there is an estimated income of £12.054m from planned capital receipts, which includes £1.927m brought forward from 2014/15

**Table 5 – Total Resources Available for the Capital Programme**

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
<b>No Revenue Consequences</b>					
Capital Receipts	(10,127)	(6,217)	(1,286)	(1,280)	(1,280)
Grants and Other Contributions	(20,026)	(14,589)	(19,340)	(1,973)	(1,973)
Council Resources Carried Forward	(1,927)	0	0	0	0
<b>Total No Revenue Consequences</b>	<b>(32,080)</b>	<b>(20,806)</b>	<b>(20,626)</b>	<b>(3,253)</b>	<b>(3,253)</b>
<b>With Revenue Consequences</b>					
Prudential Borrowing - underwriting expected grants and contributions and fundraising	(9,245)	(2,500)	0	0	0
Prudential Borrowing financed by New income streams	(9,267)	(21,033)	0	0	0
Prudential Borrowing Required	(36,952)	(9,344)	(8,685)	0	0
Other Revenue Contributions	(600)				
<b>Total With Revenue Consequences</b>	<b>(56,064)</b>	<b>(32,877)</b>	<b>(8,685)</b>	<b>0</b>	<b>0</b>
<b>TOTAL</b>	<b>(88,144)</b>	<b>(53,683)</b>	<b>(29,311)</b>	<b>(3,253)</b>	<b>(3,253)</b>

2.3.8 As in previous years the major source of financing remains prudential borrowing, the amount required includes borrowing attributed to schemes that have slipped from prior years. The Council will look to reduce the amount of borrowing by maximising grant income, optimising income from capital receipts and the utilisation of reserves and provisions to deliver a revenue saving in relation to the cost of borrowing. As previously indicated some borrowing will be financed by increased income and revenue streams generated at the point the projects are completed and become operational. In addition, the timing of the borrowing is linked to the cash position of the Council and may therefore not mirror the spending/ financing profile set out above. No new borrowing has yet been undertaken.

## **2.4 Capital Requirements for 2015/16**

### **Resources that have been Committed in 2015/16 to 2019/20**

2.4.1 A review of the capital programme and capital plans has highlighted that there is already a full range of commitments for 2015/20 and future. As a consequence, these commitments utilise all of the capital resources available for 2015/16. The existing capital commitments are set out in the follow paragraphs and are shown in detail at Annex C of Appendix 1 of this report.

## **Neighbourhoods**

2.4.2 Total projected spending on Neighbourhoods projects in 2015/16 is £7.812m over the following areas:

### **Transport Schemes – Government Grant Funded**

2.4.3 Grant funding of £2.453m has been notified for 2015/16 as highlighted earlier, in accordance with an agreement between the DfT and the GMCA

### **Transport Schemes – Other**

2.4.4 Funding of £1.462m has been made available for fleet management over the financial years 2015/16 to 2019/20.

2.4.5 There are a range of other transport related projects within the 2015/16 capital programme totalling £2.738m. With the exception of £1m specifically allocated in 2015/16 to meet priority objectives to support the priority highways maintenance, all the schemes are re-profiled from 2014/15.

### **Other Neighbourhoods Schemes**

2.4.6 There is a total of £1.159m of other Neighbourhoods projects included in the 2015/16 capital, examples include:

- £200k p.a. over the life of the programme to finance a District Investment Fund to facilitate the initiating of a range of projects in District Partnership areas.
- £145k to finance Neighbourhood Development initiatives in Shaw and Lees
- Private sector housing which covers equity home loans at £350k in 2015/16 and a further £503k in 2016/17 financed by capital receipts.

### **Commissioning Services**

2.4.7 Projected spending on Commissioning Services of £1.950m in 2015/16 is focussed on Social Care. There is:

- Funding of £925k relating to disabled facilities grant.
- Resources of £400k to support local adult social care schemes.
- Social Care funding totalling £625k linked to Better Care Fund (BCF).

### **Commercial Services**

2.4.8 Total projected spending on Commercial Services projects in 2015/16 is currently £19.058m covering:

#### **Corporate Landlord**

This encompasses a range of schemes:

- Resources available for major repairs/DDA and school condition works have initially been set at £4.054m in 2015/16.
- Schools related expenditure of £11.579m in 2015/16 covering
  - Education premises expenditure of £365k

- Targeted Basic Need expenditure of £2.868m
- School extensions, including the new 3FE school at £6.303m
- Devolved Formula Capital expenditure brought forward from 2014/15 of £750k, plus a 2015/16 allocation of £452k
- Works to Royton and Crompton School of £1.083m
- Grant funded works to school kitchens amounting to £210k

## ICT

ICT related expenditure in 2015/16 encompasses:

- £2.177m for the roll out of the ICT investment programme
- £50k for the provision for an Asset Management Database to capture and analyse the information obtained as part of the property condition surveys. The aim of this database is to enable maintenance funding to be focused on the buildings with greatest need.
- £160k on the IT server refresh programme in line with the ICT contract with the Unity partnership
- £20k expenditure on ensuring the Council complies with the Government Connect initiative requirements

These latter two projects being contractual commitments are financed across all years of the capital programme.

## Development and Infrastructure

2.4.9 There is planned expenditure of £61.824m in 2015/16 predominantly relating to the schemes financed by the ongoing major capital investment programme covering:

- Town centre regeneration of £39.312m including the Old Town Hall, Hotel Future and Heritage Centre/Coliseum projects
- Other priority regeneration schemes including Alexandra Retail Park, Hollinwood/Langtree and development of Foxdenton totalling £0.947m
- Leisure estate at £13.240m
- The strategic regeneration and acquisitions programme at £4.852m
- Royton Town Hall and Town Centre investment at £2.064m
- Resources of £1.298m to support the provision of the new Saddleworth school (There is a further £700k planned spend in 2016/17)
- Corporate Property Legislative works at £0.111m

## 2.5 Proposed Capital Programme

2.5.1 Annex C of Appendix 1 of this report details the proposed 2015/16 capital programme and the indicative programme for the period 2016/20. The strategy of the Council is to prepare a capital programme that balances over the life of the programme and resources therefore equal overall expenditure. There is currently an unallocated resource of £3.532m in 2014/15, the use of which will be prioritised by the CIPB during the year and if applicable carried forward into 2015/16. There are no unallocated resources in the proposed 2015/20 capital programme/strategy.

2.5.2 Total expenditure is planned in 2015/16 at £90.644m with over programming of £2.500m balanced over the life of the strategy/programme. However, the position will evolve as:

- there may be further Central Government funding allocations prior to the start of 2015/16
- it is also likely that there will be additional initiatives announced later in the financial year
- there may also be the opportunity to bid for additional funding, for example, for Regional Growth Funds
- the Council may identify other funding sources including capital receipts to finance additional capital expenditure

2.4.3 Therefore the overall capital programme position will be kept under review and any new information about funding allocations will be presented to Members in future reports.

### **3 Options/Alternatives**

3.1 Members may choose to revise the proposed capital strategy and capital programme and suggest an alternative approach to capital investment including the revision of capital priority areas.

### **4 Preferred Option**

4.1 The preferred option is that Council accepts the capital strategy and programme set out in the report including priority proposals and to thus approve the proposed capital strategy and programme for 2015/16 and an indicative programme for 2016/20.

### **5 Consultation**

5.1 Consultation has taken place with the members of the CIPB which includes Cabinet Members. Members of the CIPB have contributed to the preparation of the 2015/20 capital strategy and capital programme, including formal consultation with a sub-group of the CIPB which took place on 10 December 2014 and again at a full meeting on 22 December 2014. The programme and strategy was considered at Overview and Scrutiny Performance and Value for Money on 22 January 2015 and Cabinet on 16 February 2015.

### **6 Financial Implications**

6.1 By the very nature of the report, it contains financial details of the capital expenditure and financing associated with the delivery of the 2015/16 capital programme.

6.2 As the Government now only funds capital expenditure by grant, there are now no more supported or unsupported borrowing approvals which means that any revenue implications of Government borrowing will therefore relate to historic debt incurred in 2010/11 and earlier years. This is already budgeted for. The revenue budget for 2015/16 has been prepared to include the financing costs of anticipated prudential borrowing.

## **7 Legal Services Comments**

- 7.1 Under the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 the responsibility for approving any plan or strategy for the control of local authority borrowing, investment or capital strategy or for determining the minimum revenue provision is a decision of the full Council. The function of the Executive is to prepare and propose the relevant strategy to the Council. The Council may require the Cabinet to reconsider, amend, modify, revise, vary, withdraw or revoke the strategy.

## **8 Cooperative Agenda**

- 8.1 The capital strategy and programme have been prepared so that they embrace the Council's cooperative agenda with resources being directed towards projects that enhance the aims, objectives and cooperative ethos of the Council.

## **9 Human Resources Comments**

- 9.1 None

## **10 Risk Assessments**

- 10.1 The main risk foreseen at this stage is whether the planned level of capital receipts can be achieved to finance the current programme. Clearly given the current economic climate, the sale of property has become more difficult and the level of receipts that can be generated has reduced, often below originally planned levels. In order to minimise the risk, a prudent estimate of capital receipts has been made having regard to the prevailing economic climate which may have an impact on both the timing and level of receipts that can be achieved. The overall level of capital receipts is therefore kept under review and any significant changes are reflected in capital programme forecast outturn figures.
- 10.2 The actual and potential revisions to Government policy presents new risks and the Council must ensure that these are successfully managed, over and above those that are a consequence of any traditional capital programme. In particular these cover risks around expenditure that has already been committed in future years where there is no certainty of continued funding, potential unfunded on-going legal liabilities, potential overspending requiring an unbudgeted allocation of resources and the general risk around the uncertainty over the nature and level of the 2015/16 and future years' capital funding.

## **11 IT Implications**

- 11.1 Other than the implications of the specific IT projects being put forward there are no IT implications. The extensive programme of ICT investment contained within the programme will enable the Council to transform many of its operations and introduce new ways of working. This will contribute to the achievement of existing savings targets and enable the Council to make further efficiencies.



## **12 Property Implications**

- 12.1 The level of capital receipts generated from reductions in the corporate estate and asset rationalisation programme underpins the financing of the capital programme. Every effort will be made to maximise capital receipts but also achieve best consideration.
- 12.2 Any proposed new capital projects and capital programme developments will be considered and reviewed in the context of the Medium Term Property Strategy.

## **13 Procurement Implications**

- 13.1 None at this stage.

## **14 Environmental and Health & Safety Implications**

- 14.1 The Capital Programme contains resources that will enable corporate health and safety, legionella, asbestos and Disability Discrimination Act projects to be undertaken in accordance with identified priorities.

## **15 Equality, community cohesion and Crime Implications**

- 15.1 None

## **16 Equality Impact Assessment Completed?**

- 16.1 Not applicable

## **17 Key Decision**

- 17.1 Yes

## **18 Forward Plan Reference**

- 18.1 CFHR-21-14

## **19 Background Papers**

- 19.1 The following is a list of background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents which would disclose exempt or confidential information as defined by the Act:

File Ref:	Background papers are provided in Appendix 1 to the report
Officer Name:	Anne Ryans
Contact No:	4902

## **20 Appendices**

Appendix 1	Capital Strategy 2015/2020
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# **Oldham Council**

## **Capital Strategy 2015 - 2020**

# Capital Strategy 2015/20

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- 1 Aims of the Capital Strategy and its Links to the Councils Corporate Property Strategy and Budget Framework
- 2 The Principles of the Capital Strategy
- 3 Priority Areas for Investment
- 4 The Greater Manchester Strategy
- 5 Capital Resources to Support Capital Expenditure
- 6 Capital Investment and Disposal Appraisal
- 7 How the Capital Requirements will be prioritised
- 8 How the Council will procure its Capital Projects
- 9 How the Council will Measure the Performance of the Capital Programme
- 10 The Capital Investment Programme Board

Annex A - Current Capital Priorities

Annex B – Terms of Reference for the Capital Investment Programme Board

Annex C - Capital Programme 2015/16 to 2019/20

## **1 Aims of the Capital Strategy and its links to the Councils Property Strategy and Budget Framework**

The overarching aim of the Oldham Capital Strategy is to provide a framework within which the Council's Capital Investment plans will be delivered and has been prepared to cover a 5 year time frame from 2015/16 to 2019/20, recognising that there is some uncertainty especially in relation to funding in later years, the strategy therefore focuses on 2015/16 and 2016/17 in detail. These plans are driven by the Council's Corporate Plan, the last refresh of which was approved at the Council meeting of 16 July 2014. The next refresh will be presented to Council in February 2015. The Council has set out its goal to deliver a Cooperative Future where everyone does their bit to create a confident and ambitious borough. The Cooperative Future will be made possible through the delivery of three corporate objectives:

- **A productive place to invest** where business and enterprise thrive;
- **Confident communities** where everyone does their bit; and
- **A Co-operative Council** creating responsive and high quality services.

These objectives reflect the on-going commitment to ensure the Council works to serve the people of Oldham in all that it does and provides strong leadership for the borough. Such leadership is essential if the borough is to be able to meet the immediate challenges faced in a way that means it is stronger and able to make the most of opportunities in the future.

The capital strategy must also align to the Medium Term Property Strategy (MTPS) (formerly the Asset Management Plan). This is currently being revised to reflect most recent service transformation changes and financial challenges.

The Medium Term Property Strategy (MTPS) sets out a framework for strategic management of the Council's land and property portfolio, reflecting corporate priorities, aims and objectives and driving transformational change in service delivery. Aligned to service priorities, individual schemes are included within approved capital spending plans or are to be considered for a resource allocation over the period of the capital strategy.

The revised MTPS will incorporate the Community Use of Assets Framework, reflecting statutory requirements and aligned to the Council's Co-operative ethos. In addition it will encompass the emerging Building Maintenance Policy which sets a clear process protocol prioritising assets closely aligned to future investment requirements.

The Council is currently reviewing the structure of the property function and anticipates making further changes which will improve the way in which the strategic property objectives can be delivered. This will enable the Council to accelerate progress and realise benefits within a shorter timeframe, whilst maximising regeneration and inward investment opportunities.

In addition, the 2015/20 capital strategy will be influenced by the principles which frame the overarching budget process for 2015/16 which are driven by the concept of a Co-operative Council. The Council is therefore aiming to take a strategic view in relation to capital investment so that it can be directed to make a real and demonstrable impact on the economy of Oldham by:

- Regenerating the borough, building on the investment programme approved during 2012/13 and as amended in subsequent years, by attracting and securing significant amounts of external investment to supplement Council resources and deliver an enhanced borough wide regeneration offer
- Prioritising the regeneration investment to develop the local economy and to support job creation and the Get Oldham Working initiative
- Using the regeneration investment to drive up Gross Value Added (GVA) and increase the yield from business rates, taking advantage of the new Local Government Finance regime that enables business rate growth to be retained. This will provide additional resources which can either be used to support the Council's budget or to increase opportunities for further investment

The Council will also:

- Work with partners as a cooperative and commissioning Borough
- Instigate further transformational approaches to delivery of services with and by communities and staff, that maximise involvement and the delivery at a more local level, working with residents to reset priorities, manage expectations and promote self help
- Get the basics right, drive improved business performance with more flexible ICT systems and instigate new delivery models with place based working
- Focus on effective service delivery, achieving social value and maximising the impact of the resources invested

The corporate objectives therefore also help underpin one of the main priorities of the Council which is the continuing development of a new relationship with citizens, communities, partners and staff.

## 2 The Principles of the Capital Strategy

Having regard to the aims of the Capital Strategy in the achievement of corporate objectives, in order to focus capital resources and to gain maximum benefit from their use, the overarching principles of the capital strategy as detailed in the rest of the document are summarised as follows:

- 1) The Capital Investment Programme Board (CIPB) will lead the strategic direction of capital investment for the Council. The CIPB will operate on a commissioning basis. This will enable funding to be better aligned with other partners and funding sources and will link into the principles of the Co-operative Council. In accordance with the commissioning approach being championed within the Council, there continues to be a requirement for links to regional strategies and programmes. As such, the Council must ensure that when it applies for funds on a regional basis (either individually or part of a collective bid), it uses its best endeavours to reflect local and regional priorities. The Council must therefore ensure that its capital strategy reflects the Greater Manchester (GM) Strategy and links into those of other GM Authorities.
- 2) The first call on capital resources will always be the financing of any over-programming from previous financial years. In addition, all schemes already approved in the capital programme or contractually committed will be supported and sufficient resources will be provided to enable them to proceed or complete. These schemes are presented in Annex A.
- 3) A capital project sponsor must also be able to demonstrate that a rigorous process of options appraisal has been followed, requiring evidence of need, cost, risk, outcomes and methods of financing. Capital investment proposals which will result in a revenue cost saving or efficiency are encouraged. The Strategic Regeneration Project Management Office has a clear role in ensuring that all the key questions have been asked at the initiation stage of a project.
- 4) All capital investment decisions will be made with reference to Council objectives and regional strategies and, only after a positive contribution to one or more of the objectives has been demonstrated, is a project to be considered for resource allocation.
- 5) The CIPB will ensure that the Council can take full advantage of the increased freedom and flexibility afforded by the removal of ring fencing from most funding allocations to facilitate the achievement of the Council's objectives. All non-ring fenced capital funding and other non-specific Council capital resources that are not required to support existing commitments will initially be pooled into one central fund. Regard will however be had to obligations around the:
  - transport agenda and transport grant funding
  - funding of adaptations to homes for the disabled and Disabled Facilities Grant funding

- current pressure on primary places in certain areas of Oldham and the lack of capacity in the current stock and the Basic Need Government grant funding allocation to address such issues
- Government initiatives and associated grant funding to support universal free school meals for children in reception, Year 1 and Year 2 in state-funded schools
- 2015/16 Social Care funding requirement arising from the Better Care Fund pooled budget arrangements

Unringfenced grants received in support of the above initiatives will be passported in full to these five areas.

- 6) Pooled corporate resource will be managed by the CIPB and it will review all bids for resources, evaluate them and then agree on the prioritisation of resources accordingly. A proposal will be prioritised in accordance with criteria set out in Section 7 of the strategy.
- 7) The CIPB will also review any bids for and use of any ring fenced resources to ensure alignment with other spending plans and the maximisation of benefits to the Council and achievement of Council objectives.
- 8) The CIPB will recommend the use of both unringfenced and ring fenced resources and also the general prioritisation of resources so that Members under delegation, Cabinet and Council can make a final well informed decision on the utilisation of resources, as appropriate.
- 9) There will be no ring fencing of capital receipts to specific projects with the exception of the:
  - Building Schools for the Future programme, where the ring fencing principle has previously been approved as part of project viability
  - Equity Loan Initiative which was established when HMR resources were ring fenced to the HMR programme.
  - Saddleworth School as part of the Priority Schools Build Programme
- 10) Building upon established good practice and the successful exercises undertaken in earlier financial years, the CIPB will initiate periodic reviews of the capital programme which will examine all schemes in the programme to:
  - a) ensure that schemes still meet corporate priorities
  - b) review their continued relevance in the context of a dynamic and constantly developing organisation
  - c) consider the progress of schemes including any reasons for delayed starts or variations to approved budgetary allocations and rephasing of planned expenditure
  - d) identify any unutilised or underutilised resources
  - e) consider any reallocation of resources



- 11) For the purposes of preparing the Capital Strategy and Programme for 2015/16, an assumption has been made that all resources that remain unallocated within the 2014/15 programme will be treated as though they are fully committed in 2014/15 or carried forward into 2015/16 as a central pool for reallocation to other projects.
- 12) As well as using traditional funding mechanisms to fund capital schemes, the Council will also consider the use of new initiatives and develop these options if it is considered financially advantageous in the context of the Council achieving its capital investment objectives.
- 13) Any future PFI, BSF or other similar public/ private partnerships and initiatives requiring the deployment of Council capital resources or impacting in any way on the overarching capital investment policies or plans of the Council should be presented for consideration to the CIPB. The resources deployed to support such projects will also be subject to the on-going review of the CIPB.
- 14) The Council is conscious that the Government could in the future introduce a range of grant funding opportunities for which bids must be submitted at short notice, some of which may have a matched funding requirement. The Council will respond as it considers appropriate to bidding arrangements, ensuring that bids are submitted which align with its objectives and capital investment priorities and that matched funding requirements are considered on a scheme by scheme basis with resource requirements prioritised accordingly.
- 15) The Council will have a number of capital investment priorities. Whilst these are initially set on an annual basis, it will review and update the priorities in accordance with in-year developments responding to local and national emerging issues. The priorities for 2015/16 to 2019/20 are set out in section 3.

### **3 Priority Areas for Investment**

The priority investment areas identified for the 2015/16 to 2019/20 period covered by this capital strategy document are set out below:

#### **a) Continuation Funding**

There are requirements for continued funding of existing programmes of work summarised as follows:

- Corporate Major Repairs /Disability Discrimination Act (DDA) Adaptations/ Legionella / Health and Safety Project (Corporate Landlord Function)  
This budget aims to enable the Council to secure the integrity of the corporate estate and ensures that the Council is compliant with its statutory obligations under DDA and Health and Safety legislation.
- School Condition Works –the Council has provided resources to address the most immediate needs (priority 1) for condition works within the school estate. There is however, increasing demand on the school condition works budget to address priority one condition issues as well as other preventative works prior to arrival at priority one status.

An overarching allocation of £4,054k funding has been included in the 2015/16 capital programme with a further £3,355k in 2016/17, £2,255k in 2017/18 and £500k p.a. thereafter to cover Corporate Major Repairs /DDA Adaptations/ Legionella / Health and Safety Project (Corporate Landlord Function) and also school condition works, in addition CIPB has recommended, as a priority, that the first call on any future underspends identified within the programme are also applied to cover the works outlined above. The allocations include the 2015/16 School Condition Allocation (SCA) (formerly known as Education Capital Maintenance Grant) announced on 9<sup>th</sup> February 2015 plus indicative amounts for 2016/17 and 2017/18.

#### **b) New Projects**

New projects for which funding may be required and for which funds could be allocated are as follows. Each of these projects would need to be progressed by the submission of detailed and fully costed business cases demonstrating how they take forward corporate priorities. These projects are:

- School Capacity - There is currently pressure on primary places within certain areas of Oldham, with little or no capacity at a number of schools. The success of the Gateways to Oldham Housing project together with other potential residential developments including those as a result of the potential sale of surplus school sites, will also impact on the capacity of schools local to these developments. The Council has provided its own capital investment in this area and the Government Targeted Basic Need award in 2013/14 allowed additional capacity to be provided to 5 school projects (4 primary school extensions and a new special academy) all the schemes are on site

and progressing and whilst it should be possible to manage the schemes within resources available, there may be a requirement to supplement grant funding should unforeseen issues arise. The DfE announced a significant injection of resources on 18 December 2013 with the notification of an additional £10.745m basic need funding over the two years 2015/16 and 2016/17, this was confirmed on 12<sup>th</sup> February 2015 together with a new allocation for 2017/18 of £15.405m. Two further primary schools and one new 3 form entry school have been identified to utilise this funding. School capacity remains a priority and the Council will consider additional investment in its own right or to complement any Government resources that may become available.

- Priority Schools Building Programme Phase 2 (PSBP2) - The Council submitted a bid to the second phase of the programme for Royton and Crompton, Greenfield and Clarksfield schools. In each case the school requires major investment to bring the fabric of the building up to standard. On February 9<sup>th</sup> the Council was notified that only the bid for Royton and Crompton had been successful, furthermore, only part of the submitted programme will be financed and the final allocation is awaiting confirmation. The residual financial requirement for the school, incumbent upon the Council therefore remains to be confirmed.
- Clarksfield and Greenfield primary schools remain a priority for the Council following confirmation that PSBP2 funding will not be forthcoming. The Council will consider the funding requirement and availability of funds to progress these initiatives.
- Schools kitchen extensions - the Government announced in the 2013 Autumn Statement that it would make funding available to offer every pupil attending a state-funded school in reception, year 1 and year 2 a free school lunch from September 2014. The Council has benefited from an allocation of £412k in 2014/15. A second bid, for two schools, Greenfield and Broadfield Primaries, amounting to £210k in 2015/16 was announced as having been successful on 20 January 2015.
- Low Carbon and Energy Efficiency Initiatives – the Council wishes to invest to support its pursuit of the green agenda and address carbon reduction requirements. The Council has a requirement to ensure that it is seeking to maximise energy efficiency. Most energy efficiency and renewable energy projects the Council would like to undertake can be delivered through a number of efficient OJEU framework compliant agreements and pay back their investment over varying periods of time from a combination of Government subsidies and the actual energy savings themselves, making prudential borrowing a viable option for such schemes. The Council will also consider options to work jointly with other Local Authorities on out of borough projects that will benefit Oldham and enhance the Councils contribution to energy efficiency. A photo voltaic pilot scheme, funded from the HRA is included in the 2014/15 programme and a number of further

initiatives are currently being considered including wind farms and additional solar panels as well as more traditional energy efficiency schemes.

- AGMA Green Deal Scheme – whilst the Council has not been required to provide resources to earlier phases of the AGMA Green Deal initiative, resources may be required to support further specific AGMA wide energy efficiency schemes, subject to the development of suitable proposals. Clearly the Council, with its responsibility to support AGMA initiatives, will have to ensure that it is able to honour any regional obligations.
- AGMA Growing Places Loans – in line with the approved AGMA scheme initiated and underwritten by the GMCA, the Council may manage loans to qualifying businesses to support the growth ambitions as set out in the GM strategy, in accordance with requirements.
- Werneth Music Rooms – The Grade II listed Werneth Park Music Rooms is a significant and valued historic building that was closed in September 2001. The Council is keen to support proposals to bring the Music Rooms back into use and will work with community groups and other partner organisations in an attempt to support external bids for funding.
- Foxdenton - Although the Foxdenton area is being developed by private sector partners, there may be a requirement for public sector capital investment for enabling and infrastructure works. All avenues for such works will be explored with the inclusion of external funds where applicable.
- Former School Sites -The Council is about to commence on a programme of phased disposals of a number of former school sites and up front capital funding may be required for enabling and other works to ensure that the land is suitable for commercial redevelopment.
- Town Centre Regeneration – The Council is making a considerable investment in the town centre further extended with the announcement of the Prince’s Gate retail development at Oldham Mumps. As the programme of work evolves, this may require complementary investment for additional strategic acquisitions, car parking, public realm works or other regeneration developments, particularly around improving the retail offer
- Borough Wide Regeneration – the Council is investing in Borough wide regeneration initiatives and again as the position evolves, there may be a requirement for increased investment in new or existing projects.

- Housing Initiatives - The Council, linked to its revised and updated Housing Strategy, will look to utilise any central Government funding that may become available, through either the general fund or the HRA. This could include initiatives involving and working in partnership with the private sector.
- Supported housing for adults with complex learning disabilities- Options are being considered to provide an alternative accommodation offer for adults with complex learning difficulties either by way of a new-build scheme or to provide an alternative housing offer utilising the existing stock
- Equity Home Loans - Oldham Council is currently taking the lead role at an AGMA level in the provision of an Equity Home Loan service. Building on the provision in 2014/15, a further £350k in 2015/16 and £502k in 2016/17 has been made available. Given the success of the initiative, if resources are available, the Council would wish to invest further resources to promote housing provision.
- Adult Social Care – mindful that the Council has extensive responsibilities to deliver an adequate standard of adult social care; the Council will consider the utilisation of available Government resources and any local funding to address identified needs or opportunities to support income generation and facilitate enhanced service provision.
- Car Parking- There is a requirement to invest in town centre car parking in terms of upgrading the existing facilities and providing new facilities.
- Matched Funding for Grant Bids – the Council is conscious that the Government may introduce a range of grant funding opportunities for which bids must be submitted at short notice, some of which may have a matched funding requirement. The Council's strategy will be to respond as it considers appropriate to bidding arrangements, ensuring that bids are submitted which align with its objectives and that matched funding requirements are considered on a scheme by scheme basis with resource requirements prioritised accordingly.

## 4 Greater Manchester Strategy

Investment priorities at a GM level will be guided by the Greater Manchester Strategy (GMS). However investment proposals will be determined through the Chief Executive Investment Group supported by a Combined Authority team based at Manchester City Council.

While the strategic approach and priorities of the GM Strategy remain as vital and relevant as ever, the changing economic and policy context means AGMA, the Homes and Communities Agency and GM partners will need to be flexible, innovative and pragmatic if the Council is to achieve the ambitions for Greater Manchester. To this end the Greater Manchester Strategy was updated in November 2013.

The revised Greater Manchester Strategy describes the ambition for the city region; by 2020 all residents will be able to benefit from and contribute to a sustainable economy. In order to achieve the vision, some priorities have been set which will help the region achieve its ambition by 2020.

### The Vision

By 2020, the Manchester city region will have pioneered a new model for sustainable economic growth based around a more connected, talented and greener city region where all our residents are able to contribute to and benefit from sustained prosperity.

The GMS focuses on the two key drivers of growth and reform in order to secure Greater Manchester's place as one of Europe's premier city regions. It will be recognised for its commitment to a low carbon economy and a good quality of life.

Priority actions, which all align to Oldham aims and objectives are:

- **Creating the conditions for growth:** Diversifying the economic base, developing a market facing investment strategy, creating a blueprint for successful town centres, attracting and retaining talent through investment in attractive housing offers and improving GM connectivity
- **Business:** Growing the business base, improving international competitiveness of GM companies and capitalising on the opportunities of a low carbon economy
- **Worklessness and Skills:** Delivering an employer led skills system, broadening the opportunities available to young people to reduce youth unemployment and creating and implementing a flexible approach to the provision of skills and employment support to enable the jobless to enter work
- **Reducing dependency and demand:** Developing community budgets and taking forward the early years/ troubled families agendas, reform of health and social care and support for cross public service leadership.

Some of these priorities are about making sure that the right conditions for growth exist, doing everything to encourage businesses to invest in GM and helping them to thrive when they do. Others are about changing the way that the public sector works, using resources in new ways to be more efficient and effective, and improve the quality of life of all our residents.

The Greater Manchester Combined Authority (GMCA) is the statutory body that will take responsibility for making sure that priorities are delivered. Partnerships and frameworks for delivery are set up across Greater Manchester, and the GMCA will hold those partnerships to account, checking on progress, monitoring performance measures and making sure that we are using our resources in the most effective and efficient way possible.

The approach to GM funding remains the same with a commitment to provide a revolving fund via the GM Investment Fund. Its aim is to develop a co-ordinated view of capital investment allowing GM to achieve more for less. A GM assessment framework is being developed which will consider the financial, practical and strategic aspects of investment to inform decision making. In the future external funding decisions will be based on an assessment against this single assessment framework.

A new GM focused European Programme was anticipated to open in mid- 2014, however this has since been delayed and it is now expected to open in the summer of 2015. There will be some opportunities for grant via ERDF but this will only be around 10% of a £220 million programme and will be focussed on business growth and low carbon initiatives. Further to that it is likely that grant will be limited to those projects that demonstrate a gap in funding and seeking support from the EVERGREEN programme.

To summarise, there is a need to ensure that there is an iterative process between the Oldham and Greater Manchester policy making mechanisms. The Council is playing a major role in shaping the investment frameworks that supports the delivery of the GMS and as such the Capital Strategy is well aligned to the emerging frameworks. This is essential if we are to be successful in securing both public and private sector funding in the future.

In future the GM Investment Fund will demand a single pot approach to external funding and as such decisions will not be taken on the appropriateness of a funding pot to a proposal but on the strategic need of a project in delivering the GM priorities. Oldham is well placed in streamlining its aspirations for funding and has undertaken a significant amount of work in establishing a realistic priority for key projects both around the borough and within the town centre.

In order to ensure that the Capital Programme is aligned to the GMS and Investment Fund conditions there is a need to ensure that all elements of deliverability are covered in advance of bids for funding (whether grant support or loan). This is particularly important in the case of grant applications. It is likely that in future the only source of grant will be from the new ERDF programme and this has only allocated around £20 million to provide grants. Competition across GM will be high and as such there is a need to ensure that at the application

stage everything is in place to be able to demonstrate that the proposal is deliverable on time. This may mean future investment in such things as site surveys and/or planning applications.

The 2015/20 capital strategy therefore includes principles and priorities which will complement the GMS and maximise external funding opportunities for the Council.

This approach is best evidenced in the changes to a range of government grants that are now being channelled through a local Growth and Reform Plan. Greater Manchester's Growth and Reform plan setting out its aim to become a financially self-sustaining city region has been submitted to Government. The current gap between spending on public services in Greater Manchester and the tax generated in the area is £4.7 billion a year.

The plan, produced by Greater Manchester Local Enterprise Partnership (LEP) and Greater Manchester Combined Authority, has been published as part of discussions with the government over the area's Growth Deal and outlines proposals for a new "place-based" partnership with Government, to drive reform of the way that local services are delivered and to better align local and central growth programmes.

Phase I of the Plan sought a £400m share of the Local Growth Fund to support the region's transport and infrastructure requirements, to build business support and help provide the skills which employers need and to fill gaps in the region's Life science industry. Oldham had a number of transport schemes included in the minor transport section approved. These were the Old Town Hall and King St roundabout.

A second phase was announced in the Chancellor's Autumn Statement. This included proposals covering Hotel Future, and a number of transport projects including Prince St/Mumps and Albert Street, Hollinwood.

Greater Manchester is looking for a deal with Government over the full five years from the next spending review (expected autumn 2015) covering significant blocks of funding where the region can keep savings generated through reforms over the period – with an agreed sharing of risk and reward.



## **5 Capital Resources to Support Capital Expenditure**

### **5.1 The Utilisation of Capital Funding Opportunities**

The Council's strategy for deploying resources is to ensure that all resources are utilised to achieve the Council objectives. With the Government placing a greater emphasis on regional initiatives, the Council's Capital Strategy and capital planning arrangements need to be consistent with and linked to the Greater Manchester capital strategy but also enhance the Council's own Co-operative ethos, the Repositioning Oldham agenda and other corporate initiatives such as Get Oldham Working, with some devolving of resources and decision making to Districts and neighbourhoods. As such, the aspirations of District Partnerships need to be considered and they will be consulted, as appropriate, over possible bids for any available funding. New resources of £200k (£10k per ward) have been identified for a District Investment Fund in 2015/16 which will enable District Partnerships to bid into the fund to finance more substantial projects that meet their local priorities.

As most capital financing can be used for projects at the Council's discretion, then the Council is able to address its own priorities and shape the capital programme to a locally rather than a nationally driven agenda.

The Council will ensure that it takes full advantage of the freedom and flexibility arising from the removal of ring fencing of most resources to facilitate the achievement of Council objectives. All non-ring fenced capital funding and other non-specific Council capital resources that are not required to finance existing commitments, will be pooled into one central fund. This corporate resource will then be managed so that only schemes which can demonstrate the attainment of Council capital priorities will be allocated funds. The CIPB will review all bids for resources, evaluate them and then make recommendations to:

- a. Cabinet/Council on the prioritisation of resources for the initial 2015/20 capital programme
- b. The appropriate decision maker for any subsequent revisions to the capital programme

The Cabinet/Council will make the final decision on the overarching capital programme for 2015/20 and will subsequently delegate, subject to the provisions in the Council's Constitution, the updating of the programme and revisions to projects following a review and recommendation by the CIPB.

The CIPB will review the usage of any ring fenced resources to ensure alignment with other spending plans and the maximisation of benefits to the Council.

In determining the size of the central fund, the CIPB will have regard to:

- the preparation of the statutory fourth Greater Manchester Local Transport Plan (GMLTP4), the development of which is underway, and will include a long-term transport strategy for Greater Manchester (to 2040) and a 5-year spending plan commencing in 2015/16. The spending plan will be updated annually and will be based on confirmed funding; including the Growth Deal minor works programme allocation and other Local Transport Capital allocations. The Council receives

grant funding from the LTP from the wider Greater Manchester allocation, which comes with a national and regional expectation that it will be used for LTP purposes. Oldham has been allocated an indicative settlement of £2.453 million for 2015/16, which on receipt will be pass-ported via this Capital Strategy for investment in and maintenance of Oldham's transport network, in accordance with Local Transport Plan expectations, along with the allocations for 2016/17 – 2020/21 (i.e. beyond the life of the current programme) as these are confirmed. The 2015/16 allocation is subject to confirmation by DfT on completion of a data checking exercise and subsequent agreement of the distribution of the resource by GMCA.

- The Council's obligation to finance adaptations to the homes of disabled residents for which it has been notified of an unringfenced grant from Central Government £925k for 2015/16.
- The current pressure on primary places in certain areas of Oldham and the lack of capacity in the current stock. The Government has announced Basic Need allocations of £5.241m in 2015/16, £5.505m in 2016/17 and £15.405m in 2017/18 which, although unringfenced is understood to be intended specifically for the purpose of providing additional school places.
- The 2015/16 Social Care funding allocation of £625k which is an element of the Better Care Fund pooled budget arrangements.
- Any resources allocated after the consideration of the 2015/16 grant bid by Central Government.

The Council will therefore passport all of the unringfenced transport, disabled facilities, basic need, universal free school meal (subject to funding approval) and social care grants to support spending in the respective areas.

Grant funding allocations notified to the Council also include information about capital maintenance funding for Voluntary Aided (VA) schools. This grant is paid directly to the Church of England and Roman Catholic Diocesan authorities and is not therefore included within the Councils capital programme. Expenditure undertaken by the Council on VA schools is planned with regard to the availability of contributions from this grant and diocesan resources.

## **5.2 Methods of funding capital expenditure**

### **1) Government Grants and Non-government Contributions**

Capital resources from Central Government can be split into two categories:

- i) Non-ring-fenced – resources which are delivered through grant that can be utilised on any project (albeit that there may be an expectation of use for a specific purpose). This now encompasses the vast majority of Government funding and the Council will initially allocate these resources to a general pool

from which prioritised schemes can be financed (with the exception of transport, disabled facilities, basic need, school meals and social care grant funding).

- ii) Ring-fenced – resources which are ring-fenced to particular areas and therefore have restricted uses.

Where there is a requirement to make an application to an external agency to receive external funding, and when appropriate to commit Council resources as matched funding to any bid for external resources, a business case (following the three stage process described at Section 6) must be presented to the CIPB for approval. This must justify the bid for external resources and any Council matched funding.

Examples of ring fenced grant for which the Council has successfully bid and which support current capital projects include Arts Council Grant and Heritage Lottery Grant.

Additional Government grant funding notifications may yet be received and these will be incorporated into the programme as appropriate.

## **2) Prudential Borrowing**

The Council will investigate opportunities to resource capital projects using prudential borrowing where plans are sustainable, affordable and prudent. Full appraisal will take place to ensure that, where appropriate, sufficient revenue returns are generated to cover the cost of borrowing.

Where it is considered that prudential borrowing is the appropriate method of funding, but it requires additional revenue financing, the cost will be built into the revenue budget planning process.

The Council approved a major programme of strategic investment in 2012/13 which is subject to on-going refinement as schemes are developed and external funding is finalised. The CIPB will review the detailed capital expenditure plans before allocations of resources are committed to ensure that the costs of prudential borrowing are understood and affordable.

Since 1 November 2012 the “certainty rate” has enabled Oldham Council to take advantage of a 20 basis points discount on standard loans from the Public Works Loan Board (PWLB) under the prudential borrowing regime, in return for providing improved information and transparency on locally determined long term borrowing and associated capital spending plans. The Council has once again successfully reapplied for access to the certainty rate for a further 12 months; the discount is therefore now available until 31 October 2015. In the absence of any formal guidance it is assumed that access to the “certainty rate”, if it remains available, will continue to depend on the submission of further details of borrowing and capital spending plans. This will of course be kept under review.

The Local Government Association (LGA) has established the Local Capital Finance Company (originally known as the Municipal Bonds Agency) the aim of which is to seek to provide Councils with a cheaper source of long term borrowing and to introduce sector owned diversity into the Local Government lending market. The Council has agreed to invest in the first phase equity release of the MBA which will be used to fund the

initial set up costs of the Agency. Phase 2, is intended to fund the launch phase of the Company through to operations and breakeven. The Council has undertaken this investment to access a cheaper source of long term borrowing. Assuming the Agency is successful in commencing operations, the Council will keep under review the availability and cost of funds from the MBA as an alternative source of finance with a view to borrowing at the appropriate time if terms are preferential. As an investor, the Council would expect to benefit from any profits generated by the MBA

### **3) Capital Receipts**

Section 9 (1) of the Local Government Act 2003 defines a capital receipt as "a sum received by the authority in respect of the disposal by it of an interest in a capital asset"

Section 9 (2) defines a capital asset as "an asset is a capital asset if, at the time of the disposal, expenditure on the acquisition of the asset would be capital expenditure"

Capital receipts are restricted to use for:

- Financing new capital investment
- Reducing borrowing under the Prudential Framework
- Paying a premium charged in relation to any amounts borrowed
- Meeting any liability in respect of credit arrangements
- Meeting disposal costs (not exceeding 4% of the receipt)

In general capital receipts arising from the disposal of housing assets and for which account is made in the Housing Revenue Account (HRA) are governed by the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003. In summary the regulations require that receipts arising from:

- Right to Buy (and similar) sales may be retained to cover the cost of transacting the sales and to cover the debt on the properties sold, but a proportion of the remainder must be surrendered to Central Government;
- All other disposals may be retained in full provided they are spent on affordable housing, regeneration or the paying of housing debt.

Such receipts have reduced substantially now that the transfer of the housing stock transfer to FCHO is complete.

Where the sale of an asset leads to the requirement to repay grant, the capital receipt will be utilised for this purpose. Once this liability has been established and provided for, capital receipts will be available to support the capital programme as a corporate resource.

The Council will not ring fence capital receipts to specific projects with the exception of the:

- Building Schools for the Future programme
- Equity Loan Initiative
- Saddleworth School as part of the Priority Schools Build Programme

In considering the 2015/16 capital programme, and given the position with regard to capital receipts, a prudent approach has been taken and there has been no assumption of any additional capital receipts to finance new expenditure over and above those already known about and underpinning the programme.

The Council is facing considerable uncertainty about the realisation of anticipated capital receipts. The level of receipts upon which the programme relies to fund existing commitments has been affected by the depressed state of the property market which has impacted on the:

- i) ability of the Council to sell assets within the timescale anticipated
- ii) level of receipt that can actually be generated, which has often been less than originally expected

In addition, given the Council's objective to rationalise the corporate estate, the marketing of increasing numbers of surplus assets has the potential to affect both (i) and (ii) above and this will need to be carefully managed. A dedicated resource has now been put in place to manage the phased disposal of former schools sites, residual HMR sites and other strategic regeneration sites.

The Council has established the Corporate Property Board to take a more holistic and strategic approach to assets and disposals (and acquisitions). Further detail of the asset review is provided at section 6.2.

#### **4) Revenue Contributions**

A service or school may wish to offer some of its revenue budget to support the financing of a capital project. This is acceptable if it can be demonstrated that this funding is unfettered.

#### **5) Use of Leasing**

Some of the assets used by the Council are financed by a lease arrangement for example, vehicles. With the advent of Prudential Borrowing this source of financing is becoming less attractive. Indeed, the replacement fleet management policy demonstrates this development. There may however be instances where leasing could offer value for money and it will remain a consideration when options are being appraised.

#### **6) Value Added Tax (VAT) Shelter**

One of the implications of the Housing Stock transfer that took place in February 2011 is the creation of a VAT shelter. This will allow First Choice Homes Oldham (FCHO) to obtain the same VAT exemption on its capital works as the Council. The shelter only applies for first-time improvements and is expected to last for fifteen years. The savings are to be shared with the Council with FCHO retaining all the benefit in the first four years and the savings thereafter split 50:50 with the Council, which are estimated in total to be £15.7m, excluding the effects of inflation, although the first £6m may be top-sliced to deal with outstanding FCHO asbestos liabilities. Any sums received will need

to be treated as a capital receipt and are expected to bring a direct benefit to the Council from 2015/16.

FCHO has provided an indicative notification of the release of resources from the VAT shelter from 2015/16. Mindful of the level of prudential borrowing that the capital investment programme requires and also the associated revenue consequences of servicing the debt, estimated capital receipts from the VAT shelter have been used to reduce the level of prudential borrowing required from 2015/16 onwards.

## **7) S106 Agreements**

In considering an application for planning permission, the Council may seek to secure benefits to an area or restrict uses or activities related to a proposed development through the negotiation of a 'planning obligation' with the developer. Such obligations, authorised by section 106 of the Town and Country Planning Act 1990, generally either improve the quality of the development, or overcome difficulties which would otherwise result in planning permission being refused. A planning obligation must be:

- (a) necessary to make the development acceptable in planning terms;
- (b) directly related to the development; and
- (c) fairly and reasonably related in scale and kind to the development.

As such, therefore, the Council may in some instances receive funds to enable it to undertake works arising from these planning obligations. Examples of the use of planning obligations are the:

- Provision of affordable housing;
- Improvement to community facilities - Public open space / play areas, educational facilities;
- Improved transport facilities - contributions have previously been used towards Oldham bus station, park and ride and provision of cycle lanes;
- Public art;
- Renewable energy measures;
- Specific measures to mitigate impact on a local area - parking restrictions, landscaping or noise insulation.

The use of any S106 funding will be presented to the CIPB and the Repositioning Oldham Project Investment Team for review.

## **8) Community Infrastructure Levy (CIL)**

The community infrastructure levy, governed by the Community Infrastructure Levy (Amendment) Regulations 2013 is a new levy that Local Authorities in England and Wales can choose to charge on new developments in their area. The levy is designed to be fairer, faster and more transparent than the previous system of agreeing planning obligations between local Councils and developers under section 106 of the Town and Country Planning Act 1990. Cabinet has been consulted in relation to the levy and a draft charging schedule was considered at Cabinet on 15 December 2014.

In areas where a CIL is in force, land owners and developers must pay the levy to the local Council.

The charges are set by the Council, based on the size and type of the new development and the money raised from the community infrastructure levy can be used to support development by funding infrastructure that the Council, local community and neighbourhoods want, such as new or safer road schemes or park improvements.

The community infrastructure levy:

- gives Local Authorities the freedom to set their own priorities for what the money should be spent on
- gives Local Authorities a predictable funding stream that allows them to plan ahead more effectively
- gives developers much more certainty from the start about how much money they will be expected to contribute
- makes the system more transparent for local people, as Local Authorities have to report what they have spent the levy on each year
- rewards communities receiving new development through the direct allocation of a proportion (15% or 25% depending on whether a Neighbourhood Plan is in place) of levy funds collected in their area

No assumptions about the availability of resources from a CIL have been included in the 2015/16 capital strategy.

## **9) Private Finance Initiative (PFI)**

PFI is a means by which the Council can facilitate major new infrastructure projects. Typically the schemes involve partnerships between the public and private sector to fund public sector infrastructure projects with private capital. Oldham has considerable experience of PFI with two schools projects, two housing projects, the Library and Lifelong Learning Centre and street lighting initiative.

Currently no new PFI projects or initiatives are anticipated. Any such proposals would be presented to the CIPB for evaluation before presentation for Members approval.

## **6. Capital Investment and Disposal Appraisal**

### **6.1 Capital Investment**

All capital investment will be commissioned on the recommendation of CIPB which will enable any expenditure and its funding to be better aligned with corporate priorities, partners and funding sources. Partners, from both the public and private sector will be at regional and local levels as well as at a district level.

Within the Council, a concept for a potential capital project should originate from, or at least be 'owned' by Senior Management Teams (SMTs) or Directorate Management Teams (DMTs). The SMT or DMT that 'owns' the concept should prepare, or direct the preparation of a Strategic Business Case (SBC) for the proposed project. The Strategic Business Case should be submitted to CIPB for consideration, with the exception of Strategic Regeneration projects where the Project Management Board (PMB) first reviews the SBC.

If the CIPB (or the PMB in the case of Strategic Regeneration Projects) is satisfied that the proposal meets investment criteria, it will be given approval to progress to Stage 2 of the process – the completion of an Outline Business Case (OBC). The OBC builds on the SBC providing more detailed information including the benefits that could be realised and may include a number of options to deliver the proposed benefits. The OBC will be submitted to the CIPB for consideration, and if it is satisfied with the proposal will give guidance for the development of a preferred option.

Stage 3 of the process entails the completion of a Final Business Case (FBC) which will then be submitted to the CIPB for final consideration. Again, building on the OBC, the FBC will contain evidence of a:

- detailed financial analysis of all costs/income including how the project is financially sustainable and that any adverse revenue implications can be dealt with within existing budgets
- robust delivery plan including how the chosen option delivers the highest impact in achieving the required outcomes with identified key project milestones enabling progress review
- risk assessment and that appropriate actions to negate these risks have been identified
- full exit strategy where the project involves a disposal
- method of procurement that represents value for money.

By adopting the process outlined above, CIPB exercises control over capital projects through the recommendation of approval of:

1. Strategic Business Cases (SBC) outlining the initial idea or 'concept' for a project.
2. Outline Business Cases (OBC) which will focus on links to the Corporate Plan and outcomes.



3. Full Business Cases (FBC) – the final investment decision. This will focus on the how the priorities set out in the OBC will be delivered, including:
  - a) Project description
  - b) Consultation
  - c) Expenditure and funding including whole life costs and revenue implications
  - d) Outputs
  - e) Option Appraisal
  - f) Value for Money
  - g) Delivery
  - h) Risk Management
  - i) Sustainability, Forward strategy and evaluation
  - j) Asset Management
  - k) Procurement
  - l) Equality Impact Assessment
  - m) Environmental Impact Assessment
  - n) Contribution to the achievement of corporate initiatives including Get Oldham Working

Depending on the circumstances of the bid for resources, the CIPB has the discretion to vary the 3 stage review process and omit one or more of the stages.

#### Gateway Review System

The Council has adopted a gateway review system for all projects within the capital programme to promote the following principles:

- Carrying out structured reviews at decision checkpoints, defined by boundaries between management stages, to test the project's management and its readiness to progress to the next stage.
- Promoting project assurance through the application of a structured project management system.
- Informing the governance process.

The Gateway Review structure is designed to be efficient by only requiring detail when it is needed to get to the next stage. It also tries to minimise additional work for team members by using templates that build on each other, reducing the need for reworking.

Gateway Reviews are undertaken by the Strategic Regeneration Project Management Office which has been specifically set up to ensure there is a robust review process in place to support the delivery of capital schemes and therefore to support the work of the CIPB.

There are four Gateway Reviews which are initiated at key milestones in the delivery of a programme, Gateways 1 to 3 are undertaken in the approval process for the Strategic, Outline and Final business cases respectively, Gateway 4 is done in support of the delivery and handover phase. It is important to note that the Gateway report is used to advise and inform those responsible for making the investment decision, the decision will not be made by the Gateway Review team.

## **6.2 Service Challenge & Review, Efficient Use of Assets**

In light of massive unprecedented financial challenges in recent years, the Council embarked on an ambitious programme of transformation utilising the corporate estate as a key driver for change.

A strategic review of the Council's land and property portfolio was approached within a tri-track framework;

1. The core office estate
2. The operational asset base used for district based service delivery
3. Land

The Smarter Workplaces programme radically reviewed the Council's wider 'office portfolio', and realised significant efficiency savings by vacating a number of properties, and consolidating provision of back office functions within three key buildings.

Cabinet in November 2012 approved review/closure of a further tranche of properties which contained an element of back office provision, and progress in delivery of recommendations has been very good and is continuing at pace.

With regard to the review of operational district assets, the Property Team and services are working closely with services to ensure that portfolios are best fit for purpose and efficient usage is maximised.

Land assets will be progressed for future use/disposal aligned to corporate objectives and incorporated into the corporate disposals programme.

Governance of the Council's land and property portfolio is provided via the Land and Property Protocols which form part of the Council's Constitution, providing a strategic governance framework within which land and property transactions are undertaken and the corporate portfolio is managed in a consistent, transparent and appropriate manner.

The Corporate Property Board oversees acquisition and disposal of land and property assets and monitors the progress of the corporate disposals programme.

## **7 How the Capital Requirements will be prioritised**

Once a bid for capital expenditure has passed through the Gateway process and has demonstrated that it meets Council Objectives and links to the Greater Manchester Strategy (if appropriate) and it has been agreed that it is suitable for capital investment, the strategic requirements will be prioritised using the following criteria (it should be noted that these are not mutually exclusive or in ranking order):

The criteria examine if the proposal is:

1. Related to mandatory, contractual or legislative service delivery requirements
2. Required to achieve the delivery of a specific revenue budget saving within the revenue budget setting process
3. Required to support Service Plan priorities
4. Enhancing the Co-operative Council agenda and demonstrates the enhancement of Social Value
5. Supporting the Get Oldham Working priority initiative and demonstrates how it delivers the aim of local jobs for local people
6. Linked into other regional objectives
7. Supporting the evolving localism agenda
8. Enhancing the asset management/estate management agenda
9. Providing a general revenue saving or offering the delivery of a more efficient service
10. Fully funded from external resources
11. Bringing in substantial external resources for which Council matched funding is required
12. Likely to have the highest impact on achieving improved performance against the Council's key objectives
13. Making a contribution to carbon reduction targets and renewable energy initiatives
14. Supporting regeneration and economic growth particularly in the town centre and district centres

The results of this process will be presented to Members each year as part of the capital budget setting process, or during the year if projects come forward outside the normal timeframe.

## **8 How the Council Will Procure its Capital Projects**

The structure of the Council's procurement and strategic relationship management function includes designated Commercial Procurement Managers whose focus is to support all capital projects.

Integration of revenue and capital financial planning provides opportunities for greater efficiency by selection of the most effective procurement processes to ensure the best commercial solution.

The Council is keen to ensure that Social Value, particularly contributions to the Get Oldham Working initiative, is demonstrated during the procurement process linked to the principles of the cooperative agenda and therefore this is of key importance in the procurement of all capital schemes. The social value deliverables are actively monitored by the procurement team throughout the life of the contract.

Efficiency gains via procurement will be achieved by:

- Efficient procurement processes which are constantly being enhanced with opportunities being developed to ensure the best commercial solution is selected and delivered;
- Expanding the range of providers included within the early payment discount scheme introduced by the Council;
- Strategic contract management of the wider supply chain to ensure continuous savings through the life of the project
- Procuring fixed price contracts with risk / reward terms to incentivise further efficiencies;
- Joining in AGMA wide procurement initiatives which will provide savings by economies of scale;
- PFI and Public Private Partnership (PPP) agreements and other innovative financing arrangements where practicable;
- Leasing/borrowing strategies which will consider the most effective means of acquiring assets.

## **9 How the Council will Measure the Performance of the Capital Programme**

The capital commissioning approach that has been adopted by the Council is supported by a strong programme management process in order to ensure a coordinated corporate approach to the strategic alignment of investments. The process has been modelled on PRINCE 2 project management methodology and the Office of Government Commerce (OGC) Gateway Review System, incorporating risk assessment, risk management, option appraisal, cost v benefit analysis, etc. This ensures that investments are planned, managed and delivered prudently.

The CIPB has a remit to review the financial performance of the capital programme and financial monitoring reports will be considered by Cabinet from month 3 to month 9 together with a capital outturn report. Issues that have been considered and agreed at the CIPB can be reported to Cabinet as necessary via the regular financial monitoring reports.

The undertaking of the detailed annual review of the capital programme provides the opportunity to review all schemes or focus on specific areas of concern.

Where a potential cost overrun has been identified, the CIPB will explore possible solutions in detail. It will also consider any under spending or identified surplus resources which can be added to the central pool of resources. The CIPB may also suggest a reallocation of resources to other projects.

Where there is a delay in the commitment of programme/project resources, the CIPB will require project managers to report the reasons for the delay and consider whether it would be appropriate to recommend the decommissioning of the project and the reallocation of non-ring fenced resources to other projects.

The performance of the capital programme is also measured by the prudential indicators which are reported to Cabinet/Council as part of the Treasury Management Strategy, the Treasury Management half yearly review, and the annual review.

## **10 The Capital Investment Programme Board**

The CIPB is an Advisory Board and is chaired by the Cabinet Member for Finance and HR. The lead Chief Officer for CIPB is the Executive Director Economy and Skills. The Leader of the Council and the Deputy Leader have a standing invitation to all meetings. The Board is supported by senior Finance Officers, the Corporate Property Officer, Director of Economic Development and the External Funding Manager. The Board has a detailed Terms of Reference which are included at Annex B.

All Directorates will be represented at Director Level by invitation to attend CIPB as and when projects for which they are responsible are being considered. The Chair may also invite the relevant Cabinet Member to attend when a project within their portfolio is being discussed.

The Board meets on a monthly basis to ensure there is a managed approach to:

- Discussing and recommending actions in relation to capital issues
- Developing the Capital Strategy,
- Developing the coming years capital programme
- Considering and approving business cases
- Monitoring performance of individual capital projects and the whole capital programme
- Reviewing the availability of capital resources and reprioritisation of resources as required

The CIPB undertakes an annual review of the capital programme which will examine all schemes in the programme to:

- Ensure that schemes still meet corporate priorities
- Review their continued relevance in the context of a dynamic and constantly developing organisation
- Consider the progress of schemes including any reasons for delayed starts or variations to approved budgetary allocations and rephasing of planned expenditure
- Identify any unutilised or underutilised resources
- Consider any reallocation of resources

It will also initiate periodic reviews of the whole or part of the programme as required in response to specific issues or concerns.

The Board oversees capital projects from inception to completion to ensure they are delivered efficiently and effectively and in line with the Council's corporate objectives.

The Board assesses all submissions for capital expenditure prior to them entering into the normal reporting process for approval. The Board therefore makes recommendations to the appropriate decision maker/ forum, whether this is a Member under delegated responsibility, Cabinet or Council.

The CIPB Terms of Reference and other relevant information are provided at Annex B.

## **Sub Groups**

CIPB may at its discretion convene a sub group for a specific purpose or purposes.

A sub group, the External Funding Group is to be set up. The group is to be chaired by a Cabinet Member; the remit of the group is to:

- Manage external funding at a strategic level.
- Identify potential grants and additional sources of funding.
- Manage the process for applying the funding and approve all bids for funding.
- Monitor ongoing compliance with grant terms and conditions and assess any financial risk including grant claw back.
- Provide a Regeneration Plan/framework that can enable the Council to proactively react to funding opportunities as they arise.
- Ensure there are sufficient resources for the Council to be fully embedded within AGMA, particularly important in light of devolution.
- Ensure there are sufficient personnel to enable the Council to proactively react to funding opportunities as they arise.

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## Current Capital Priorities

The Council has an approved capital programme which has already committed resources to support schemes for the 2015/16 and future financial years. Annex C sets out the proposed programme for 2015/16 to 2019/20 taking into account the latest information and proposals. In order to set out a full explanation of the capital commitment and also the capital aspirations for the Council, the capital strategy identifies these schemes and explains their nature and importance, together with those projects that the Council would wish to undertake if there are sufficient resources to allow new projects to proceed.

In addition, in order to give as full a picture as possible of all major capital investment taking place in the borough, it is also important to present information about the schemes being financed under the Public Finance Initiative (PFI) that would not feature within the capital programme due to their funding arrangements.

Explanations of all key areas of approved capital expenditure and PFI schemes are set out in the following paragraphs in Directorate order. The final section of this Annex shows potential priority investment areas for 2015/16 onwards and these will be taken forward subject to the availability of resources and the preparation of a full business case.

### **NEIGHBOURHOODS PORTFOLIO PROJECTS**

#### District Investment Fund (DIF) (District Partnerships)

The DIF was created in 2011 and is a now well established concept. It is intended to fund larger scale neighbourhood investments that meet local needs and achieve value for money. A capital fund of £200k per annum (£10k per ward) was created in 2013/14 continued through to 2014/15 and 2015/16; the same level of provision has now been extended to cover the life of the capital programme.

#### Neighbourhood Development Fund (District Development)

A new initiative in 2014/15 was the creation of a £200k Neighbourhood Development Fund which has been established to provide resources for neighbourhood branding, greening and other innovative projects. The initial pilot of this initiative is taking place in the Shaw and Lees areas; expenditure of £145k has been slipped into 2015/16.

### **Private Finance Initiative Projects**

In terms of live construction works there are currently two PFI schemes with active construction programmes that are enabling the Council to support capital projects/expenditure which it would have been unable to do without the option of PFI funding. These are:

## Housing PFI 4

The Gateways to Oldham PFI 4 scheme reached financial close on 30 November 2011 and will see the refurbishment of existing properties and the creation of new homes, with a total capital cost of £77m. The Council has entered into a 25 year contract with Inspiral Oldham who will use private finance to fund the construction works and manage and maintain the properties for the duration of the contract through to October 2036. Construction was originally planned to be completed by November 2014 but whilst the houses themselves (317 refurbishments and 317 new homes in total) were completed in December 2014 certain highway works and public open space will not now be completed until March 2015.

## Street Lighting PFI

The joint approach between Oldham and Rochdale Council resulted in both Authorities entering into a Street lighting PFI contract with Community Lighting Partnership. The financial close was achieved in April 2011 and the operational element of the contract provides for the management and maintenance of the entire lighting stock commenced in July 2011 and running through to July 2036. The capital element of the contract will see the replacement of approximately 22,786 lighting columns within the Borough with a capital value of £30.5m. Construction commenced in October 2011 and should be completed, behind schedule in or before July 2016. There are currently a number of unresolved disputed issues between the interested parties.

## **Transport Related Projects including Metrolink**

There are a number of key transport related projects that the Council is planning to undertake in 2015/16. However, the transport programme is managed largely with regard to the Greater Manchester Transport Strategy and Local Transport Plan complemented by other projects as follows:

### Greater Manchester Transport Strategy, Local Transport Plan and Metrolink

There is a statutory requirement for Local Transport Authorities to prepare a Local Transport Plan (LTP) and keep it under review and replace as they see fit (the requirement to update the plan every 5 years no longer applies). Greater Manchester has previously produced three LTPs (in 2001, 2006 and 2011). LTP3 was linked to a previous Spending Review and included spending plans for the period 2011-2015. LTPs are required to cover both policy and implementation elements, although these can be to different timescales e.g. with a long-term strategy and short term implementation plans.

The Greater Manchester Combined Authority (GMCA) (via Transport for Greater Manchester) is now responsible for producing the Local Transport Plan. GMCA has embarked on a process to develop a fourth Local Transport Plan (LTP4), which is likely to contain a new long term GM transport strategy and 5-year spending plans, which will be updated annually, based on confirmed resources.

The LTP3 period has been one of rapid change and significant governance reform that has seen a number of changes to the way in which government support for capital investment is organised, including a move towards devolving Local Transport finance,

particularly for major schemes (i.e. those costing more than £5 million) and the introduction of the Local Growth Fund from 2015/16 and accompanying Growth Deals.

Two of the main Local Transport Plan funding blocks remain in place under the new funding arrangements. These are the integrated transport block and capital maintenance block.

### **Integrated Transport Block**

- The integrated transport block (ITB) provides funding support for transport capital improvement schemes costing less than £5 million. In Greater Manchester's case, this grant is paid to and managed by the GMCA at a regional level and is not paid directly to Oldham. On 24 July, DfT confirmed the ITB allocations for the period 2015/16 to 2017/18 and issued indicative allocations for 2018/19 to 2020/21. Nationally, the total funding available for ITB in the period to 2021 was confirmed as £2.7 billion (£458 million per annum). Of this, £200 million is to be top sliced each year for the Local Growth Fund, with the remaining ITB of £258 million per year to be allocated by formula. The new ITB allocations are based on a revised formula, which introduced a performance element into some of the criteria. The data used for the assessment will be refreshed in 2017, before the allocations for 2018/19 to 2020/21 are confirmed. The Greater Manchester formula based allocation is £97.05 million over the six year period (£16.175m p.a.). This is in line with the assumption made in the Growth and Reform Plan submission to the Local Growth Fund, that GMCA would receive £90-100 million based on a per capita allocation, which would be sufficient to meet the Metrolink and Greater Manchester Transport Fund top slice commitments, totalling £96 million. As such, the formula based ITB is fully committed and there will no element of this grant available to individual local authorities.

### **Capital Maintenance (for bridges, highways and street lighting)**

- This area of work is funded by grant paid directly by the Department for Transport to the GMCA, which determines the distribution of the grant across the 10 Greater Manchester local authorities. The total available nationally is £5.8 billion over the six-year period (£976 million per year). There are 3 elements to this grant; a needs-based element, a new 'incentive' element and a new Challenge Fund.
- The needs-based element is calculated by formula. Following a period of formal consultation on a revised distribution formula, on 4 December 2014 the DfT issued indicative capital maintenance 'needs-based' allocations for the six year period 2015/16 – 2020/21. Although the indicative allocations are calculated on an individual local authority basis, the GM local authority allocations will be paid directly to GMCA for GMCA to determine the distribution of the resource.
- Oldham's indicative allocation for 2015/16 is £2.453 million, which compares favourably with the 2014/15 allocation of £2.093 million. Our indicative allocations over the full funding period are as follows:

2015/16	£2,452,497
2016/17	£2,248,349
2017/18	£2,180,300
2018/19	£1,973,430
2019/20	£1,973,430
2020/21	£1,973,430

- From 2018/19 onwards, the figures are indicative pending a data refresh, the collection of cycleway and footway data (a new element to be included in the formula) and a review of the bridges element in the formula.
- There is an opportunity to secure more funding on an 'incentive basis' from a competitive Challenge Fund for major maintenance projects to which the authority has submitted a bid for funding amounting to £3.16m which if successful will require a council contribution of £840k
- It is assumed that GMCA will distribute the capital maintenance block in line with DfT's distribution and as such our allocation for 2015/16 will be £2.453 million.
- Whilst Local Transport Plan funding is un-ringfenced, it comes with the expectation of both the Department for Transport and GMCA that it will be invested in delivering the Local Transport Plan strategy. As such the capital maintenance allocation for 2015/16 and subsequent years to 2020/21 will be pass-ported for investment in and maintenance of Oldham's transport network.

At the time the 2014/15 LTP capital programme was prepared no allocations had been made by DfT for 2015/16 onwards. In view of the lack of future financial certainty, a prudent approach was adopted in respect of the 2014/15 programme and no scheme included which would have resulted in a future year's financial commitment. As such, there are no existing commitments for 2015/16 LTP resources resulting from the 2014/15 programme and the full £2.453 million will be available for new starts. A detailed transport capital programme to utilise this funding will be prepared over the coming months, in consultation with relevant members and Capital Investment Programme Board and will be the subject of a separate delegated report.

### **Local Growth Fund**

A new Local Growth Fund (LGF) has been introduced by Government which will operate from 2015/16 onward. The LGF combines a number of funding streams, including local transport major scheme funding and part of the Integrated Transport Block (£200 million nationally for the period 2015/16 – 2020/21).

The funding is being allocated through Strategic Economic Plans mostly through a competitive process. Greater Manchester submitted a bid for a minor works capital programme to the competitive element of the Integrated Transport Block included in the Growth Fund. Greater Manchester's minor works bid was £110 million for the six year period 2015/16 - 2020/21.

The bid outcome saw Greater Manchester allocated around 50% of its minor works funding bid for the two years 2015/16 and 2016/17 as a Growth Deal 1 allocation i.e.

£15.21m compared to the 6 year bid figure of £110 million, but with the opportunity to bid for further minor works allocations in subsequent Growth Deals. The bid included schemes in Oldham, including £2 million for the Old Town Hall public realm. The allocation has not yet been distributed by GMCA but the £2 million for the Old Town Hall is anticipated (subject to GMCA approval). A further Growth Fund 2 bid was submitted to DfT on 3 October 2014 for additional minor works resources of £47.9 million for 2015/16 and 2016/17 and includes Oldham schemes such as Albert Street Hollinwood and Town centre Connectivity (Mumps Interchange/Prince's Gate/Rochdale Road/Hotel Future). Greater Manchester was subsequently advised that a range of options was being considered which could result in additional minor works funding (Option 1 - £26-£27 million additional, Option 2 - £87 million additional and Option 3 - £160 million additional, with Option 3 including an interchange at Oldham Mumps) and the Council is expecting funding of £4.97m which brings a requirement for a local contribution of £970k, which it is anticipated can be found from committed resources within the current capital programme. Any grants that are awarded to Oldham through the Local Growth Fund will be made in respect of specific named schemes and will be incorporated into the transport capital programme as and when they are confirmed.

The requirement to produce a Local Transport Plan remains and TfGM is leading on the preparation of GMLTP4, which will contain a long term transport strategy for Greater Manchester which supports the Greater Manchester Strategy.

The capital programme included a number of grants received for expenditure in 2014/15 which were reported in previous capital strategy updates, there is likely to be some reprofiling of these grants where the grant conditions allow and completion is scheduled beyond 31 March 2015. In addition the Authority also received a number of grants in year which were not anticipated at the time last year's Capital Strategy was prepared and which must be spent by 31 March 2015.

### Fleet Management

A review of the replacement programme has taken place and instigating a move towards purchase as opposed to leasing vehicles, and where appropriate to purchase vehicles upon expiry of the lease, the requirement for prudential borrowing has been revised. A total sum of £1.462m has been made available within the capital programme over the financial years 2015/16 to 2019/20 the cost of the prudential borrowing is being met from existing fleet management revenue budgets.

### Gateways and Corridors Highways Improvement Programme (24 Hour Repair Promise)

The capital programme included an allocation of £2 million Prudential Borrowing over the period 2014/15 – 2015/16 to implement the Gateway Corridor Improvement Programme. This supports a '24 Hour Repair Promise' to Oldham's priority network, initially focused on the 'Gateway Corridors' that emanate from Oldham Town Centre.

The roads identified as potential 'Gateways or Corridors' to be upgraded as part of the 24 Hour Repair Promise were as follows:

- A671 Rochdale Road / Oldham Road
- A663 Shaw Road / Milnrow Road

- A62 Oldham Road (P2 - M60 to Town Centre) - Gateway
- A672 Ripponden Road
- A627 Chadderton Way - Gateway
- A627 Ashton Road
- A62 Oldham Road (P1 - M60 to Boundary) - Gateway
- A669 Middleton Road
- A669 Lees Road / Oldham Road
- A62 Huddersfield Road

In 2014/15, the funding has contributed towards the delivery of the following Gateway Corridor schemes:

- A62 Oldham Road
- A62 Huddersfield Road (part funded by Severe Weather Grant)
- A671 Rochdale Road

The 2015/16 resource has yet to be allocated but may include.

- A62 Manchester Road
- A671 Oldham Road
- A663 Crompton Way

### Transport Existing Schemes brought forward from 2014/15

A review of the transportation programme has highlighted that a range of 2014/15 schemes require reprofiling into 2015/16 in order to properly reflect expenditure plans, as summarised in the table below.

	2015/16 £
Metrolink Highway and Footway works in Town Centre	336,000
Metrolink Improved Access outside Town Centre	195,000
Copster Hill Road Safety Scheme	82,000
Bridge Work - King Street Roundabout Footbridge	40,000
GC A62 Manchester Street Phase 1 (Coldhurst)	171,450
GC A669 Middleton Road Phase 1 (Coldhurst)	146,156
Br 504 Union Street West Footbridge	470,000
Residents Only Carlton Way S106	7,000
Weight Limits Signage Consolidation	20,000
Transport Investment 2015/16	1,000,000
Access to Hollinwood Metrolink Stop – Cycle City Ambition Grant	120,000
Enforcement CCTV on Union Street	65,490
CCTV surveillance at Manchester Street Roundabout	30,000
Disabled Parking Bay Applications	55,000
Lord Lane Zebra Crossing Scheme	20,000
GMCRPA - St Mary's Way accident reduction	80,000
<b>TOTAL</b>	<b>2,838,096</b>

## **Flood Management**

The authority has new responsibilities as Lead Local Flood Authority (LLFA) around the area of flood risk management as brought about through the Flood and Water Management Act 2010 (FWMA). There is potential grant funding available from DEFRA/Environment Agency (EA) for capital works for flood management schemes (Flood and Coastal Erosion Risk Management Grant).

There is a potential need to allow in the Capital Strategy an amount to form a match funding contribution to encourage a potentially larger capital funding contribution from the DEFRA/EA. A submission was made to DEFRA/EA in February 2014 putting forward schemes for consideration against the Grant. A factor taken into account by DEFRA/EA when assessing local authority funding allocations is the percentage local contribution to a scheme. Based on this submission there is a potential maximum match-funding requirement of £865,000 over the 5 year period 2016/17 – 2020/21 in order to secure up to £2.630 million in DEFRA/EA grant. Schemes will be subject to further assessment by DEFRA/EA. Project Appraisal Reports commissioned by the EA will be assessed before any grant funding offer is made. Only then will there be confirmation of any match-funding requirements.

## **Private Sector Housing**

The following housing-related initiatives are either within the approved capital programme or may require resources in 2015/16:

### Housing Market Renewal (HMR) and the South Werneth Redevelopment

Funding for the HMR Pathfinder programme was stopped by the Government in March 2011 but its sudden demise left legacy issues to address. The Council had some HMR liabilities in relation to empty properties and sites in the Council's possession that needed to be addressed.

The South Werneth redevelopment proposal was approved by Cabinet in March 2012 to address the problem created with the withdrawal of HMR funding and the partial completion of the housing redevelopment programme. A number of housing blocks remained standing, with residents living next to and facing empty boarded up properties. The uncertainty regarding the future of the blocks left residents unable to sell or invest in their properties and the empty homes attracted anti-social behaviour, further impacting on the residents feeling of insecurity. Following representation from a number of local residents and the elected members for the area, proposals to complete the regeneration plans for South Werneth were prepared including supporting housing development with a Community Build initiative on a newly-cleared site. A report was considered by Cabinet in January 2014 and approved the disposal of the land at open market value to Community Build Werneth Ltd. Heads of Terms have been agreed with the group and as of 14 January 2015 have secured planning application for 37 new bespoke family homes. This will be the largest custom build scheme in the North West.

The Council's approach to South Werneth was acknowledged when the scheme was shortlisted at the 2014 UK Housing Awards under 'Innovation of the year'.

There remain a number of commitments relating to HMR legacy issues in Werneth and Derker. Several outstanding liabilities also remain where sales are in dispute or where payments for properties that were already acquired and demolished have not yet been made.

In Derker, Keepmoat Homes are making excellent progress with their development at Churchill Gardens, as of December 2014 around 130 new homes built and sold. The development of 165 homes is due to be completed in late 2015, around 12 months ahead of schedule. The Council is seeking to dispose of further sites in Derker during 2015 through an EU Compliant Procurement Process.

### Local Authority Mortgages

The scheme is aimed at helping first time buyers get on to the property ladder in cases where they can afford mortgage payments, but not the initial deposit. Under the scheme, if a potential buyer meets the lender's (a major funding high street bank) strict credit requirements and also criteria set by the Council, an indemnity will be provided to the lender for the difference between the typical deposit (i.e. 25%) and a 5% deposit. The potential buyer will thereby obtain a 95% mortgage on similar terms as a 75% mortgage. The indemnity is for the first 5 years, when there is most risk of repossession.

The Council has opted for a 'cash backed' model with a total fund of £2m, generated by deposits of £1m in each of 2012/13 and 2013/14 into a designated account with the lender.

Although a Government-backed mortgage indemnity scheme has been launched, Oldham's LAMS scheme remains in place and is seen as a more attractive product in terms of level of equity (20%) and is focussed on first time buyers.

The first deposit has been fully allocated. As per the last received update (to November 2014) around £645k of equity has been completed supporting 39 mortgages, with a further 5 offers committing a further £56k having been made, in addition it is estimated this activity will have indirectly facilitated approximately 100 further 'chain moves'. Given the Government's scheme, the Council will not be looking to allocate any further funding towards LAMS in the future.

### Equity Loans Initiative

The Home Improve Equity Loan product was developed to offer homeowners the opportunity to have essential repair works carried out to their property, by borrowing the money against available equity within their property, the scheme is now borough wide. These funds are repaid back to the Council upon sale or transfer of the land registry.

Home Improve Equity Loans play a crucial part in the sustainability of housing within Oldham and by helping residents to remain in their neighbourhood, thus helping to maintain sustainable communities.

The Council currently works in partnership with Guinness Northern Counties, who provide the financial and legal assistance to the homeowners as independent advisers. The Council carries out the administration and technical assistance, which also includes



procuring the tenders and contractors on site to completion. All works are tendered to local contractors who are registered with Construction Line.

Oldham Council has taken the lead role at an AGMA level in the procurement of an Equity Loan provider. This regional initiative is enabling all AGMA Councils to offer a similar product with reduced overheads.

This regional approach will enable the development of a portfolio that is significant in size to attract potential investment from private finance.

Resources of £350k and £503k have been included in the respective 2015/16 & 2016/17 capital programmes. Recycled capital receipts that are ring-fenced to replenish the resources for this initiative are funding the planned expenditure in 2016/17.

Given the success to date and the Councils leading role in the AGMA initiative, this is one of the priority areas for which an additional capital resources allocation may be considered.

### **Housing Revenue Account**

Through the Housing Revenue Account, a number of capital schemes are proposed for progression from 2015 onwards.

#### **Solar Photovoltaic panels – PFI sheltered housing**

Following approval, in 2015 a pilot programme is due to start to install photovoltaic (PV) panels on 2 group schemes and 32 bungalows within the Council's sheltered housing PFI project. The estimated cost will be £300,000. If the pilot is successful (i.e. the financial and energy assumptions are confirmed), then Cabinet approval will be sought in 2015 to roll out the remainder of the PV programme, which would comprise a further 11 group schemes and 300 bungalows. The scheme is funded through the Council's Housing Revenue Account.

The benefits of the scheme will be to:

- Reduce energy bills for tenants in bungalows and flatted accommodation by an estimated £150 to £200 per annum.
- Reduce the proposed service charges for grouped schemes by reducing expenditure on communal heating and lighting (currently borne by the Council's Housing Revenue Account).
- Provide a source of income for the council in respect of Feed in Tariffs

Should all the of the scheme progress, the estimated whole capital costs would be £1.7m.

It is expected that the pilot works will be completed in spring 2015 and, if successful, then the main scheme commencing in summer 2016 (subject to Cabinet Approval).

### Supported housing for adults with complex learning disabilities

Options are being considered to provide an alternative accommodation offer for adults with complex learning difficulties either by way of a new-build scheme or to provide an alternative housing offer utilising the existing stock. Any costs associated with the project would be funded through the Housing Revenue Account. If approved, it is anticipated that 10% of the expenditure would be incurred in 2015/16 with the remainder in 2016/17. Preliminary discussions with HCA indicate that the scheme may qualify for Affordable Homes Programme funding.

### Houses for Sale at Primrose Bank

As part of the Gateways PFI scheme, the Council entered into a development agreement with Inspiral Developments (Oldham) Limited (IDO) to build out homes for private sale. Due to the poor level of sales of the initial phase of this development, IDO has not exercised its option to build out subsequent stages in 2013 to 15 and has agreed to relinquish its rights for one of the sites. This enables the Council to commence a development comprising 17 houses. The proposed site is fundamental in terms of achieving the transformation objectives of the project and much of the estate infrastructure has already been completed on this site.

The main benefits of the project are to –

- complete the Primrose Bank regeneration project on an area that could remain blighted
- Build attractive homes for sale, addressing the shortage of family homes in the borough
- Support a mix of tenure within the Primrose Bank area

Expressions of interest have been sought via the Home and Communities Agency's Developer framework.

It is proposed to issue the tender documentation early in 2015 with a view to selecting the preferred developer in early April 2015. This is subject to a satisfactory overage arrangement.

The fall-back position in the event the properties do not sell is to add the houses to the Council's HRA stock, the cost of this option (assuming a worst case where no properties sell privately) would be recouped from net rental income, thereby without incurring a net loss to the HRA.

### **Digital Infrastructure Initiative**

The "Get Digital Faster Programme", which was previously known as the Greater Manchester Rural Broadband Programme, is currently being delivered in partnership with BT to deliver connectivity to homes and businesses across GM, excluding Manchester and Salford (they are funded via the Urban Broadband Programme).

The programme has the benefit of £3 million Broadband Delivery UK (BDUK) funding which has been used together with ERDF and GM funding to meet the cost of a £7.7 million programme of interventions in the eight GM authorities.

BDOUK have recently announced that they are investing a further £250 million in a project called the Superfast Extension Programme (SEP) which has the objective of extending the current rural broadband programme to increase coverage to 95% across the UK.

The total GM match funding requirement for the SEP project is likely to be £450,000. If apportioned in equal shares this would equate to £56,250 of capital funding per Authority. The funding will be required over the 2015/16 and 2016/17 financial years with the majority in 2016/17.

Additional revenue funding to manage the GM programme may also be required. However, some of the eight authorities have contributed revenue funding to this programme in the past which has enabled the overall scheme to be funded with the appropriate proportions of revenue and capital.

## **COMMISSIONING PORTFOLIO PROJECTS**

### Disabled Facilities Grants (DFG) for Major Property Adaptations

The demand for adaptations to premises continues to rise, particularly because of the increase in numbers of elderly clients and also of very disabled children, where medical advances have seen a tremendous improvement in life expectancy. Because of the number of requests and the limitation of resources, the timescale for the successful completion of approved adaptations has been the subject of some concern.

As a result, a number of measures are being implemented to try to improve the effectiveness of the Council's Adaptations policy and procedures including the promotion of rehousing as a better option and the introduction of a framework contract to reduce the costs of building work. It is hoped that such improvements will meet the demographic growth in demand but are unlikely to reduce waiting times at the same time.

The Department of Health has established a Better Care Fund of £3.8billion, available from 2015/16, to encourage joint commissioning of health and social care services locally. This is a pooled resource, consisting mostly of NHS funding, but it will include the Councils Disabled Facilities Grant allocation which has been notified at £925k for 2015/16. The grant is non ring fenced but given the Council's obligation to undertake adaptations, the allocation of some resource is required. The strategy of the Council is that the full grant allocation will be pass-ported through to finance housing adaptations.

Plans for the use of this fund are being drawn up now and it is therefore important for local housing authorities and adaptation providers to be included in the planning process to ensure the funding for adaptations in the future at the local level.

### Adult Social Care

The Council is mindful of the growing demand pressure on Adult Social Care services and as a consequence, the capital programmes for 2015/16 onwards therefore include a £400k general Adult Social Care provision which can be utilised in accordance with need in this area including additional support for DFG services.

On December 19 2013, the Government announced a Better Care Funding allocation for 2015/16 which as advised above will be pooled with NHS resources from 2015/16. As well as DFG, this incorporates a Social Care funding allocation of £625k, of which £488k has been allocated to contribute towards the Frameworki programme.

## **COMMERCIAL SERVICES PORTFOLIO PROJECTS**

### **Corporate Property Related Projects**

There are several major property related initiatives within the approved capital programme as follows:

#### Corporate Major Repairs /Disability Discrimination Act Adaptations/Legionella /Health and Safety Projects

There have been several instances in recent years where there have been requirements for resources to fund major repairs, including dilapidations, but no ready funding source. In addition there are increasing demands on the Council to comply with health and safety requirements across all its service areas, and to ensure that there is adequate funding for Legionella, asbestos and Disability Discrimination Act requirements together with compliance with Care Quality Commission national standards in the establishments providing adult social care services.

As highlighted elsewhere in the capital strategy, the Council is mindful of the requirements to maintain the school estate and other capital maintenance and health and safety projects. Therefore a programme, setting out all general corporate property funding requirements will be prepared for review and prioritisation by the CIPB. Additional resources amounting to £2,098k in 2015/16, £1,500k in 2016/17 and £500k in each of the remaining years have been provided to contribute towards school maintenance and other corporate property expenditure (including car parking). This has been supplemented by the Schools Condition Allocation bringing the total resources available to £4.054m in 2015/16, £3.355m in 2016/17 and £2.255m in 2017/18.

It is probable that additional resources will be required for schools and corporate property maintenance initiatives and these are therefore included as a priority funding issue for the 2015/16 strategy with a CIPB recommendation that any identified underspends be applied for this purpose.

Following discussions at the Corporate Property Board provision in the sum of £500k has been made in the 2015/16 capital programme for expenses related to demolitions and pre disposal costs associated with site sales, to be funded from capital receipts.

### **Schools**

There are several grant funded initiatives which are either included in the 2015/16 capital programme or which are going to potentially be made available as follows:

## Priority Schools Building Programme – Saddleworth School

Under the Priority Schools Buildings Programme (PSBP) the Council submitted a successful bid for Saddleworth School. The PSBP will fund only the buildings but will not cover loose fixtures and fittings, ICT hardware and travel costs associated with moving the site of the school. There will need to be on-going discussion with the school in order that their resources are harnessed, together with Council capital resources to support the effective provision of the new school.

On 19 January 2015 The Secretary of State for Education announced the preferred site for the school and it is estimated that the new school could be open by Spring 2017. The Council has earmarked a total of £1.998m of resources to support the completion of the replacement school in 2015/16 and 2016/17.

## Priority Schools Building Programme Phase 2

As outlined earlier in the report the Council submitted a bid to the second phase of the Priority Schools Build Programme (PSBP2) for Royton and Crompton, Greenfield and Clarksfield schools. In each case the schools require major investment to bring the fabric of the building up to standard. On 9 February the Government announced that the bid for Royton and Crompton had been successful, however the precise level of funding available remains unconfirmed; the bids for the other two schools were not successful and a local allocation of resources will be required to address these needs.

## Targeted Basic Need Funding

The DfE confirmed the funding allocation for the Targeted Basic Need (TBN) programme in April 2013. The allocation of ring fenced grant will cover two elements:

### a) Expansion of four schools

In total grant to the value of £3.359m to provide 490 places has been awarded for works including project management fees. This is coupled with contributions from the 2014/15 Basic Need Allocation of £151k for Mills Hill School and £50k for Propps Hall. There are no extra contributions for the Watersheddings school scheme. All the Council commissioned projects are on schedule to complete before end of July 2015.

### b) Building of a new Special Academy

A two year funding allocation has been approved for the construction and fit out of a Special Academy providing 140 places. Total funding approved is £6.117m, with an underwriting from the Council to support up to a further £127k should it be needed. The total project cost will be part financed by a one off receipt of Autism Innovation Grant in the sum of £18,500. The new school is on schedule to complete before end of June 2015.

### Universal Infant Free School Meals

The Council received £412k of funding for Universal Infant Free School meals in 2014/15 and is currently working through the agreed programme of works. A second bid amounting to £210k for 2015/16 for two schools, Greenfield Primary and Broadfield Primary again to fund school kitchen extensions, so that the schools can be fully compliant with the requirements was approved on 20 January 2015.

### **Schools Investment Programme**

Having recognised the need for additional investment in schools across the borough a programme of new schemes addressing the specific needs of the school estate was developed and approved by Council in July 2012. This took into account not only the condition of existing buildings but school capacity issues.

A full programme of work was approved for the 2013/14 and 2014/15. Most of the schemes have now completed on site, but Royton and Crompton Secondary remains outstanding, this is partly due to the bid to the EFA under PSBP phase 2, where a final decision on Council funding can only be made once the availability of Government grants has been clarified.

### Basic Need 2015/16 to 2017/18

The statement from the Secretary of State on 18 December 2013 reconfirmed the previously notified 2014/15 allocation of £731k and awarded Oldham an additional £10.745m across 2015/16 and 2016/17; these allocations were confirmed on 12<sup>th</sup> February 2015 together with a sum of £15.405m for 2017/18. It should however be noted that because the funding is based on Local Authority validated data, the Department reserves the right to abate for any overpayment made resulting from inaccurate data.

### School Condition Allocation (formerly Education Capital Maintenance Grant)

The Department for Education, on 9 February announced details of the Schools Condition Allocation Grant, the Oldham allocation for 2015/16 is £1,955,294 with advice that the confirmed allocation is indicative of what responsible bodies will receive in 2016/17 and 2017/18, based on the assumption that some schools will become academies and associated funding will be withdrawn, £1.855m and £1.755m has therefore been included in each of the two following years. It should be noted that award will be revised annually to reflect schools moving responsible body, opening or closing.

### Devolved Formula Capital

In addition, also on February 9th the Devolved Formula Capital (DFC) allocation for 2015/16 was confirmed as £452,338, no assumption has been made as to grant in future years.

## **Building Schools for the Future (BSF) and Academies**

The Oldham BSF programme comprised one Public Finance Initiative (PFI) school and one design and build school plus three Academies which are all design and build projects. All of the schools are now operational and all residual works have been completed. Outstanding financial liabilities are balance of retentions for design and build schools, final phase payments for ICT equipment and unbilled traffic and site development works, all of which are expected to have been discharged by 31 March 2015. In addition costs are being incurred as buildings on vacant sites are demolished and sites prepared for sale, the schedule of disposals now extends to 2017/18.

## **ICT Project Investment**

The capital programme report of July 2012 approved a £6m investment in ICT development, which was to support the 2013 to 2015 ICT Strategy. This expenditure has been frequently reviewed and has been re-phased from the financial years 2013/14 to 2015/16.

The investment has already been used to:

- 1) Change the way that the Council interacts with citizens, including opening up new communication channels and opportunities for transactions to take place that are focused on the needs of service users. This has been achieved through:
  - a) Updating the Council's website and Intranet sites, making them easier to navigate and use for all.
  - b) As part of the Customer Transformation Programme: launch of web chat; launch of My Account (standardising customer online transactions); and implementation of key tools to provide useful insight and customer signposting.
  - c) Refreshing public facing ICT equipment in libraries and lifelong such that they are able to appropriately support the public to access online services and learn key digital skills necessary for employment.
  - d) Making huge strides in Information Management and Governance, ensuring that the Council is appropriately securing and handling residents' personal data.
  - e) Implementing Radio Frequency Identification Tagging (RFID) technology and self-service stations in libraries, enabling residents to self-serve.
  
- 2) Enable more agile working so that the Council can operate more flexibly, reduce costs and maximise the time spent working with citizens, rather than on supporting functions. This has been achieved through:
  - a) Implementing secure access to business systems to enable a more mobile workforce with flexible working patterns.
  - b) Increasing virtualisation in the Data Centre in order to provide some resilience and power consumption savings.
  - c) Rolling out Follow-me printing to 40 multi-functional printing devices (MFDs), enabling the Council to reduce the overall number of printers, reduce printing waste, and increase the mobility of the workforce.

- 3) Streamline information management systems, ensuring that we increase the whole view of the Oldham communities' needs, improving responsiveness and minimising the costs associated with transactional functions. This has been achieved through:
- a) Introducing some new cloud services: Library Management System; MOSAIC platform for Early Help and Troubled Families.
  - b) Replacing the Council's Property Management System, which has started to provide a corporate view of Council assets, support new efficient processes, and ensures better governance particularly in the area of expenditure.
  - c) Implementing a redesign and upgrade of the Council's Finance and HR systems (A1 self-service programme) and will deliver fit for purpose key corporate business systems and increased self-service.

From the 2013 to 2015 ICT Strategy, the investment aims to continue to deliver:

- Migration of 100% of the Council's PC estate to a current version of MS Windows and Office to ensure compliance by April 2015.
- Migration of 100% of the Council's server estate to a current version of MS Windows by July 2015 to ensure compliance.
- Application rationalisation.
- Mobile Device Management in order to ensure Council information is not put at risk on mobile devices, and to improve access to Council information from personal devices.
- Unified Communications, to ensure easy to use, seamless, efficient, and cost effective electronic communication.
- Complete virtualisation of the Council's server estate, to further reduce energy consumption, reduce ongoing refresh costs, and increase resiliency of critical business systems.

Given the Oldham Transformation Agenda, delivery of the Property Asset Review, and significant changes in technology, it will be necessary to review the Oldham ICT Strategy in 2015 and prepare a new ICT Strategy to set a direction for the next three years. The intention is for this strategy to be a Council Digital Strategy that is co-operative, community-focused, informed, innovative, and completely aligned with the political, organisational, and community strategies: setting the direction for Customer Channel Shift to digital; ICT systems and tools to enable the Council to deliver efficiently and commission effectively; and ICT in the built environment that attracts businesses to Oldham.

The proposed programme for 2015/16 is set out in the table below. The ICT capital investment programme will need to be reviewed and re-aligned in light of the new Digital Strategy for Oldham. Further detail is expected to be provided during 2015.

Projects	£000
PC Refresh / Windows 7	933.0
PSN Programme	316.9
Server Refresh	424.0
Investment in ICT (general)	503.2
<b>TOTAL</b>	<b>2,177.1</b>



In addition to the major programme of investment there are three other committed project areas:

a) ICT Server Refresh

The Council has a contractual commitment with the Unity Partnership which involves an annual refresh of the network and servers, as required. The server refresh programme ensures that both hardware and networks remain current i.e. up-to-date and fit for purpose. The capital investment required is £160k per annum and this is included within the capital plans from 2015/16 to 2019/20.

b) Government Connect

Specific investment is required in the Government Connect scheme whereby the Council must continuously upgrade its systems to ensure secure communication with other Government agencies. This is likely to cost in the region of £20k per annum and has therefore been provided from 2015/16 to 2019/20.

c) Asset Management Database

Provision has been made for an Asset Management Database to capture and analyse the information obtained as part of the property condition surveys. The aim of this database is to enable maintenance funding to be focused on the buildings with the greatest need. An allocation of £50k is included in the 2015/16 capital programme.

## **DEVELOPMENT AND INFRASTRUCTURE PORTFOLIO**

### **Town Centre and Borough Wide Regeneration**

The capital programme report that was approved in July 2012 included a substantial investment in town centre and borough wide regeneration. This extensive programme reflects the Council's commitment to reenergising the local economy and creating jobs. The investment is aimed at pump priming a selected number of key regeneration projects which will stimulate private sector investment and economic growth and to improving the infrastructure which supports local communities such as roads, schools, adult care and the leisure offer.

Since the initial approval of the investment programme there have been some changes to schemes and priorities. The most up to date position on each of the schemes is set out below.

### **Town Centre Regeneration**

The investment programme encompasses five large scale projects outlined below at (a) to (e), the expected financial implications of which total £83.150m beginning in 2015/16 and phased over the financial years to 2016/17. Through a co-operative, 'town team' approach, the Council will work with partners to ensure realisation of the long term

vision for a more economically, socially and environmentally connected Oldham of the future. At the heart of Oldham is the Town Centre where there is great capacity for growth. Metrolink, ultrafast next generation broadband and vastly improved public realm will create the setting for new development and investment opportunities. The Council has already committed resources to make sure this happens and is now working with development and investor partners who are leading edge, creative and keen to work with a Co-operative Council on key development projects including:

a) Hotel Future

Hotel Future is a planned development of a new hotel in Oldham Town Centre, situated adjacent to the Queen Elizabeth Hall. A strategic review, appraising a number of operating models has been undertaken the outcome of was considered by Cabinet on 15 December 2014 and will be the subject of future reports as the project progresses. Options appraisal work is ongoing and it is currently anticipated that the majority of spending will occur in 2016/17 and 2017/18. Funding for the project includes funding raising resources underwritten by Council prudential borrowing.

b) Oldham Town Hall

Planning permission and listed building consent has been obtained for the conversion, remodelling and extension of the Old Town Hall to develop a proposed 800 seat, 7 screen cinema. Also planned is provision for 5 restaurants, a coffee shop and the creation of a new public square. Having received Cabinet approval on 29 September 2014 in a report which set out the current programme of activity and financing for the scheme, the project is now in its delivery phase. The outcome of bids for additional grant funding is still awaited. If received, this will release Council capital resources currently being deployed to support the scheme.

c) Heritage Centre / Relocation of the Coliseum Theatre

The project involves the refurbishment of the former Grade II listed Oldham Library and Art Gallery building on Union Street and the construction of a new theatre. The complex will include a new theatre, a heritage centre, galleries, archives, public research rooms, foyers, bars and meeting spaces. Work is continuing to secure external funding for the revised scheme from both the Arts Council and Heritage Lottery Fund. External fund raising is being underwritten by prudential borrowing which will not be required if the funding is secured

d) Public Realm

Work began in 2014/15 on the Yorkshire Street Triangle and Town Centre Public Realm, inclusive of works to major town centre capital projects. Connectivity works which enhance the public realm links to the town centre from the Metrolink sites are continuing. A transformational Public Realm Implementation Framework has been produced which sets out how the Council's ambitions for a regenerated public realm can be realised. Further

public realm improvements will be incorporated into new developments including Yorkshire Street and Hotel Future.

e) Eastern Gateway / Prince's Gate

The scheme sets out a vision for a new Town Centre residential neighbourhood of 800 homes, together with a major new retail development to bolster Oldham's Town Centre retail offer, and build upon the wider improvements within the Town Centre, such as the transformation of the Old Town Hall.

The concept retail scheme provides some 125,000 sqft over two levels with on-site car parking spaces and this concept design has successfully secured interest from M&S.

The scheme has taken on board the recent changes to the public transport system and highway network in the area, as movement patterns have been fundamentally affected by the recent arrival of the tram. The new Metrolink stop provides a unique opportunity to establish a new gateway to Oldham.

This project will require a considerable capital investment. The Council has yet to finalise the funding package for this development, although a combination of Council general capital resources, HRA, grant and developer contributions will be utilised. As this scheme is progressed, and the expenditure profile and funding package are confirmed, the capital programme will be amended to reflect the up to date position.

### **Other Priority Regeneration Projects**

In addition to the Town Centre regeneration projects there are three other priority regeneration projects that the Council has agreed to support via the investment programme (a) to (c). These will require investment of £5.272m over the financial years 2015/16 to 2017/18.

a) Hollinwood / Langtree

This is a proposed redevelopment of vacant sites surrounding junction 22 of the M60 motorway at Hollinwood. The scheme is being brought forward in conjunction with the appointed Strategic Development Partner Langtree Plc as well as other key land owners and the stakeholders at this location, via the Hollinwood Board and the establishment of a newly formed Hollinwood Partnership. The Council's capital costs outlay, to assist in accelerating delivery, extends to 2016/17. This, however, will result in capital receipts as end users are secured and developments on Council owned sites are completed, thus minimising the actual net capital contribution required by the Council.

b) Lancaster Club Site

The acquisition of the Lancaster Club by the Council was to facilitate the redevelopment of the site. The Council has received outline planning permission for the club and is actively seeking developers to acquire all or parts

of the residential element of the site and an occupier for the planned commercial unit fronting Broadway. The timing of the capital receipts and the Council's return on investment would be dependent on developer interest, although third party agents have indicated that demand should be present.

It is likely that this expenditure and funding profile on this scheme will change during 2015/16 as plans become finalised.

c) Foxdenton

A Local Development Framework (LDF) for Foxdenton was adopted on 9 November 2011. There has been a site allocation of c.130 acres (including around 10 acres of Council owned land) and this has now been confirmed in planning policy terms as a Business Employment Area. The LDF also accepts the principal that there will be up to 25% residential development on the site in order to help cross-subsidise the provision of infrastructure etc. and to make the wider development viable.

There is the potential for the development to deliver in the region of 300 new homes, over 1m square feet of new business space and the creation up to 1,500 jobs over the next 5-10 year period. The Council is currently consulting with local residents and businesses over this development.

### **Leisure Estate**

In March 2012, Cabinet approved the reconfiguration of the leisure estate including the replacement of four existing facilities with the provision of two new facilities in Oldham Town Centre and Royton Town Centre, following commercial negotiations contracts were signed in July 14 and construction work is currently underway. The total project costs covering the period 2014/15 to 2016/17 amount to £26.476m, the facilities are scheduled to open in winter 2015. OCL will operate the new facilities for the Council once they are completed.

### **Strategic Acquisitions**

The Council has taken a pro-active approach to regenerating Oldham Town Centre, taking advantage of the current market conditions to acquire properties. In the longer-term, it is hoped that an increased land holding could be used to influence and stimulate development within the Town Centre and separately, allow the Council to benefit from any general market improvements and Metrolink added value. The plan is to acquire what are perceived to be 'strategic' properties, those which could potentially be opportune and, post Metrolink, would either be;

- best placed to benefit from any scheme value or;
- may benefit the Town Centre by adding value in other areas, or;
- adjoining existing Council owned land.

The budget available in 2015/16 is £643k.

## **Developments in Royton**

There are two developments in Royton for which there is a capital budget of £2.064m in 2015/16

a) Royton Town Hall

In line with the Co-operative Council ethos, a capital priority is investment in neighbourhoods, in particular the creation of hubs around neighbourhood town halls. An allocation of resource has been included in the 2015/16 capital programme to refurbish Royton Town Hall.

b) Royton Town Centre Development

It is planned that Royton Town Centre should benefit from private sector investment over the period 2014/16 which will create a 25,000sq ft. food retail outlet, refurbishment and reconfiguration of the Royton Precinct together with improvements to the car parking and public realm. Total investment is likely to be in region of £5 - £10m. This is likely to create around 50 new jobs at the food store. The Council is in the process of working with developers to facilitate the project but, in the event that it is unable to finalise an appropriate commercial agreement has prudently made a capital programme provision, initially in 2014/15, the majority having now been transferred into 2015/16.

## **Priorities for 2015/16**

The priority investment areas identified for the 2015/16 to 2019/20 period covered by this capital strategy document are listed below and more fully explained in section 3 of Appendix 1.

### Existing Programmes

There are requirements for continued funding of the following existing programmes of work:

- Corporate Major Repairs /Disability Discrimination Act (DDA) Adaptations/ Legionella / Health and Safety Project (Corporate Landlord Function)
- School Condition Works

### New Projects

New projects for which funding may be required and for which funds could be allocated are as follows:

- School Capacity
- Priority School Building Works- Royton and Crompton School

- Greenfield Primary
- Clarksfield Primary
- Targeted Basic Need Initiative
- Schools kitchen extensions
- Low Carbon and Energy Efficiency Initiatives
- AGMA Green Deal Scheme
- AGMA Growing Places Loans
- Werneth Music Rooms
- Foxdenton
- Former School Sites
- Town Centre Regeneration
- Borough Wide Regeneration
- Housing projects in support of Government housing initiatives
- Supported housing for adults with complex learning disabilities
- Equity Home Loans
- Adult Social Care
- Car Parking
- Matched Funding for Grant Bids

## **Capital Investment Programme Board**

### **TERMS OF REFERENCE**

The Capital Investment Programme Boards terms of reference are:

- To develop the overall capital strategy and annual programme in accordance with the priorities set out in the Council's corporate plan.
- The recommendation of the overall capital strategy and programme to Cabinet and Council.
- Once the overall strategy and annual programme of expenditure have been approved at Council:
  - The consideration and recommendation of approval of the detail of the thematic programmes (e.g. Highways Capital Programme).
  - The consideration and recommendation of approval of any amendments to the annual programme.
  - The recommendation of approval of any new capital projects.
  - The detailed appraisal of projects, taking into consideration the Council's Capital Strategy, priorities and annual aims and objectives.
  - The review of potential commercial risk and Value for Money issues on any proposal for the use of capital.
  - To provide a forum for establishing and providing robust challenge and debate around the capital programme.
  - To undertake a detailed annual review of the capital programme.
  - Monitoring of the performance of projects and programmes within the Council's capital programme.
  - The review of the Council's capital programme on an on-going basis and to ensure it is achieving the agreed outcomes and consideration of the financial monitoring report.

## Membership of the CIPB

The Chair of the CIPB is the Cabinet Member for Finance and HR. The Leader of the Council and the Deputy Leader of the Council will have a standing open invite; other Cabinet Members may be invited to attend CIPB at the discretion of the Chair.

The lead Chief Officer for CIPB is the Executive Director – Economy and Skills.

Officers in attendance at CIPB are:

- The Director of Development and Infrastructure.
- The Director of Finance represented by a senior member of the Finance team.
- Capital Investment Programme Manager.
- The Corporate Property Officer.
- External Funding Manager.
- Representatives from Legal Services, Human Resources, Procurement and Information Technology as required.

All Directorates will be represented at Director level by invitation to attend CIPB as and when projects for which they are responsible are being considered. The Chair may also invite the relevant Cabinet member to attend when a project within their portfolio is being discussed.

## Reporting

When appropriate, the Group will report to the Executive Management Team, Cabinet, Council and Overview and Scrutiny as appropriate.

## Decision Making

In relation to the approved capital programme, CIPB makes recommendations as follows:

Recommendation of:	Decision Taker
Approval of business cases	Executive Director Economy and Skills, in consultation with the Director of Finance and Cabinet Member for Finance and HR
Virements within approved programme areas	Executive Director Economy and Skills, in consultation with the Director of Finance and Cabinet Member for Finance and HR
Virements between programme areas	Executive Director Economy and Skills, in consultation with the Director of Finance and Cabinet Member for Finance and HR



## **Decision Recording**

CIPB will make recommendations on receipt of a formal delegated decision report which will be presented to the appropriate Officers/Members for decision making. Key decisions must be included in the published key decision document and all decisions taken (see above) will be recorded on Modern.Gov

## **Governance**

CIPB is the only group within the Council (below Council level) that can recommend investment in projects within the approved capital programme. Therefore, the key role of CIPB is to consider the following milestones which define key stage boundaries that require investment decisions. A project can only progress to the next stage on the recommendation of CIPB.

- Strategic business case – initial concept/scope of a project.
- Outline business case - delivery strategy to design and procurement stage.
- Full business case - design and procurement stage to delivery and handover stage.

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## CAPITAL PROGRAMME 2015/16 to 2019/20

BUDGETS	2015/16	2016/17	2017/18	2018/19	2019/20
	£000	£000	£000	£000	£000
<b>Neighbourhoods</b>					
District Development	145				
District Investment Fund	200	200	200	200	200
Private Sector Housing	814	503			
Transportation	6,653	2,348	2,180	1,973	1,973
<b>Neighbourhoods TOTAL</b>	<b>7,812</b>	<b>3,051</b>	<b>2,380</b>	<b>2,173</b>	<b>2,173</b>
<b>Commissioning</b>					
Adult Social Care	400	400	400	400	400
Disabled Facilities grant	925				
Social Care Funding	625				
<b>Commissioning TOTAL</b>	<b>1,950</b>	<b>400</b>	<b>400</b>	<b>400</b>	<b>400</b>
<b>Commercial Services</b>					
Corporate Property - Legislative Repair Works (DDA/Legionella/H&S)	4,054	3,355	2,255	500	500
Education Basic Need	5,909	6,931	15,405		
Essential Condition Works	365				
IT Investment	2,407	180	180	180	180
Property	565				
Schools	2,890				
TBN	2,868				
<b>Commercial Services TOTAL</b>	<b>19,058</b>	<b>10,466</b>	<b>17,840</b>	<b>680</b>	<b>680</b>
<b>Development and Infrastructure</b>					
Corporate Property- Dev. and Inf. related	111				
Leisure Review	13,240	1,119			
Other Priority Regeneration Schemes	763	300			
Property	184				
Royton Town Hall / Royton Town Centre	2,064				
Saddleworth New Build	1,298	700			
Strategic Acquisitions	643				
Town Centre Regeneration	39,312	35,153	8,685		
Strategic Regeneration	4,209				
<b>Development and Infrastructure TOTAL</b>	<b>61,824</b>	<b>37,272</b>	<b>8,685</b>	<b>0</b>	<b>0</b>
<b>OVERALL TOTAL</b>	<b>90,644</b>	<b>51,189</b>	<b>29,035</b>	<b>3,253</b>	<b>3,253</b>

<b>FINANCING</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
<b>Ringfenced</b>					
Cycle City Ambition Grant	(120)				
Devolved Capital	(1,202)				
DfT - Better Bus Area Fund	(1)				
GM Casualty Reduction Fund	(80)				
Integrated Children's Services Grant	(1)				
Rcco Individual Schools Budget	(12)				
Targeted Basic Need Grant	(2,868)				
<b>Ringfenced TOTAL</b>	<b>(4,284)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Un-ringfenced</b>					
Basic Need Capital Grant	(5,241)	(5,504)	(15,405)		
Disabled Facilities Grant	(925)				
LTP Highway Maintenance Grant	(2,453)	(2,248)	(2,180)	(1,973)	(1,973)
Social Care Reform Grant	(625)				
School Condition Allocation	(1,955)	(1,855)	(1,755)		
Universal Infant Free School Meals	(210)				
Un-Ring-fenced Grant brought forward from prior years	(1,432)	(375)			
<b>Un-ringfenced TOTAL</b>	<b>(12,841)</b>	<b>(9,982)</b>	<b>(19,340)</b>	<b>(1,973)</b>	<b>(1,973)</b>
<b>Other resources - Capital Receipts</b>					
Agreed Council Resources	(11,969)	(6,216)	(746)	(820)	(1,280)
Local Authority Mortgage Scheme			(540)	(460)	
RCCO B/F	(85)	(1)			
<b>Other resources - Capital Receipts TOTAL</b>	<b>(12,054)</b>	<b>(6,217)</b>	<b>(1,286)</b>	<b>(1,280)</b>	<b>(1,280)</b>
<b>Other resources - Other Contributions TOTAL</b>	<b>(2,901)</b>	<b>(4,607)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Prudential Borrowing TOTAL</b>	<b>(36,952)</b>	<b>(9,344)</b>	<b>(8,685)</b>	<b>0</b>	<b>0</b>
<b>Prudential Borrowing - underwriting expected grants and contributions and fundraising TOTAL</b>	<b>(9,245)</b>	<b>(2,500)</b>			
<b>Prudential Borrowing financed by New income streams TOTAL</b>	<b>(9,267)</b>	<b>(21,033)</b>			
<b>Revenue Contributions TOTAL</b>	<b>(600)</b>				
<b>OVERALL TOTAL</b>	<b>(88,144)</b>	<b>(53,683)</b>	<b>(29,311)</b>	<b>(3,253)</b>	<b>(3,253)</b>
<b>(Under)/Over Programming</b>	<b>2,500</b>	<b>(2,494)</b>	<b>(6)</b>	<b>0</b>	<b>0</b>

**CAPITAL PROGRAMME 2015/16 to 2019/20  
RESTATED FOR REVISED PORTFOLIO ARRANGEMENTS**

<b>BUDGETS</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Economy and Skills</b>					
Private Sector Housing	814	503			
Corporate Property - Legislative Repair Works (DDA/Legionella/H&S)	4,165	3,355	2,255	500	500
Education Basic Need	5,909	6,931	15,405		
Essential Condition Works	365				
Property	749				
Schools	2,890				
Targeted Basic Needs	2,868				
Leisure Review	13,240	1,119			
Other Priority Regeneration Schemes	763	300			
Royton Town Hall / Royton Town Centre	2,064				
Saddleworth New Build	1,298	700			
Strategic Acquisitions	643				
Town Centre Regeneration	39,312	35,153	8,685		
Strategic Regeneration	4,209				
<b>Economy and Skills TOTAL</b>	<b>79,289</b>	<b>48,061</b>	<b>26,345</b>	<b>500</b>	<b>500</b>
<b>Health and Wellbeing</b>					
Adult Social Care	400	400	400	400	400
Disabled Facilities grant	925				
Social Care Funding	625				
<b>Health and Wellbeing TOTAL</b>	<b>1,950</b>	<b>400</b>	<b>400</b>	<b>400</b>	<b>400</b>
<b>Corporate and Commercial Services</b>					
IT Investment	2,407	180	180	180	180
<b>Corporate and Commercial Services TOTAL</b>	<b>2,407</b>	<b>180</b>	<b>180</b>	<b>180</b>	<b>180</b>
<b>Cooperatives and Neighbourhoods</b>					
District Development	145				
District Investment Fund	200	200	200	200	200
Transportation	6,653	2,348	2,180	1,973	1,973
<b>Cooperatives and Neighbourhoods TOTAL</b>	<b>6,998</b>	<b>2,548</b>	<b>2,380</b>	<b>2,173</b>	<b>2,173</b>
<b>TOTAL</b>	<b>90,644</b>	<b>51,189</b>	<b>29,305</b>	<b>3,253</b>	<b>3,253</b>

FINANCING	2015/16	2016/17	2017/18	2018/19	2019/20
<b>Ringfenced</b>					
Cycle City Ambition Grant	(120)				
Devolved Capital	(1,202)				
DfT - Better Bus Area Fund	(1)				
GM Casualty Reduction Fund	(80)				
Integrated Children's Services Grant	(1)				
Rcco Individual Schools Budget	(12)				
Targeted Basic Need Grant	(2,868)				
<b>Ringfenced TOTAL</b>	<b>(4,284)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Un-ringfenced</b>					
Basic Need Capital Grant	(5,241)	(5,504)	(15,405)		
Disabled Facilities Grant	(925)				
LTP Highway Maintenance Grant	(2,453)	(2,248)	(2,180)	(1,973)	(1,973)
Social Care Reform Grant	(625)				
School Condition Allocation	(1,955)	(1,855)	(1,755)		
Un-Ring-fenced Grant brought forward from prior years	(1,432)	(375)			
Universal Infant Free School Meals	(210)				
<b>Un-ringfenced TOTAL</b>	<b>(12,841)</b>	<b>(9,982)</b>	<b>(19,340)</b>	<b>(1,973)</b>	<b>(1,973)</b>
<b>Other resources - Capital Receipts</b>					
Agreed Council Resources	(11,969)	(6,216)	(746)	(820)	(1,280)
RCCO B/F	(85)	(1)			
LAMS			(540)	(460)	
<b>Other resources - Capital Receipts TOTAL</b>	<b>(12,054)</b>	<b>(6,217)</b>	<b>(1,286)</b>	<b>(1,280)</b>	<b>(1,280)</b>
<b>Other resources - Other</b>					
Contribution from 3rd Parties	(2,893)	(4,607)			
Misc. Contributions Less Than £20K	(1)				
S106	(7)				
<b>Other resources - Other Contributions TOTAL</b>	<b>(2,901)</b>	<b>(4,607)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other resources - Prudential Borrowing</b>					
	(36,952)	(9,344)	(8,685)	0	0
<b>Prudential Borrowing - underwriting expected grants and contributions and fundraising TOTAL</b>	<b>(9,245)</b>	<b>(2,500)</b>			
<b>Prudential Borrowing financed by New income streams</b>	<b>(9,267)</b>	<b>(21,033)</b>			
<b>Revenue Contributions</b>	<b>(600)</b>				
<b>TOTAL</b>	<b>(88,144)</b>	<b>(53,683)</b>	<b>(29,311)</b>	<b>(3,253)</b>	<b>(3,253)</b>
<b>(Under)/Over Programming</b>	<b>2,500</b>	<b>(2,494)</b>	<b>(6)</b>	<b>0</b>	<b>0</b>

## Housing Revenue Account Estimates for 2014/15 to 2018/19

### Report of the Interim Director of Finance and the Executive Director, Economy & Skills

**Portfolio Responsibility: Joint Report of the Cabinet Member (Finance and HR), Councillor Abdul Jabbar and Cabinet Member (Housing, Planning and Transport), Councillor David Hibbert**

**Officer Contact: Anne Ryans, Interim Director of Finance  
Extension: 4902**

#### **Purpose of Report**

The report sets out the latest Housing Revenue Account (HRA) outturn estimate for 2014/15, the detailed budget for 2015/16 and strategic estimates for the three years 2016/17 through to 2018/19. The report also sets out the recommended dwelling, non-dwelling rent and service charge increases to be applied from April 2015.

#### **Executive Summary**

The report sets out the HRA estimated outturn for 2014/15 and the proposed 2015/16 Original Budget. The opportunity is also taken to present the provisional Strategic budgets for 2016/17 through to 2018/19.

After taking all relevant issues into account, the projected financial position for 2014/15 is estimated to be a £409k adverse variance when compared to the original forecast made in March 2014. This variance is largely attributable to the escalation in utility costs sustained due to the delays in the renovation of the St Marys Boiler House into a fully operational bio-mass heating system. In addition the HRA incurred further liabilities as a result of unforeseen void properties and additional contract management advisory costs.

The financial position for 2015/16 shows an estimated HRA closing balance of £17,492k which is considered to be sufficient to meet the future operational commitments and the potential financial pressures identified in the risk assessment.

The 2015/16 position has been presented after allowing for an average increase in rent of 2.2%. This increase is as a result of the adoption of Government guidance

informing the setting of rents in line with the rent restructuring initiative and also having regard to the recently approved service charging arrangements. The proposed increases in dwellings and non-dwelling rents are also presented. The introduction of Phase 2a Extra Care Housing (ECH) charges are also included in the report as approved by Cabinet on the 26<sup>th</sup> January 2015. The financial projection for 2015/16 presents the expected HRA balance with regard to the currently approved position.

The strategic estimates for 2016/17 to 2018/19 are included in the report and highlight that due to the limited nature of activity in the HRA and as a result of the operation of the two PFI contracts, then the HRA financial position is expected to be stable going forward.

The HRA budget report has been subject to review by the Overview and Scrutiny Performance and Value for Money Select Committee on 22<sup>nd</sup> January 2015 and was approved by Cabinet at its meeting on 16<sup>th</sup> February 2015.

### **Recommendations**

That Council approves:

1. The forecast HRA out-turn for 2014/15;
2. The proposed HRA budget for 2015/16;
- 3 The strategic estimates for 2016/17 to 2018/19
4. The proposed increases in dwelling rents, non-dwelling rents, service charges and leaseholder service charges



**Housing Revenue Account Estimates for 2014/15 to 2018/2019**

Joint Report of the Cabinet Member (Finance & HR), Councillor Abdul Jabbar and Cabinet Member (Housing, Planning and Transport), Councillor David Hibbert

**1. Background**

- 1.1 The budget and policy frame work, sets out an annual timetable for the HRA budget process. Production of this report and the ability to scrutinise the budget, are key features of that framework, along with consultation with tenants. The HRA Budget report for 2015/16 is therefore presented for approval by Council having been subject to scrutiny at the Overview and Scrutiny Performance and Value for Money Select Committee on 22<sup>nd</sup> January and considered by Cabinet at its meeting on 16<sup>th</sup> February 2015.

**2. Current Position**

- 2.1 The HRA currently comprises 2,065 properties with all properties now being managed and maintained within the two Private Finance Initiative (PFI) schemes. In addition, there is currently a proposal for the Council to build out the remainder of Primrose Bank - Phase 1, potentially resulting in an additional 17 new builds to the HRA estate. If approved, it is intended that these additional properties will be completed by 31<sup>st</sup> March 2016. However it should be noted that the allocation of these properties into the HRA is a fall-back position, the initial focus being that all properties will be sold privately. Whilst a final decision is still to be determined on this project, all anticipated revenue streams have been excluded from current projections.

**PFI 2**

- 2.2 The PFI 2 contract between the Council and Housing 21, was signed in 2006 to provide 1,431 sheltered accommodation dwellings in a mixture of bungalows and group schemes with construction finishing behind schedule in May 2012. The operational contract runs to September 2036. The total construction value is £105m, all of which is payable through the annual unitary charge and funded by the annual PFI grant.
- 2.3 The project has had a lengthy dispute profile, and on three occasions the Authority's right to levy deductions has been referred to Adjudication, the last of which was in May 2012. In all cases the Authority has been successful in defending its position. Following further negotiation, in July 2013 a Deed of Variation was signed between the Council and Housing 21, committing Housing 21 to a comprehensive schedule of works to bring the dwellings up to the agreed contractual standards by 2016. A condition of the deed was the withdrawal of a number of compensation claims that had been submitted by Housing 21.
- 2.4 Until all the works are completed, there obviously remains a residual financial and operational risk and the Council will maintain its rigorous inspection regime for the period of the works. The HRA budget for 2015/16 has been prepared on the

assumption that payments to Housing 21 will be in accordance with the satisfactory undertaking of the deed of variation.

#### **PFI 4 Gateways to Oldham**

- 2.5 The Gateways to Oldham PFI 4 scheme reached financial close on 30 November 2011 and encompasses the refurbishment of 317 existing properties and the creation of 317 new homes, with a total capital value of £77m. The Council has entered into a 25 year contract with Inspiral Oldham who is using private finance to fund the construction works and manage and maintain the properties for the duration of the contract through to October 2036. Construction was originally planned to be completed by November 2014 and whilst the houses themselves (317 refurbishments and 317 new homes in total) were completed in December 2014 certain highway works and public open space will not now be completed until March 2015. As a result of these delays there will be a small saving to the 2014/15 unitary charge.
- 2.6 To assist with overall programme affordability, the Authority is making a total capital contribution of £12.026m with payments phased as dwellings are commissioned. The balance of £5.540m is currently forecast to be paid in 2014/15, signifying the end of the capital investment on this scheme.

#### **The Self-Financing Housing Revenue Account**

- 2.7 April 1<sup>st</sup> 2012 saw the introduction of the Self Financing Housing Revenue Account, replacing the Government housing subsidy regime. In practical terms the HRA is now a self-sufficient ring fenced account which will retain and use rental income, and in the case of Oldham, PFI credits, to meet all its management, maintenance and repairs commitments, including the respective unitary charges. The aim of the reforms is to enable Councils to manage their housing stock for the benefit of local residents in a transparent, accountable and cost effective way.
- 2.8 As part of the self-financing settlement the Department for Communities & Local Government (DCLG) fully re-paid the debt allocated to the HRA. Linked to the settlement DCLG also issued a 'limit of indebtedness', which in the case of Oldham was essentially a negative borrowing cap which in practical terms prevents the HRA from taking on any new borrowing.
- 2.9 A further key element of the self-financing arrangement was a decision taken by Government to provide a 5 year transitional period for the charging of HRA depreciation. The impact of this directive is to ensure Authorities are accumulating appropriate balances in order to have sufficient resources to allow for the incurring of the charge.

#### **Rent Restructuring**

- 2.10 Rent restructuring (convergence) was introduced in 2002/03. This set out a new methodology for the calculation of dwelling rents, attempting to equalise rent charges between Local Authorities and Housing Associations over ten years.

- 2.11 Oldham Council has complied with the restructuring guidance in each year since 2002/03 including those years when voluntary individual rent increase limits was requested.
- 2.12 In October 2013 the Government issued consultation papers entitled “Rents for Social Housing from 2015-16” and also “Direction on the Rent Standard 2013” in which it recommended that the date of convergence be brought forward by one year from 2015/16 to 2014/15. In addition the paper also outlined a move away from annual increases in weekly rents from RPI + 0.5% to CPI + 1% (effective from 1<sup>st</sup> April 2015). These proposals were formalised in the government document, “Direction on the Rent Standard 2014” published 23<sup>rd</sup> May 2014. Reasons for the shift to CPI were that the move brought with it increased stability for both tenants and landlords as the calculations did not include housing costs which in previous years has led to increased rate volatility.
- 2.13 When setting rents using the government guidance outlined above, the annual rent increase for HRA tenants in 2015/16 will be CPI (1.2% as at September 2014) + 1.0%, a total increase of 2.2%.
- 2.14 The proposed budget for 2015/16 assumes full compliance with all current government rent guidance.
- 2.15 Based on the new government guidance for rent increases, it is estimated that the average rent increase from April 2015 will be 2.2% (£1.67 [from £76.05 to £77.72], on a 48 week basis).

#### **The Revised HRA Budget 2014/15**

- 2.16 The 2014/15 estimated outturn is attached at Appendix A showing an estimated year-end working balance of £16,062k, £409k lower than estimated in the Budget Council meeting held in March 2014. Reasons for this adverse variance include an escalation in utility costs incurred due to the delays in renovating the St Marys Boiler House into a fully operational bio-mass heating system, additional liabilities incurred as a result of unforeseen void properties and additional contract management advisory costs.
- 2.17 The composition of the balance is summarised below;

<b>Analysis of HRA Balances 2014-15</b>	<b>Original Budget £k</b>	<b>Latest Forecast £k</b>	<b>Variance to Budget £k</b>
HRA Balances Brought Forward <b>(Surplus)/Deficit for the year on HRA Services</b>	<b>(20,727)</b> 4,256	<b>(20,727)</b> 4,665	0 409
<b>HRA Balances carried forward</b>	<b>(16,471)</b>	<b>(16,062)</b>	<b>409</b>

- 2.18 The Housing Revenue Account has benefitted in year from unitary charge deductions relating to the PFI 4 contract and the delays incurred. This has led to a small variance against original expenditure projections of approximately £100k. This reduction in budgeted expenditure has assisted in the realignment of financial

resources to cover other in-year budget pressures including the funding of contract management advisory costs and utility cost pressures.

### **The HRA Budget 2015/16**

- 2.19 The proposed HRA budget for 2015/16 is attached at Appendix B including all balances, income and expenditure met from the two PFI reserves.
- 2.20 PFI credits for the two schemes are paid on an annuity basis; that is, they remain constant throughout the life of the projects. In the early years of the schemes, these credits exceed the unitary charges and other costs payable. These early year surpluses, together with any interest earned, are retained to meet later year deficits as unitary charge payments to the service provider are increased year on year by an inflationary factor. All HRA balances are specifically earmarked for these projects, as identified in Appendix B.
- 2.21 Other key assumptions made in determining the budget are that:
- (1) All PFI 4 properties have been completed in 2014/15.
  - (2) Void levels have been assumed at 2% per annum across both schemes. PFI 4 void percentages had initially been inflated to reflect the assumption that general needs housing and in particular tower blocks attract higher vacancy turnovers when compared to those housing elderly tenants.
  - (3) Average rents are 2.2% higher than for 2014/15;
  - (4) There are 48 chargeable rent weeks in 2015/16;
  - (5) The bad debt provision is retained at 1.5% to accommodate the expected impact of ongoing changes to the benefits system;
  - (6) Service Charges and Extra Care Housing charges are continued/applied from April 2015.
- 2.22 The estimated 2015/16 HRA closing balance of £17,492k is considered to be sufficient to meet the future operational commitments and the potential financial pressures identified in the risk assessment. Appendix B presents the projected 2015/16 HRA budget based on the currently approved position.

### **Dwelling Rent, Non-Dwelling Rents and Services Charges Increases 2015/2016**

- 2.23 The HRA 2015/16 budget has been calculated taking into account an average rent increase of 2.2% as outlined at paragraphs 2.10 to 2.15 above. It is therefore recommended that the same percentage increase is applied to non-dwelling rents.
- 2.24 Central Heating charges remain for some of the PFI properties and it is proposed to continue recharging tenants on the basis of actual costs incurred.
- 2.25 Service charges will continue to be passed on to all PFI 2 tenants in 2015/16, following the widespread consultation in October 2013. The Cabinet meeting of 16<sup>th</sup>

December 2013 approved service charging with a phased 5-year implementation with increases on a straight line 20% basis.

- 2.26 From the Council's perspective, service charges were deemed necessary as it helped minimise long term risk to the Council's HRA Business Plan whilst also serving to establish a more stable and realistic financial environment in which to manage the housing stock.

### **Extra Care Housing (ECH) Phase 1**

- 2.27 Four PFI 2 schemes were identified to benefit from an enhanced care, support and security offer starting in 2014. Venues chosen were Trinity House (Coldhurst), Aster House (Coldhurst), Tandle View Court (Royton) and finally Charles Morris House (Failsworth). This accommodation is for those who need additional care and support that is not available within other available housing with care options e.g. Sheltered Accommodation.

- 2.28 On the 24<sup>th</sup> February 2014 Cabinet approved a plan to implement a new care and support offer during the day, with a night time concierge service for residents delivered by our PFI partner Housing 21. This took the four schemes from Sheltered Accommodation to Extra Care Accommodation. Extra Care Housing is a step up from Sheltered Housing and a step down from 24 hour residential or nursing placements. An exercise was undertaken to review the offer within the other 4 schemes with consultation now having been completed for two of these sites, namely Old Mill House and Hopwood Court. At its meeting on 26<sup>th</sup> January 2015, Cabinet approved proposals for the implementation of Extra Care within Old Mill House and Hopwood Court (Extra Care Phase 2a).

- 2.29 As part of the implementation of Phase 1 Extra Care Housing, the HRA budgeted to help fund a range of non-recoverable one-off costs. The latest estimates are that these will total approximately £240k. In addition to these costs the HRA will also incur an additional non-recoverable, recurrent, CCTV revenue maintenance cost estimated to be in the region of £25k per year, whilst also committing to underwrite the phased implementation of night concierge cost recovery. The original expectation was that Extra Care Housing Phase 1 would be implemented as from April 2014, however due to difficulties in identifying a suitable care partner and also issues encountered when recruiting to the night concierge positions the first ECH site didn't go live until September 2014.

- 2.31 The profiled impact on the HRA of the adoption of ECH Phase 1 is as follows –

<b>Description</b>	<b>2014/15 £</b>	<b>2015/16 £</b>	<b>2016/17 £</b>	<b>2017/18 £</b>
Night Concierge Costs	53,625	108,320	109,410	110,500
Night Concierge Costs Recovery	(17,875)	(54,160)	(91,175)	(110,500)
One off Costs	240,000			
CCTV maintenance	25,000	25,000	25,000	25,000
<b>Net Impact on HRA</b>	<b>300,750</b>	<b>79,160</b>	<b>43,235</b>	<b>25,000</b>

2.31 The proposed HRA budget and associated balances are based on current estimates. This has led to a reduction of the HRA balance relating to Extra Care Phase 1 of £300,750 in 2014/15, £79,160 in 2015/16, a further £43,235 in 2016/17 and an on-going £25,000 thereafter.

### **Extra Care Housing Phase 2a & 2b**

2.32 As mentioned in para 2.28, consultation has now been finalised with all the concerned stakeholders and formal approval granted by Cabinet regarding the introduction of Extra Care Housing to a further two schemes in 2015/16, namely Old Mill House and Hopwood Court.

2.33 The profiled impact on the HRA of the adoption of ECH Phase 2a is as follows –

<b>Description</b>	<b>2015/16 £</b>	<b>2016/17 £</b>	<b>2017/18 £</b>
Night Concierge Costs	79,600	80,400	81,200
Night Concierge Costs Recovery	(26,530)	(53,600)	(81,200)
One off Costs	200,000		
<b>Net Impact on HRA</b>	<b>253,070</b>	<b>26,800</b>	<b>0</b>

2.34 Pending additional feasibility reports and dependant on the continued success of Phase 1 and Phase 2a, it is anticipated that a further 2 schemes (Phase 2b) will be implemented, bringing the total Extra Care Housing schemes in Oldham to eight. Current forecasts are that Phase 2b may be implemented, following further consultation with affected tenants, around January 2016, with the first full year of cost recovery beginning 2016/17.

2.35 At this stage it is not possible to fully assess the financial implications of the Phase 2b scheme however it is considered that the HRA balances are sufficient to meet known obligations for the foreseeable future pending the approval of this scheme.

### **Strategic HRA estimates 2016/17 to 2018/19**

2.36 The projected forecasts for 2016/17 to 2018/19 are attached at Appendix D. As per 2.1, the HRA will include properties which are contained within the two PFI contracts. It is expected that the HRA balance will be £20.003m at the end of 2016/17, £20.107m at the end of 2017/18 increasing to £20.161m at the end of 2018/19. It is anticipated that HRA balances will remain broadly stable on an annual basis which gives the Council the opportunity to consider how it could use the HRA balance for new housing projects

2.37 It should be noted that in both PFI schemes a proportion of the unitary charge is indexed with reference to inflation (RPI). Nonetheless, the HRA remains in a strong financial position going forward.

### 3 Options/Alternatives

- 3.1 In order that the Council complies with legislative requirements, it must consider and approve an HRA budget for 2015/16.
- 3.2 The Self-Financing Housing Revenue Account is underpinned by a 30 year business plan that uses the guideline rent calculation as the basis of the income stream. The rental assumption reflects the current guidance which prescribes that all calculations are based on CPI plus 1% as the annual inflator.
- 3.3 Should the Council wish to move away from the established practice of following Government guidelines, then two potential scenarios have been assessed by way of example, the:
- proposed rent increase of £1.67 per week is reduced to £0.80
  - proposed rent increase is removed altogether.

The loss to the HRA in terms of rental income would be:

Average increase in rent	£0.80 £k	£0.00 £k
Impact in 2015/16	81	159
Impact over life of Business Plan	2,341	4,557

- 3.4 Clearly, whilst the impact in 2015/16 is not huge, the cumulative impact of sustained income losses of income would have a lasting impact on the long term financial strength of the HRA and potentially its ability to meet its current and future financial commitments.

### 4 Preferred Options

- 4.1 The preferred option is that the recommendations of the report are approved by Council.

### 5 Consultation

- 5.1 Consultation has taken place with Executive Members, service providers and tenants. Where schemes have had a significant impact on a particular group of tenants or subsequently had a material impact on the HRA budget such as Extra Care Housing, the Council has endeavoured to undertake a thorough consultation with tenants. In addition, the Council has implemented additional, more regular forums such as Court Voices where tenants are encouraged to raise any concerns and allowing a forum for further consultation. A key element of the consultation process was the consideration of the HRA budget by the Overview & Scrutiny Performance & Value for Money Select Committee at its meeting on the 22<sup>nd</sup> January 2015. The HRA budget was also presented to Cabinet on 16<sup>th</sup> February 2015 and recommendations were approved.

### 6 Financial Implications

- 6.1 Proposals set out in this report are based upon the best assessment of the likely financial position for 2015/16. Prudent assessments have been included within

these estimates and the financial impact of any variances is identified in the Risk Assessments undertaken.

6.2 The HRA balances are deemed sufficient to meet known obligations for the foreseeable future. (John Hoskins).

## **7. Legal Services' Comments**

7.1 It is statutory requirement that the Authority set a balanced HRA budget, having due regard to an appropriate level of working balances and giving due consideration to the risks involved. (Bill Balmer)

## **8. Cooperative Agenda**

8.1 The HRA budget has been prepared so that resources are utilised to support the aims, objectives and co-operative ethos of the Council.

## **9 Human Resources Comments**

9.1 None

## **10 Risk Assessment**

10.1 The HRA budget set out in this report is based on the best assessment of the likely financial position of the HRA in 2014/15 and 2015/16. Attached at Appendix C is a risk register as at January 2015. Forecasting remains challenging and there are a number of key issues that, should they change, affect the proposed budget. These are set out below:

- There would be a risk to income if the void level was higher than the 2015/16 budgeted levels. The impact upon income is that a 1% increase in voids costs approximately £77k in a full year.
- In relation to PFI4, a number of compensation claims remain unresolved and the Authority is in the process of agreeing these disputes. A suitable provision has been built into the 2015/16 HRA budget to cater for the likely financial impacts these disputes may incur.

## **11 IT Implications**

11.1 None.

## **12 Property Implications**

12.1 None.

## **13 Procurement Implications**

13.1 None

## **14 Environmental and Health & Safety Implications**

14.1 There are none specific at this stage.



**15 Equality, community cohesion and crime implications**

15.1 Continuation of a robust consultation process open to all tenants and tenants representatives will ensure maximum engagement and provide the opportunity for the views of all groups to be considered in setting the HRA budget and the provision of services to tenants.

**16 Equality Impact Assessment Completed?**

16.1 Not applicable

**17 Key Decision**

17.1 Yes

**18 Forward Plan Reference**

18.1 CFHR – 25 - 14

**19 Background Papers**

19.1 The following is a list of the background papers on which this report is based in accordance with the requirements of Section 100D (1) of the Local Government Act 1972. It does not include documents, which would disclose exempt or confidential information as defined by that Act.

File Ref: Background papers are provided in Appendices A to D

Officer Name: John Hoskins/David Leach /Anne Ryans

Contact Number: 0161 770 1323/6679/4902

**20 Appendices**

Appendix A Revised HRA Income & Expenditure Account 2014/15

Appendix B Original HRA Income & Expenditure Account 2015/16

Appendix C 2015/16 – 2018/19 Risk Assessment as at February 2015

Appendix D HRA Income & Expenditure Account 2016/17 to 2018/19 Strategic Forecasts

<b>Revised HRA Income &amp; Expenditure Account 2014/15</b>	<b>Revised Budget</b>	<b>Latest Forecast</b>	<b>Variance to Budget</b>
	<b>£k</b>	<b>£k</b>	<b>£k</b>
<b>Income</b>			
Dwellings rents (gross)	(6,972)	(6,972)	0
Non Dwelling Rents	(37)	(37)	0
Charges for services and facilities	(290)	(290)	0
Contributions towards Expenditure	(1,007)	(1,553)	(546)
PFI Grant	(18,786)	(18,786)	0
<b>Total Income</b>	<b>(27,092)</b>	<b>(27,638)</b>	<b>(546)</b>
<b>Expenditure</b>			
Unitary Charge Payments (PFI2 and PFI4)	20,565	20,565	0
Supervision & Management	521	521	0
Depreciation and impairment of Fixed Assets	146	146	0
Rent, rates and other charges	9,297	10,992	1,695
Debt management costs	145	145	0
Increased provision for bad or doubtful debts	133	133	0
<b>Total Expenditure</b>	<b>30,807</b>	<b>32,502</b>	<b>1,695</b>
<b>Net Cost of HRA Services per I &amp; E Account</b>	<b>3,715</b>	<b>4,864</b>	<b>1,149</b>
HRA share of Corporate and Democratic Core	101	101	0
<b>Net Cost of HRA Services</b>	<b>3,816</b>	<b>4,965</b>	<b>1,149</b>
Interest payable and other similar charges	0	0	0
Interest and Investment Income	(279)	(300)	(21)
<b>Surplus/Deficit for the year on HRA Services</b>	<b>3,537</b>	<b>4,665</b>	<b>1,128</b>
HRA Balances brought forward	(20,727)	(20,727)	0
<b>HRA Balances carried forward</b>	<b>(17,190)</b>	<b>(16,062)</b>	<b>1,128</b>
<b>Analysis of HRA Balances carried forward</b>	<b>£k</b>	<b>£k</b>	<b>£k</b>
Balances specifically earmarked for PFI 2 scheme	(16,815)	(15,690)	1,125
Balances specifically earmarked for PFI 4 scheme	(375)	(372)	3
<b>HRA Balances carried forward</b>	<b>(17,190)</b>	<b>(16,062)</b>	<b>1,128</b>

## Proposed HRA Budget 2015/16

<u>Revised HRA Income &amp; Expenditure Account 2015/16</u>	Original Budget
	<b>£k</b>
<b>Income</b>	
Dwellings rents (gross)	(7,510)
Non Dwelling Rents	(36)
Charges for services and facilities	(1,464)
Contributions towards Expenditure	(745)
PFI Grant	(18,786)
<b>Total Income</b>	<b>(28,541)</b>
<b>Expenditure</b>	
Unitary Charge Payments (PFI2 and PFI4)	22,395
Supervision & Management	436
Depreciation and impairment of Fixed Assets	146
Rent, rates and other charges	4,053
Debt management costs	145
Increased provision for bad or doubtful debts	16
<b>Total Expenditure</b>	<b>27,191</b>
<b>Net Cost of HRA Services per I &amp; E Account</b>	<b>(1,350)</b>
HRA share of Corporate and Democratic Core	106
<b>Net Cost of HRA Services</b>	<b>(1,244)</b>
Interest payable and other similar charges	0
Interest and Investment Income	(186)
<b>-Surplus/Deficit for the year on HRA Services</b>	<b>(1,430)</b>
HRA Balances brought forward	(16,062)
<b>HRA Balances carried forward</b>	<b>(17,492)</b>

<b>Analysis of HRA Balances carried forward</b>	<b>£</b>
Balances specifically earmarked for PFI 2 scheme	(14,834)
Balances specifically earmarked for PFI 4 scheme	(2,658)
<b>HRA Balances carried forward</b>	<b>(17,492)</b>

## HOUSING REVENUE ACCOUNT

2015/16 – 2018/19 RISK ASSESSMENT AS AT FEBRUARY 2015

<u>RISK EVENT/ DESCRIPTION</u>	<u>LIKELIHOOD</u>	<u>IMPACT</u>	<u>RESERVE POSITION</u>
1. The void level assumed on dwelling properties increases.	The budget has been set assuming a 2015/16 void rate of 2% across both schemes thereafter. These are believed to be realistic estimates at this time.	A change in the void percentage of 1% (approximately 21 properties) has the impact, in a full year, of £77k.	The loss of income arising from movement in void levels would need to be met from reserves. The HRA has sufficient balances to absorb the movement on voids, again it should be noted that the lost income is likely to be offset by reduced Unitary Charge payments.
2. Impact of changes in rental income collection rates.	The collection of rental income is a key performance indicator and one in which the PFI providers have performed at the highest level. Historically It has been considered a low risk that this collection rate will deteriorate to a level to the point where it has a significant impact on the revenue budget. Changes in the benefits system do though have potential to impact on the collection on rent.	Rental income is accounted for in the HRA on a rents receivable not received basis. However, it is now considered that the level of uncollected income will increase, As result there has been an increase from 0.5% to 1.5% in the percentage revenue provision required for bad and doubtful debts	A specific bad debts provision of £186k is contained within the HRA budget for 2015/16. This is considered sufficient to deal with any impending changes in the benefits system
3. PFI 4 Compensation claims	A number of compensation claims have been submitted by the building contractor to Inspiral who in turn further validates the claims before submitting to	The number and total value of the claims submitted is in line with the Authority's expectations.	The cost of the claims is expected to be fully mitigated by post contract cost reductions and a reduced

	OMBC. A large proportion of the claims submitted have been rejected at that point. The Authority is currently assessing those claims that have been submitted and has either rejected or disputed some of the claims.		unitary charge resulting from construction delays.
4. Service Charge Recovery	2015/16 will be the second year that service charges will be charged to PFI 2 tenants. Implementation is to be phased in over 5 years i.e. 40% recovery in 15/16, 60% recovery in 16/17. Service charges are eligible for Housing Benefits so it is of relatively low risk that the majority of service charge costs will be recovered. Self-payers however may incur some level of difficulty however the percentage of self-payers as part of the overall tenancy profile is relatively small	In 2015/16 each tenant will need to pay on average £267 towards service charges. Costs of initiating and maintaining recovery processes will also need to be considered.	Each tenant failing to pay their service charge will have a detrimental effect on the reserve, although given the close correlation to Housing Benefit, the levels of collection are estimated to be high.
5. Extra Care Housing (ECH) Charge Recovery	2015/16 will be the second year that ECH charges will be charged to 4 group schemes within PFI 2 and the first year for tenants in Phase 2a. Implementation is to be phased in over 3 years i.e. 33% recovery in the first year, 66% recovery in the second and full recovery the years following. ECH charges are eligible for Housing Benefits so it is of relatively low risk that the majority of ECH charge costs will be recovered. Self-payers however may incur some level of	In 2015/16 each qualifying tenant i.e. a tenant within one of the four/six approved Extra Care Housing Group Schemes, will need to pay on average £343 towards ECH charges. Costs of chasing recovery will also need to be considered.	Each tenant failing to pay their ECH charge will have a detrimental effect on the reserve, although given the close correlation to Housing Benefit, the levels of collection are estimated to be high.

	difficulty however the percentage of self-payers as part of the overall tenancy profile is relatively small and the transitional phasing of these costs should help.		
6.Rent Restructuring	In October 2013 the DCLG approved a move to CPI plus 1% as the basis of the annual rental increase calculation as opposed to previously using the inflator of RPI plus 0.5%. The largest inflationary cost increase to the HRA is the uplift in the unitary charge which is linked to RPI. The move to different measures of inflation potentially being applied to income and expenditure, may introduce increased risk exposure to an inflationary pressure in the event that CPI+1% falls below RPI+0.5%	As of September 2014, the month used for all rent calculations, there was a 0.6% difference in the two inflators. The business plan has been modelled on this basis for the duration of the plan.	The movement in the respective indices will be monitored on an on-going basis, it is however considered that there is sufficient tolerance within the predicted cumulative HRA balances to manage this risk

## Appendix D

### Proposed HRA Budget 2016/17 – 2018/19

<u>HRA Income &amp; Expenditure Account 2016/17 to 2018/19 Strategic Forecasts</u>	Original 2016/2017	Original 2017/2018	Original 2018/2019
	<b>£k</b>	<b>£k</b>	<b>£k</b>
<b>Income</b>			
Dwellings rents (gross)	(7,675)	(7,844)	(8,016)
Non Dwelling Rents	(37)	(37)	(38)
Charges for services and facilities	(1,602)	(1,722)	(1,818)
Contributions towards Expenditure	(778)	(812)	(848)
HRA Subsidy ~ PFI Credits	(18,786)	(18,786)	(18,786)
<b>Total Income</b>	<b>(28,878)</b>	<b>(29,201)</b>	<b>(29,506)</b>
<b>Expenditure</b>			
Unitary Charge Payments (PFI2 and PFI4)	23,010	23,332	23,661
Supervision & Management	441	451	460
Depreciation and Impairment of Fixed Assets	146	2,531	2,531
Rent, rates and other charges	2,723	2,774	2,827
Debt management costs	145	145	145
Increased provision for bad or doubtful debts	3	3	3
<b>Total Expenditure</b>	<b>26,468</b>	<b>29,236</b>	<b>29,627</b>
<b>Net Cost of HRA Services per I &amp; E Account</b>	<b>(2,410)</b>	<b>35</b>	<b>121</b>
HRA share of Corporate and Democratic Core	108	111	114
<b>Net Cost of HRA Services</b>	<b>(2,302)</b>	<b>146</b>	<b>235</b>
Interest payable and other similar charges	0	0	0
Interest and Investment Income	(209)	(250)	(289)
<b>-Surplus/Deficit for the year on HRA Services</b>	<b>(2,511)</b>	<b>(104)</b>	<b>(54)</b>
HRA Balances brought forward	(17,492)	(20,003)	(20,107)
<b>HRA Balances carried forward</b>	<b>(20,003)</b>	<b>(20,107)</b>	<b>(20,161)</b>

Analysis of HRA Balances carried forward	£	£	£
Balances specifically earmarked for PFI 2 scheme	(15,070)	(12,937)	(12,973)
Balances specifically earmarked for PFI 4 scheme	(4,933)	(7,170)	(7,188)
<b>HRA Balances carried forward</b>	<b>(20,003)</b>	<b>(20,107)</b>	<b>(20,161)</b>

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## **Statement of The Chief Financial Officer on Reserves, Robustness of The Estimates and Affordability and Prudence of Capital Investments**

**Portfolio Holder: Councillor Jabbar, Cabinet Member for Finance and HR**

**Officer Contact: Anne Ryans, Interim Director of Finance  
Ext. 4902**

### **Purpose of Report**

To recommend that Council agrees the level of balances necessary to support the 2015/16 budget, notes the future action planned and agrees the actions necessary to secure a properly balanced budget and the prudence of capital investments.

### **Executive Summary**

In order to comply with Section 25 of the Local Government Act 2003; the Authority's Chief Financial Officer (the Interim Director of Finance) is required to report on the robustness of the estimates made for the purposes of the budget calculations and the adequacy of the proposed reserves. This information enables a longer-term view of the overall position to be taken. It is also reports on the Interim Director of Finance's consideration of the affordability and prudence of capital investment proposals. The level of general balances to support the budget and appropriate earmarked reserves maintained by the Council are an integral part of its financial resilience.

The Council's external auditors, Grant Thornton, the Audit Commission and the National Audit Office have all issued one or more reports dealing with in essence the very challenging financial future all Councils, including Oldham, are facing and how this is being dealt with. These reports are:

- The Tipping Point publications about financial resilience
- Tough Times
- Financial Sustainability of Local Authorities
- Striking a Balance

Members can be assured that Oldham Council continues to be very well placed to meet these challenges. The Council is preparing a two year revenue budget, a five year approved capital programme and an early closure of accounts allowing early focus on the coming challenges and a robust financial transformation programme.

This does depend in part on the Council maintaining an adequate level of reserves which are set out in this report. In order to enhance this position and the scrutiny of reserves the position for the 2013/14 year-end was considered by the Audit Committee in May 2014 and it is proposed to action the same review again this year after closure of the accounts for 2014/15.

## **Recommendations**

It is recommended that Council:

- a) Approves the General Balances currently calculated for 2015-16 at **£17,704k** financed by an element of the underspend reported for the financial year 2013/14.
- b) Notes that the initial estimate of General Balances to support the 2016-17 and 2017-18 budgets are amounts of **£18,075k and £18,458k** reflecting the budgetary challenges for these financial years.
- c) Notes the intended report to the Audit Committee at the financial year-end to ensure the Council reserves are subject to appropriate scrutiny.
- d) Approves the actions necessary to secure a properly balanced budget as noted in paragraph 4.5.
- e) Approves the actions necessary to ensure the prudence of the capital investments as noted in paragraph 5.4.

**Statement of the Chief Financial Officer on Reserves, Robustness of the Estimates and Affordability and Prudence of Capital Investments**

**1 Background**

1.1 In order to comply with Section 25 of the Local Government Act 2003; the Authority's Chief Financial Officer (the Interim Director of Finance) is required to report on the robustness of the estimates made for the purposes of the budget calculations and the adequacy of the proposed reserves. This report addresses this requirement.

**2 Recommended Level of General Balances for the 2015-16 Budget**

2.1 There are two approaches for deciding the optimum level of the general Contingency Levels for the Council. This is either a percentage of expenditure, which at one stage was recommended by the external auditors to be at 5% of net expenditure, or an approach based on risk.

2.2 The agreed Council approach adopted for a number of years is to use a risk based approach based upon 11 areas of risk:

- Inflation is underestimated in the original estimates
- Interest rates are underestimated
- Changes to grant funding regimes
- Some budgets are only indicative at the time the budget is agreed
- Volatility in some budget headings between years
- Efficiency gains expected in the agreed budget are not achieved
- Unforeseen insurance costs
- Emergencies which can be foreseen which occur on an ad hoc basis
- Changes to budgets where targets are not met
- Financial and Partnership guarantees given by the Council
- Unforeseen events

2.3 The calculation to support the 2015-16 budget is detailed at Appendix 1. It also calculates an indicative recommended level of balances to support the 2016-17 and 2017-18 budgets. These allow for the current pressured state of the Council's finances which by way of example include, as the latest budget monitoring report highlights, pressures in certain services.

2.4 The recommended level of general balances to support the 2015-16 budgets is **£17,704k**, which is an increase of £299k on the 2014-15 recommended level of balances.

2.5 The detailed assumptions supporting the logic of the detailed general balances calculation are set out in Appendix 2.

2.6 The indicative level of balances for 2016-17 are **£18,075k** and for 2017-18 **£18,458k**. The increases for these two financial years reflect the continuing need for the Council to manage its financial risks around known financing changes which include significant reductions in central government support resulting in a challenging savings target for both years on top of efficiencies already achieved.

### 3 **Earmarked Reserves**

3.1 The Council had 18 Earmarked Reserves as summarised in Appendix 3 totalling £72,186k as at the year-end for 2013-14. Management of these reserves takes place via the monthly monitoring reports during the financial year and at the year-end as part of the closure of accounts.

3.2 A risk assessment has been undertaken of the current earmarked reserves being utilised in the future as detailed in Appendix 3.

3.3 The Earmarked Reserves to meet known or expected liabilities where it is challenging to be specific about the exact financial amount of liability are:

- Insurance Reserve
- Budget Reserve
- Levy Reserve
- Adverse Weather Reserve
- Children's Reserve
- Partnership Reserve
- Exceptional items reserve.
- PFI Reserves
- Fiscal Mitigation Reserve
- Taxation Reserve

3.4 The Earmarked Reserves required for other more specific, including invest to save purposes are:

- BSF Reserve
- Individual Schools Balances
- Special Projects Reserve
- District Partnerships Reserve
- Future Liabilities Reserve
- Revenue Grants Reserve
- Business Units Reserve
- Directorate Reserve

### 4 **Robustness of the Estimates**

4.1 Key factors in ensuring the robustness of estimates include the initial challenge process to establish the budget options, essential project management for the proposals, monitoring and reporting arrangements and the utilisation of key,

skilled finance staff in drawing up detailed estimates and monitoring proposals going forward. Cross cutting and sound key assumptions are also vital in ensuring proper estimates.

- 4.2 There are a large number of factors which are making the management of the Authority's budget much more challenging from April 2014 than it has been in the past. These include:
- Councils face significant continued financial challenges. Unprecedented reductions in government funding for a sustained period, constrained and possibly more constrained Council Tax increases, a decline in other income, rising costs and growing demand for many services are all challenging Councils' financial management and resilience.
  - the recent changes in council funding with the introduction of local business rates retention and new arrangements for providing council tax support. The impact of these changes, and the level of further funding reductions in 2016/17 and 2017/18, is not yet known for that period, but the financial climate is more volatile with the Council carrying more risk than has ever been the case and funding is assumed to reduce for the foreseeable future.
- 4.3 These current and future financial challenges pose significant, and increasing, risks and require robust financial and budget management along with increased reserves to strengthen resilience against future uncertainty.
- 4.4 The preparation of the estimates has been based on the following base assumptions:
- Pressures and grant fall out - the former have as far as possible been absorbed by Directorates and the latter has likewise as far as possible been matched by corresponding expenditure reductions forecasted in the MTFS.
  - Interest and inflation assumptions - a prudent view of interest rates and inflation has been taken in constructing estimates for 2015/16. Whilst these estimates are considered to be adequate at this point in time the uncertainty within the economy may lead to further consideration.
  - Council Tax income assumptions - the estimates for the Council Tax are based on a collection rate of 96.89% including that to be collected under the Council Tax Reduction Scheme. The position will be monitored during the year but the amount could vary for matters outside the control of the Council.
  - A best estimate of the amount of income to be collected from National Non Domestic Rates based on best estimates covering certain areas

such as the level of appeals expected. This could lead to the amount estimated for collection changing from this point in time.

- 4.5 In order to secure a balanced budget year on year it is essential that the base estimates are built on by:
- All budget changes agreed by the Council being actioned to deliver the estimated savings, or alternatives found to the same net value, by the relevant responsible officers
  - Monthly monitoring of all budgets and reporting on an exceptions basis through the Interim Director of Finance to EMT and Cabinet
  - Action being taken to address future forecast budget shortfalls in advance of the forthcoming financial years. In respect of this the Council's recent and ongoing preparation of a two year budget is an example of enhanced good practise

## **5 Prudence and Affordability**

- 5.1 The current prudential borrowing regime places a duty on the Chief Financial Officer to ensure that the financial impact of decisions to incur additional borrowing over and above that supported by Government are affordable both in the immediate and over the longer term.
- 5.2 However given the changes in local government finance introduced in 2006/07 there is no longer any direct relationship between supported borrowing and the revenue support for it. Consideration of all new capital schemes and their revenue impact is therefore undertaken alongside other revenue issues to ensure that resources are allocated appropriately.
- 5.3 The impact of the Council's current investment plan and total capital programme, as set out elsewhere on this agenda is financed within capital estimates as far as appropriate i.e. utilising grant etc. with the balance being funded through the revenue estimates, with future years being addressed through the MTFS.
- 5.4 Given the scope of the current investment programme and the challenging financial circumstances, Council has ensured that there is sufficient revenue budget to meet the capital commitments and it is essential that this remains so going forward. Subject to that, the capital estimates are considered prudent and affordable while supporting the aspirations and ambition of the Council.

## **6 "Striking a balance" and other reports on Financial Resilience**

- 6.1 On 6<sup>th</sup> December 2012 the Audit Commission produced a report into their research on the level of reserves held by councils. The report recognised that there is no set formula for deciding what level of reserves is appropriate. It stated that having the right level of reserves was important and where reserves were low there could be very little resilience to financial shocks and sustained

financial challenges. It also stated that where reserves are high, councils may hold more funds than they need.

6.2 It was recognised there are significant financial challenges facing councils going forward with reductions in government funding and the delegation of business rates and council tax support. The effect of these is to increase the financial challenges facing council's going forward.

6.3 One conclusion from this report was that councils needed to consider their present decision making in a number of areas:

- Undertaking an annual review to ensure reserves align with medium term financial plans.
- Clarity about what earmarked reserves are for.
- Ensuring earmarked reserves held to mitigate financial risk reflect an up to-date assessment of risk.
- The advice of the Interim Director of Finance to Members on the level of reserves to be held includes a summary of the issues to be considered.
- Monitoring the level and use of reserves over recent years, and comparing the council's approach to other organisations facing similar circumstances.
- Budget monitoring and forecasting give elected members greater awareness of likely year-end movements on reserves
- Significant or unexpected variations to budget are dealt with.

6.4 To progress this issue in more detail the matter has been reported to the Audit Committee with the submission of a detailed report from the Interim Director of Finance on the key questions in Striking the Balance which were considered prior to the Statement of Final Accounts for 2012-13 and 2013-14 being approved. It is proposed to submit a further report in May 2015 to enable continuous independent review of earmarked reserves to be undertaken over a regular period by the Council.

6.5 There have been other reports produced on local authorities which have reviewed the financial resilience of local authorities. The conclusion has been that the majority of local authorities have coped well but a minority are experiencing financial stress which has been reported in the press. These reports also highlight that the overall future financial environment is going to be very challenging and they expect an increased number of authorities to experience financial stress. These are expected to get even more challenging in 2016-17 and 2017-18 for this Council.

## **7 Options and Alternatives**

7.1 The Council has a statutory duty to have regard to the Chief Financial Officer's report on the robustness of the estimates and the adequacy of proposed financial reserves when making decisions.

## **8 Preferred Option - Budget Recommendations**

- 8.1 The robustness of the estimates and the adequacy of the reserves are satisfactory. However this is only the case provided that action is taken to ensure that the balances are set at the level recommended), that all budget options, or in year alternatives, are delivered as planned and monitored as noted in paragraph 4.5 and that the capital programme is financed as noted in paragraphs 5.3 and 5.4.

## **9 Consultation**

- 9.1 The professional opinion of the Interim Director of Finance on the overall adequacy of the total level of reserves is integral to the sign off of the overall agreed budget.
- 9.2 The earmarked reserves as set aside by the Council at the year-end 2013-14 have been independently verified by the external auditor.
- 9.3 In order to ensure that the organisation undertakes an appropriate independent review of its reserves it is proposed that the Audit Committee consider a detailed annual report in May of each financial year from the Interim Director of Finance on the Audit Commission publication "Striking a Balance" reviewing the detailed questions it is recommended are considered by the organisation.

## **10 Financial Implications**

- 10.1 The review of reserves and provisions has identified that the Council will be required to maintain its level of general contingencies to support the 2015/16 balances requirement and identified areas of risk, in line with good practice and the duties of the Interim Director of Finance.

## **11 Legal Services Comments**

- 11.1 N/R

## **12 Cooperative Agenda**

- 12.1 The adequacy of reserves and balances enables the Council to support its aims and objectives and also take forward the co-operative ethos of the Council.

## **13 Human Resources Comments**

- 13.1 N/R

## **14 Risk Assessments**

- 14.1 There is a statutory requirement for the Interim Director of Finance to calculate the balances required by the Council to support the annual budget. The



methodology utilised as detailed in Appendix 1 and 2 of this report is to assess the required level on the basis of risk.

**15 IT Implications**

15.1 N/R

**16 Property Implications**

16.1 N/R.

**17 Procurement Implications**

17.1 N/R.

**18 Environmental and Health & Safety Implications**

18.1 N/R

**19 Equality, community cohesion and crime implications**

19.1 N/R

**20 Equality Impact Assessment Completed?**

20.1 N/R

**21 Key Decision**

21.1 Yes

**22 Forward Plan Reference**

22.1 CFHR-20-14.

**23 Background Papers**

23.1 The following is a list of background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents which would disclose exempt or confidential information as defined by the Act:

File Ref:	Background papers are provided in Appendices 1 to 3 to the report
Officer Name:	Mark Stenson
Contact No:	Extension 4783

24 **Appendices**

- 24.1 Appendix 1 General Balances Calculation
- Appendix 2 Eleven Areas of Risk for Oldham Council
- Appendix 3 Earmarked Reserves

General Balances Calculation

Appendix 1

Area of Risk	2015-16	Risk Factor	Value	2016-17	Risk Factor	Value	2017-18	Risk Factor	Value
	<b>Budget</b>			<b>Budget</b>			<b>Budget</b>		
	<b>£000</b>		<b>£000</b>	<b>£000</b>		<b>£000</b>	<b>£000</b>		<b>£000</b>
<b>Inflation</b>									
Salaries incl pensions	81,564	0.75%	612	81,700	1.00%	817	81,700	1.00%	817
Premises	8,585	0.50%	43	8,610	1.00%	86	8,610	1.00%	86
Transport	6,000	0.50%	30	5,997	0.50%	30	5,997	0.50%	30
Supplies	47,458	0.50%	237	49,128	0.50%	246	49,128	0.50%	246
PFI	19,203	0.50%	96	19,203	0.50%	96	19,092	0.50%	95
Other	Quantum		100	Quantum		150	Quantum		150
			<b>1,118</b>			<b>1,425</b>			<b>1,424</b>
<b>Interest Rates</b>									
Changes in rates	Quantum		500	Quantum		500	Quantum		500
			<b>500</b>			<b>500</b>			<b>500</b>
<b>Grants</b>									
Revenue Support Grant (RSG)	50,879	0.50%	254	33,275	0.50%	164	20,475	0.50%	100
H. Benefit	1,529	1.00%	15	1,378	2.00%	28	1,241	3.00%	37
New Homes Bonus	2,275	5.00%	112	2,000	7.50%	150	1,500	7.50%	112
Business Rates	29,987	1.00%	300	30,587	1.00%	305	31,198	1.00%	312
Public Health	14,915	0.50%	75	14,915	0.50%	75	14,915	0.50%	75
Better care Fund/ NHS reform	16,036	1.09%	174	16,036	1.09%	174	16,036	1.09%	174
Education Support Grant	3,126	1.00%	31	2,266	2.00%	45	2,111	3.00%	63
			<b>961</b>			<b>941</b>			<b>873</b>

<b>Estimated Budgets</b>									
Academies Loss	Quantum		500	Quantum		500	Quantum		500
Carbon Emissions	Quantum		25	Quantum		25	Quantum		25
			<b>525</b>			<b>525</b>			<b>525</b>
<b>Volume Changes</b>									
Adult Services	Quantum		500	Quantum		500	Quantum		500
Unity	Quantum		100	Quantum		100	Quantum		100
			<b>600</b>			<b>600</b>			<b>600</b>
<b>Budget Savings</b>									
2015-16	35,299	19.26%	6,800	35,299	2.00%	705	35,299	1.00%	353
2016-17	0	0.00%	0	29,489	19.26%	5,679	29,489	2.00%	590
2017-18	0	0.00%	0	0	0.00%	0	29,302	19.26%	5,643
			<b>6,800</b>			<b>6,384</b>			<b>6,586</b>
<b>Insurance</b>									
Medical	Quantum		100	Quantum		100	Quantum		100
			<b>100</b>			<b>100</b>			<b>100</b>
<b>Emergency Planning</b>									
ICT disaster	Quantum		500	Quantum		500	Quantum		500
Winter Weather	Quantum		400	Quantum		400	Quantum		400
Flooding	Quantum		100	Quantum		100	Quantum		100
Offices	Quantum		200	Quantum		200	Quantum		200
Emergency Planning	Quantum		400	Quantum		400	Quantum		400
Unforeseen disaster	Quantum		400	Quantum		400	Quantum		400
			<b>2,000</b>			<b>2,000</b>			<b>2,000</b>
<b>Changes</b>									
Debt Collection	Quantum		100	Quantum		100	Quantum		100
NNDR Appeals	Quantum		500	Quantum		750	Quantum		750
Introduction of Universal Credit	Quantum		250	Quantum		250	Quantum		250
			<b>850</b>			<b>1,100</b>			<b>1,100</b>

<b>Financial Guarantees</b>									
Contractual Disputes	Quantum		1,000	Quantum		1,000	Quantum		1,000
Capital Programme	Quantum		1,000	Quantum		1,000	Quantum		1,000
Preceptors re levies	Quantum		500	Quantum		750	Quantum		1,000
Pensions	Quantum		500	Quantum		500	Quantum		500
Grant Claw back	Quantum		250	Quantum		250	Quantum		250
			<b>3,250</b>			<b>3,500</b>			<b>3,750</b>
<b>Other</b>									
General	Quantum		1000	Quantum		1000	Quantum		1000
			<b>1000</b>			<b>1000</b>			<b>1000</b>
<b>TOTAL</b>			<b>17,704</b>			<b>18,075</b>			<b>18,458</b>

Number	Area of Risk	Analysis of Risk
1	Inflation is underestimated in the original agreed estimates	<p>There are two issues. Firstly, there may be some items of expenditure-fuel costs for example-where any estimate of inflation is a “best guess “and the future market rate is difficult to predict given price volatility. The risk assessment puts a figure to the higher level of inflation that would seem to be unreasonable to include in a budget, but might come to pass. Secondly, information is less accurate for years 2 and 3</p> <p>At the present time the level of inflation for the past financial years has been certain for areas such as salaries with minimal wage increases. Certain other costs have increased at a higher rate than estimated. Going forward into the next three financial years the inflationary pressures are very difficult to estimate and the dynamics may change with increased pressure on wage costs as against commodities such as fuel. The calculation of a recommended balance reflects this.</p>
2	Interest rates are underestimated	<p>This is similar to 1 above, but for a specific area of risk.</p> <p>Interest rates at the present levels for borrowing money are at a very low level. The general predictions are that increases may take place either at a point in 2015-16. Allowing for borrowing profiles the 2015-16 budgets have been prepared on the present levels of interest paid by the Council. A small change in the interest rates could have a significant impact on the Council’s budget in respect of the amount paid. Predictions of when accurate interest rate rises will occur have proved to be challenging for a number of years and continue to be volatile.</p> <p>In respect of the return achieved by the Council on money it has placed on the money market then the return as budgeted for is at a historically low level. There is also an added pressure that safe havens for the Council to</p>

		<p>invest surplus cash have reduced in past years.</p> <p>There is the specific risk to consider here of the continued volatile banking market and the consequential risk to Councils of the security of their investments</p>
3	Changes to grant funding regimes	<p>The Government system for allocating grants can appear short-term and a “best guess” has to be offered in lieu of hard facts. Currently there are a number of issues with the general regime:</p> <ul style="list-style-type: none"> <li>• The Comprehensive Spending Review, Autumn Statement, Chancellors Budget and future predictions of government spending indicates an overall continual reduction in general and specific grant funding to Council’s over a further 4 year period. The actual information provided has only provided to-date certainty for 2015-16.</li> <li>• Changes to the present housing benefit regime include the continual introduction of the Universal Credit.</li> <li>• The continuing transfer of certain responsibilities to local authorities currently provided for by the health service.</li> <li>• Potential changes to specific grant funding which is being absorbed in revenue support grant after a number of financial years.</li> </ul> <p>There are also issues for the Council highlighted in its final accounts as contingent liabilities around potential grant claw back on specific projects as detailed in the contingent liabilities section of the audited final accounts.</p>
4	Some budgets are only indicative at the time the budget is agreed	<p>There are some initiatives that are known will happen, but are not sufficiently advanced to accurately cost.</p> <p>The impact of the current trend where a number of schools currently administered by the Council who may wish to become an independent Academy is unknown and the impact this has on previously notified grant funding.</p>

5	Volatility in some budget headings between years	<p>There are long standing areas of risk where the Council budget for the middle of the range, but might find the out-turn for a year at the higher end.</p> <p>In respect of Adult Services there is a continuing risk with recent changes that the increase in unforeseen demand resulting in increased pressure and a overspend position.</p> <p>In respect of housing benefit on payments there is a risk that changes to the system such as the introduction of Universal Credit leads to a claim for additional costs.</p>
6	Budget savings expected in the agreed budget are not achieved	<p>The budget includes an assumption that the Council will deliver ambitious savings; the risk is that they may be delivered at a slower rate.</p> <p>Based upon 2009-10 to 2014-15 experience the achievement of the budget savings programme in monetary terms has shown full achievement. In the next three to five financial years from 2015-16 there are further challenging budget savings required. These savings requirement mean it is prudent to retain some reserves should these targets not be achieved.</p>
7	Unforeseen Insurance Costs	<p>Acts of God can result in higher insurance traffic than had been anticipated.</p> <p>Oldham Council would seem to be appropriately covered on this aspect re the general assessment in that it has been based on a detailed yearly Actuarial Review. It also has included a reserve to meet the costs of MMI claims should the Scheme of Arrangement be activated. The assessment of the Council that the scheme would be activated proved to be accurate</p>



		<p>and sensible prudent accounting has negated any financial impact from the initial levy. The matter will now be subject to continual review.</p> <p>The uncertainty going forward is associated with the current economic climate and adverse weather conditions, which it is anticipated, will increase the number of claims made against the Council. On the present Insurance arrangements however the value of claims is individually capped at £52,500 for liability claims and £100,000 for premises.</p> <p>With the transfer of Public Health functions a new risk now exists to the Council around whether insurance cover can be obtained from the present insurance arrangements in respect of medical malpractice.</p>
8	Emergencies which can be foreseen which can occur on an ad hoc basis	<p>Were disasters to occur, the Council needs to have a reserve in place to pick up costs that will fall on the Council. A disaster such as one involving ICT could occur on a one-off basis.</p> <p>The Council area does also cover higher grounds including Saddleworth, which if weather conditions are extreme can lead to additional unbudgeted costs such as snow clearance in winter.</p> <p>There was also an incident in the Borough in 2012-13 that highlighted the need for the Council to maintain financial flexibility within its general balances.</p>
9	Changes to budgets where targets are not met.	<p>Change necessarily means doing things in a way for which we have no evidence. The assumptions made maybe wrong.</p> <p>This is the most difficult area to predict but there will be unforeseen costs which are not foreseen when the budget is prepared.</p> <p>It is also anticipated that Housing Benefit will increase the financial risks of</p>

		the Council. The impact of the transfer of Business Rates is also becoming apparent with a high risk that this element of the Collection Fund could report a deficit.
10	Financial and Partnership guarantees given by the Council	<p>There are a number of obligations and risks to the Council around its financial guarantees which have been given to a wide variety of organisations and projects:</p> <ul style="list-style-type: none"> <li>• In a complex organisation there are contractual disputes for claims against the Council.</li> <li>• The Council has an ambitious capital programme that could result in future budgetary pressures of a revenue manner if all schemes do not progress.</li> <li>• On the Levying bodies there is a desire from contributing Districts to keep levy increases as low as possible. This will increase the financial stress on these organisations and ultimately it is the Districts who would assist if there is a shortfall.</li> <li>• In respect of staff previously employed by the Council but transferred to other organisations the Council has agreed to underwrite the pension costs.</li> <li>• Grant clawback could occur whereby the Council is the accountable body for a grant.</li> </ul>
11	Unforeseen Events	This covers matters not considered in 1-10 but it is considered prudent to hold an amount in the General Balances.

Earmarked Reserve	Balance	Assessment of Current Risk
	£000	
BSF Reserve	2,361	This reserve is required to equalise out between years the costs estimated to be incurred by the Council on the School PFI contracts already let. It is anticipated that over the next few years the money set aside in this Reserve will increase to offset the increases in the Unitary Charge on the project to the revenue account in the later financial years of the PFI contract. The grant to support the PFI remains static throughout the period of the scheme whilst costs increase.
Individual School Balances	7,802	This earmarked reserve consists of the individual school balances as at 31/03/2014 held by schools under their delegated budgets.
Insurance Reserve	9,502	<p>This includes:</p> <ul style="list-style-type: none"> <li>• Any claims made prior to 1974 when the external insurance arrangements of the Council are not clear and the assumption is that the Council will bear the full cost of any claim made.</li> <li>• Claims relating to asbestos related matters which are not covered by external insurance premiums. These claims are expected to reach their peak in the next ten years.</li> <li>• Derelict buildings classed as heritage buildings where the Council's Insurers will only provide insurance cover on a debris only basis. Should there be a fire then it is possible the Council will have to replace at full cost without insurance cover in place.</li> <li>• Other claims against the Council not covered by the terms and conditions of the Insurance Policy. A recent trend has been for insurance companies to get more challenging around whether coverage is in place.</li> </ul>

		The amount to include in the Insurance Reserve at the year-end is calculated via an Actuarial report which is currently being produced for the end of the financial year 2014-15. The amount could increase or decrease at the year-end as reported dependent upon the output of this Actuarial Review.
Budget Reserve	3,751	This reserve has been set aside to support the delivery of the 2014-15 budget which has some challenging targets and will support the delivery of a balanced budget.
Special Projects Reserve	5,775	This reserve has been set aside to support projects within the Council which includes: <ul style="list-style-type: none"> <li>• Hotel Futures</li> <li>• Town Centre Investment Strategy</li> <li>• Invest to Save</li> <li>• Replacement of Equipment</li> <li>• Old Town Hall (£1M reserve agreed in 2014-15).</li> </ul>
Levy Reserve	2,425	The two levying authorities have for 2014-15 and are anticipated for 2015-16 to set a budget which requires them to use earmarked reserves to underpin their on-going expenditure. It is therefore envisaged that future levy increases after this date could be in excess of normal inflation. This reserve has been set aside to smooth the impact of future levy increases on the Council budget.
Adverse Weather Reserve	1,082	This reserve is set aside to support unplanned expenditure as a result of an unforeseen weather event such as flooding or severe winter weather when the base budget provision is not adequate to meet the costs incurred within the financial year.
Children's Reserve	1,300	This reserve was set up so the Council could respond quickly to a serious incident in an appropriate manner within Children Services. The money was set aside in recognition of the risks in reducing the Council's capacity to

		respond in an extreme case.
District Partnerships Reserve	942	This money will be utilised in 2014-15 to support projects already agreed and recommended by District Partnerships for financial support in prior years.
Partnership Reserve	54	This reserve is set aside to close down the council's inactive companies whereby no exit strategy was considered a number of years ago when they were set up.
Future Liabilities Reserve	5,628	This reserve has been set up to cover the costs of expected liabilities whereby the actual cost is not known to prevent an unbudgeted charge to the Council's revenue account in a financial year.
Exceptional Items Reserve	1,794	This is an amount of money set aside to meet any exceptional costs of the Council. These can arise from a number of sources, and this pressure will increase considerably in future years. It can include the budget proposals, the impact of the local government finance settlements and the increasingly severe financial pressure on the Council's budget. It is undoubtedly the case that there will be a need to increase this reserve in future years because of the financial risk that is being passed to the Council from changes in central government financial support.
Revenue Grants Reserve	5,301	This is a reserve created under the accounting requirements of International Financial Reporting Standards. It relates to grants received often in relation to education which is paid over to the Council in the financial year but with grant conditions giving the flexibility for the expenditure to be incurred by the end of the Academic Year. Previously these grants would have been classed as receipts in advance in the final accounts. The money must be spent in accordance with the specific grant conditions.
PFI Reserve	5,983	This reserve is required to equalise out between years the costs estimated to be incurred by the Council on the non PFI and LIFT contracts already let. It is

		anticipated that over the next few years the money set aside in this Reserve will increase to offset the increases in the Unitary Charge on the project to the revenue account in the later financial years of the PFI contract. The grant to support the PFI remains static throughout the period of the scheme whilst costs increase.
Fiscal Mitigation Reserve	13,912	The financial environment in which the Council operates has changed from the beginning of the 1 <sup>st</sup> April 2013. Instead of having certainty around the amount of income it will receive in relation to Business Rates the risk of underperformance will be shared with the Department of Communities and Local Government. Should there be less income collected than previously estimated then a proportion of the loss falls on the Council and will impact on the overall amount of resources available for future budgets. It is also the case that the cost of change will be considerable given the budget reductions required from the Council in the next three years. This reserve reduces the risk to the council of reducing resources due to matters outside its control and will finance some of the costs of change the Council is likely to face. A sum of £10M of this reserve has been used to support a 2015/16 budget proposal.
Business Units	330	In 2012-13 the Council agreed to the creation of a number of Business Units. This reserve is the amount of agreed carry forwards as specified under their Financial Procedure Rules for efficiencies generated in that financial year.
Taxation	439	There is from time to time unforeseen tax liabilities to the Council imposed from the audits undertaken by HMRC. This reserve has been set aside to meet these unforeseen costs.
Directorate	3,805	This is a reserve created following discussions at EMT whereby requests from services to finance future expenditure on key council priorities have been agreed.

## **Council**

# **Budget Report 2015/16**

**Portfolio Holder: Councillor Jabbar, Cabinet Member for Finance and HR**

**Officer Contact: Anne Ryans, Interim Director of Finance  
Ext. 4902**

**25 February 2015**

### **Purpose of Report**

To present to Council the Administration's budget report and budget proposals for 2015/16 having regard to the impact of the Final Local Government Finance Settlement and other financial issues. The report also sets out the current position in relation to the budget for 2016/17 and beyond.

### **Executive Summary**

This report presents the current position with regard to the Administration's budget for 2015/16 and indicative budget for 2016/17. This builds upon the work that has been undertaken in previous financial years to address budget challenges and to ensure delivery of financial stability and investment opportunities via implementing a long term transformation programme based on sound financial management arrangements for Oldham Council.

Budget setting for 2015/16 and 2016/17 operates in the context of on-going economic, demographic and policy challenges at both a local and a national level. At a local level, budget proposals are framed by the Council's ambitions for a cooperative future. At a national level, the Government is still striving to reduce the national deficit and part of its strategy is to reduce public sector funding, particularly that for Local Government. In addition, the General Election due to take place in May 2015 adds to the air of uncertainty about Government grant funding to support the Council's expenditure plans.

Building on the focus of previous year's budgets, a thematic approach has again been taken to identify savings proposals. The framework for this approach has been based on four thematic areas. These are:

- Improved economy by stimulating growth and increasing productivity
- Independent self-reliant and resilient communities
- People safe, active and healthy in their homes and communities

- Effective democratic accountability supported by strong corporate governance

Theme groups were established and significant work has taken place to identify budget proposals. Every effort has been taken to minimise, as far as possible, impact on the most vulnerable citizens and front-line services. The budget proposals include transformation of services, strengthening the Council's fiscal base, managing demand, generating income and removing non-essential spending. The increased use of technology and more effective work practices contribute to a number of budget proposals as do approaches to delivering services differently, including more provision by local providers or communities themselves.

Savings proposals sufficient to address the calculated budget gap for 2015/16 of £35.229m (subject to any changes arising from the receipt of the Local Government Finance Settlement and confirmation of other key financial information) were identified during 2014/15. The Overview and Scrutiny Performance and Value for Money (PVFM) Select Committee scrutinised these proposals at its meeting on 13<sup>th</sup> November 2014 and followed up with additional scrutiny on two proposals on 11<sup>th</sup> December 2014.

The meetings of Cabinet on 8<sup>th</sup> December and Council on 17<sup>th</sup> December 2014 considered and approved budget proposals for 2015/16 totalling £27.471m, and noted 3 savings totalling £7.758m for which consultation was still in progress. These 3 savings proposals together with a new savings proposal (D064C), detailed below, were included in an updated budget report presented to the PVFM Select Committee on 22<sup>nd</sup> January 2015. They have therefore been subject to detailed scrutiny.

The Provisional Local Government Finance Settlement was announced on the 18<sup>th</sup> December. Taking into account the information in the Settlement, other grant announcements and in some instances applying local assessments of grant income, a favourable position of £1.020m was calculated. When adding revised estimates of Council Tax income and the Collection Fund surplus, additional resources of a total of £3.040m were identified.

The Final Local Government Settlement was announced on 3<sup>rd</sup> February 2015, this confirmed many of the Grant Funding allocations announced in December. However, Revenue Support Grant (RSG) increased by £478k with minor grant reductions of £3k. Overall, additional grant of £475k was received making a total of £3.515m of additional resources available for allocation.

The availability of additional resources has allowed the further consideration of the budget position and Budget proposal D040 Review of District Arrangements has been reduced by £120k. A new savings option (D064C- Use of additional resources to support the budget process) has been prepared to compensate for this revision. Some of the Government funding has been allocated to compensate the Council for new duties and responsibilities and therefore £1.248m of this extra funding is to be locally ringfenced to address the new spending pressures. In addition, a review of other budget pressures has been undertaken which has identified further costs of £2.147m for which resources have been allocated. Now that all information on which the budget setting process is reliant has been received, the revised net revenue budget for 2015/16 has therefore increased to £195.800m. There are sufficient resources to address all identified pressures without increasing the the 2015/16 savings requirement enabling the budget to be balanced.

The Council Tax policy for 2015/16 is to accept the Council Tax Freeze grant and therefore leave Council Tax unchanged. The major preceptors and Saddleworth Parish Council have also confirmed that they are to freeze Council Tax for 2015/16. Shaw and



Crompton Parish Council has increased its Parish Precept by £0.29 to £15.11 (1.96%). The budget presented reflects this position.

Given the two year budget process, the opportunity has been taken to review the budget gap for 2016/17. This has to some degree been hindered by the Final Settlement giving financial information for one year only. There are significant uncertainties about future Government funding allocations particularly because of the General Election in May 2015 and there are also increasing demands on Council services. The budget gap for 2016/17 has been assessed at £29.489m an increase of £4.393m. The budget process has so far identified savings of £9.398m for 2016/17, leaving an increased balance of £20.091m to address. Targets will therefore be allocated to officer groups based around commissioning clusters to work on additional budget proposals. These cluster groups will allow the budget process to align with corporate planning arrangements.

This report also includes the fees and charges schedule for 2015/16 which requires approval so the new charges can be applied from 1<sup>st</sup> April 2015.

It is a requirement of Section 38 of the Localism Act and the new Local Government Transparency Code that the Council reviews and prepares a Pay Policy Statement for each financial year and that it is approved by full Council. The purpose of this is to provide transparency of our approach to setting pay for our employees with particular emphasis on the level of remuneration for our most senior staff. The Councils reviewed Pay Policy Statement is included at Appendix I (including Annex 2 – supplementary information).

### **Recommendations**

It is recommended that Council approves the-

- 1 Net revenue budget for 2015/16 for the Council set at £195.800m
- 2 Acceptance of the Council Tax Freeze Grant.
- 3 Savings proposals to balance the 2015/16 budget of £7.758m as set out in Appendix D in summary and Appendix E in detail.
- 4 The Council Tax for 2015/16 as set out in Appendix H
- 5 The total draw on the Collection Fund of £85.595m for Borough Wide services with £74.384m for Council services.
- 6 Fees & Charges schedule as set out at Appendix F.
- 7 Increase in the required savings for 2016/17 by £4.393m to £29.489m.
- 8 Councils Pay Policy Statement as set out in Appendix I

That Council confirms the;

1. Approval of £27.471m of savings as set out in Appendices B and C.

That Council Notes;

- 1 There is no requirement to hold a referendum on the change in the Relevant Basic Amount of Council Tax.
- 2 The savings target for 2016/17 may need to change as a result of developments during 2015/16.

**Budget Report 2015/16****1 Background**

- 1.1 Members will be aware that the Council's approach to budget setting has been to consider the financial challenge it is facing over a two year timeframe. In this regard, the financial strategy that has been agreed is to prepare a budget that addresses the estimated gap for the two year period 2015/16 and 2016/17. As would be expected at this stage, the emphasis of the budget process has been to prepare budget proposals to address the savings target for 2015/16 in full detail. Given that there is a longer timeframe to prepare for 2016/17, the continued uncertainties about the level of Central Government resources that will be available and that there will be a General Election in May 2015, progress has been made to identify savings but work is not so advanced.
- 1.2 The report presents the updated budget for 2015/16 and 2016/17 including the Administration's proposed savings for 2015/16 (of which £27.471m have already been agreed). It also sets out the progress so far in bridging the calculated budget gap for 2016/17. These proposals build upon the work that has been undertaken in previous financial years to address budget challenges. The budget process ensures that there will be a firm financial base which will enable service transformation to be delivered, providing savings through improved processes and a long term efficiency programme. It will also provide the framework for developing new relationships with citizens and partners supporting the agenda of a Cooperative Council.
- 1.3 This budget is set within the context of significant on-going economic and policy challenges and changes at a national level. At a local level, the proposals are framed by the Council's ambition for a cooperative future where everyone does their bit to create a confident and ambitious borough. There are three objectives that focus the activity of the Council in delivering against this ambition. These are:
- **A productive place** to invest where business and enterprise thrive;
  - **Confident communities** where everyone does their bit; and
  - **Co-operative Council** creating responsive and high quality services.
- 1.4 These objectives reflect the on-going commitment for the Council and its partners to work with the residents of Oldham to bring about positive change and provide strong leadership for the borough. As in previous years a thematic approach has been taken to identify savings and this has been applied around four main areas. These are:
- Improved economy by stimulating growth and increasing productivity
  - Independent, self-reliant and resilient communities
  - People safe, active and healthy in their homes and communities
  - Effective democratic accountability supported by strong corporate governance
- 1.5 Theme groups were established to identify budget proposals. Every effort was made to minimise, as far as possible, impact on the most vulnerable citizens and front-line services. The budget proposals include transformation of

services, strengthening the Council's fiscal base, managing demand, generating income and removing non-essential spending. The increased use of technology and more effective work practices contribute to a number of budget proposals as do approaches to delivering services differently, including more provision by local providers or communities themselves.

- 1.6 Oldham is well positioned to be able to adapt and adjust to meet some of the challenges. Since 2008, the Council has been on a journey of recovery and improvement that has led to a number of positive outcomes and achievements. The improvement journey has also provided a firm base from which to move forward. This means developing different ways of working and preparing for how the Council will deliver services in future, for example, moving from being a provider of services to a commissioner of services.
- 1.7 An additional element to this work is a Co-operative Council and this forms part of Oldham's ambition for a Co-operative Future. Co-operation means everyone working together to make a positive difference – one that makes sense locally.
- 1.8 Members will recall that at the meeting of Council on 17th December 2014, a detailed report was presented which set out how the Council had approached its headline £60m budget challenge to find savings to prepare a balanced budget for 2015/16 and 2016/17. The savings targets were £35.229m for 2015/16 and £25.096m for 2016/17. The report also advised how the targets had been calculated but that this might be subject to change on receipt of additional information, including the Provisional and Final Local Government Finance Settlements, and the review of budget pressures.
- 1.9 The meeting of 17<sup>th</sup> December 2014 received options totalling £35.229m for 2015/16 (which were sufficient if all were approved) to balance the budget for 2015/16. These proposals had been subject to detailed scrutiny by the Overview and Scrutiny Performance and Value for Money Select Committee (PVFM) during November and December.
- 1.10 At the Council meeting of 17<sup>th</sup> December 2014 proposals totalling £27.471m were approved with three proposals totalling £7.758m for 2015/16 being noted as the public consultation exercises were still live.
- 1.11 Two of the three deferred proposals (C045 Children's Services Redesign £1.261m and C046 Adult Social Services Redesign £6.197m) are included within Appendix D in summary and Appendix E in detail to this report. The third proposal reference D040 Review of District Arrangements has been reduced by £120k to a value of £180k and a further option for £120k -D064C – Use of additional resources to support the budget process, has been put forward to finance the shortfall. These four proposals and the revised budget position were subject to further scrutiny on 22nd January 2015 by the PVFM Select Committee. The Select Committee noted the contents of the report.
- 1.12 The Cabinet at its meeting of 16<sup>th</sup> February 2015 considered the updated budget position and the comments of the PVFM Select Committee. Cabinet approved the updated budget position and four remaining savings proposals.
- 1.13 If Council is content with these four proposals, now that the consultation processes have been concluded, they require approval in order that the savings requirement of £35.229m can be met. The updated pro formas and Equality Impact Assessment documents have regard to any consultation comments. Also

included are proformas for D040 (revised to allow for the change) and new proposal D064C.

- 1.14 On the 18th December 2014 the Government announced the Provisional Local Government Finance Settlement for 2015/16. The Final Settlement was received on 3 February 2015. The GMCA levy and AGMA contribution, GMWDA and Environment Agency levies have now been agreed and precepting figures received. The figures within this report reflect the updated information arising from the contents of the Final Settlement and levying and precepting bodies. As a consequence the budget proposals contained within the report will result in a balanced budget for 2015/16. As highlighted later in the report, in the light of updated information, the savings target for 2016/17 has now increased to £29.489m.
- 1.15 To support the Council in realising its ambitions, the budget proposals continue to make the most of the opportunities for developing new ways of working and delivering local solutions to local issues. Building on the improvements made by the Council over recent years and now operating as a Co-operative Council, enables the Council to consider and meet the significant financial challenges it faces in a way that seeks to continue delivery of the right services, at the right time, to the right people. This is a very different approach to a traditional budget setting process.

## 2.0 **Current Position Nationally**

- 2.1 Following the banking crisis of 2008, the country faced a severe economic challenge. The economy slipped into recession, unemployment increased and this led to a need for long term restructuring of the economic base of the UK. More recently, the country moved out of recession in quarter three of 2012 and economic growth increased but significant financial challenges still remain.
- 2.2 When the Government came into power in 2010 it anticipated that it would have reduced the actual deficit to £37 billion by the end of the financial year 2014/15. In successive financial assessments this figure has been revised and is currently estimated to have increased to £91 billion.
- 2.3 A key strand of the Governments strategy to reduce the national deficit has been to reduce public sector expenditure (particularly in the financing of Local Government). The impact of this was felt within weeks of the Coalition Government assuming power in May 2010 with significant in year grant reductions in 2010/11 and reduced funding via the Local Government Finance settlement thereafter.
- 2.4 The latest projections are that funding reductions which will impact on the Council could continue for another 5 years which will mirror the lifetime of the next Parliament. The impact of these spending reductions will mean a further loss of Government grant funding. To illustrate this, Revenue Support Grant received by the Council in 2013/14 was £85m and it fell to £69.5m for 2014/15. The Final Settlement notified that it would be £51m for 2015/16 and is expected to have fallen further to £33m by 2016/17. The Autumn Statement of 3rd December 2014 did not contain any information that would encourage a more optimistic outlook.

2.5 The Government continues to deliver the National Coalition Agreement set out in May 2010. This has resulted in major changes to the role of, and arrangements for, Local Authorities. The Council has responded as a Co-operative Council putting residents at the centre of decisions and proposals. Key changes in the national policy landscape are outlined below and include:

- **Public Service Reform**

Greater Manchester was one of four areas nationally to pilot Community Budgets. The pilot focused on developing new investment and delivery models across public services in order to promote growth and productivity whilst reducing dependency driven demand. Within Oldham an All Age Early Help Model has been developed which focusses on prevention and signposting in order to avoid higher cost, more intensive treatment based services further down the line.

- **Changes to role and duties of local government**

These changes have included responsibility for Public Health transferring back to Local Authorities as well as delegation of a range of functions including administration of the Council Tax Reduction Scheme and parts of the Social Fund. Further services and functions will transfer from April 2015.

The Localism Act 2011 contained a range of opportunities for communities including the Community Right to both buy and take over community assets, as well as challenge how the Council runs certain services. The Act also gives communities the right to veto “excessive” council tax rises, in line with the annually set Government criteria for excessiveness.

De-centralisation is a key feature of the Government’s open public services policy. It aims to free up public bodies to deliver services differently and innovatively to balance the pressures of demand and reducing budgets. This provides the freedom to pursue an innovative public service reform agenda and is completely consistent with the Council’s transformation agenda.

- **Local Government Finance**

The Local Government Finance Act 2012 included a range of changes that fundamentally altered the way Local Authorities are financed. The Act permits Local Authorities to retain a proportion of locally generated business rates, thus aiming to connect Council financing to the local economic position. The Act provided the framework for the localisation of support for Council Tax in England. There is a requirement to consider the Council Tax localisation scheme on an annual basis with 2015/16 being the third year of operation. A report to Council on 17 December 2014 enabled the approval of the amended scheme for 2015/16. In addition, the Act introduced changes to Council Tax rules in relation to charges on empty properties and the Council has utilised these new powers to support its localised Council Tax Reduction scheme.

- **Welfare Reform**

The Welfare Reform Act 2012 introduced fundamental changes to the social security benefit system. Universal Credit (UC) is becoming the main means-tested social security benefit for people of working age, replacing Housing Benefit, Income Support, Income-Related Employment and Support Allowance

(ESA), Income-based Jobseeker's Allowance (JSA), Working Tax Credit and Child Tax Credit. UC is being phased in across the country between 2013 and 2017. However, the Council has acted as a pilot Authority for the new regime and as such is one of the first Local Authorities to phase in UC.

- **Changes to Health and Social Care**

There have been a number of significant changes to health and social care in England as follows:

- **Care Act 2014**

The Act introduces a range of new duties on the Council from April 2015. The Act also pulls together threads from a number of different Acts into a single framework, taking forward most of the recommendations made by the Law Commission's review of existing care and support legislation. Part 1 of the Act aims to consolidate existing care and support legislation. It aims to refocus the law around the person not the service; strengthen rights for carers to access support, and; introduce a new adult safeguarding framework. A second phase of implementation is anticipated in April 2016. This will introduce the funding reforms recommended by the Dilnot Commission on the Funding of Care and Support. This includes raising the means testing threshold for self funders and a cap on the costs that people will have to pay for care in their lifetime.

- **Better Care Fund**

The Better Care Fund (BCF) was introduced in 2013 and provides an opportunity to transform local services to provide better integrated care and support. Clinical Commissioning Groups (CCG's) and Local Authorities must jointly agree how the funds are spent, so it is essential to ensure the fund is developed in the interests of both parties. The financial year 2015/16 introduces some significant developments in the use of the BCF. The Autumn Statement 2014 and Local Government Provisional Settlement 2014 in December committed the Government to continuing pooled funding with an announcement that £3.8billion would be deployed in 2015/16. Information received confirmed that bringing together local government and NHS resources that are already committed to existing activity are at these levels and the Oldham share has been confirmed at £16.036m. We expect this to include issues such as personalisation, the provision of support carers, information advice and support, independent mental health advocacy will be allocated to the Oldham CCG as part of the pooling arrangements and passported to the Council as per the BCF agreements.

### **3 Oldham Borough Position**

3.1 As elsewhere in the country, the global recession directly affected our residents, and whilst the impact on Oldham was more pronounced than in some other areas there is evidence that Oldham's economy is recovering. For example, previously, Oldham had the highest unemployment rate within Greater Manchester and was significantly higher than both the regional and national averages. However, since February 2013, the unemployment rate in Oldham has started to fall at a significant rate.

- 3.2 The **unemployment rate** in Oldham as at November 2014 stands at **3.1%** (down from 11.6% in February 2013). Whilst much improved, it is the highest rate within Greater Manchester, marginally above Bolton and Manchester (3.0%). This currently breaks down as **1,740** unemployed on Universal Credit, **2,628** unemployed on JSA, with a further **900** persons claiming Universal Credit who are employed. Levels of unemployment fell in Oldham (November 2014) (**-3.7%**); however, again this decrease is below the Greater Manchester (**-4.8%**) and England (**-4.4%**) averages.
- 3.3 Although the figures are distorted through the introduction of Universal Credit (movement off JSA onto UC), over the last 12 months unemployment in Oldham has fallen due to; more local job opportunities, the impact of the Get Oldham Working campaign and the potential impact of tougher sanctions imposed on claimants.
- 3.4 It is, however, clear that the impact of welfare reform in Oldham is significant. Research by Sheffield Hallam University in April 2013 showed Oldham ranked **26<sup>th</sup> worst affected out of the 379** local authorities in Great Britain with the **overall annual impact of welfare reform changes being estimated at £90.1m**, once the changes are fully implemented. This equated to a loss of £637 a year per working-age adult.<sup>1</sup>
- 3.5 Oldham, as Pathfinder for Universal Credit, worked together with partners to try and mitigate the effects of welfare reform on residents. Nearly two year on and the proportion of residents in receipt of out-of-work benefits is reducing. As stated above, this is likely to be a result of more local job opportunities and the impact of tougher benefit sanctions. Numbers affected by 'size criteria' (the bedroom tax) and rent arrears are reducing, but there is evidence of voids for larger homes as tenants are downsizing as a result of the 'size criteria' policy.
- 3.6 The numbers receiving benefit sanctions in Oldham is high compared to elsewhere in GM and work is underway to investigate why this is and what can be done to help.
- 3.7 The information from the 2011 Census shows that Oldham's population is growing at a greater pace than previously predicted. There is a particularly large increase in the number of young people (0-15 years old), putting pressure on school places and capacity with the resulting implications for future service delivery. In line with the national position, Oldham also has an ageing population and also many of our most vulnerable adults and young people have increasingly complex needs. The expectations of citizens are also changing, based on technological developments and greater emphasis in recent years on individual choice.
- 3.8 There is also a greater requirement across the borough to take account of wider environmental considerations, with increasing energy costs and the introduction of the carbon reduction tax places increased emphasis on the need to reduce the carbon footprint of the borough.
- 3.9 Despite the funding reductions, Oldham continues to face increased demand for many services. These include social care, housing, school admissions, advice about debt, as well as increased take up of free services such as school meals. Such pressures will therefore require extremely careful management

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<sup>1</sup> Centre for Regional Economic and Social Research, Sheffield Hallam University – April 2013



and are a major driver in the work to develop new delivery models and investment agreements in line with the work in Greater Manchester on public service reform. As stated, this work is focused on increasing productivity and reducing dependency driven demand. The first Investment Agreement signed in Oldham relates to work to tackle fuel poverty in the borough.

- 3.10 The commitment to co-operation and different ways of working also means increased working with partner organisations within Oldham. The Oldham Leadership Board is supported by three commissioning clusters: Economy and Skills, Co-operatives and Neighbourhoods; Health and Wellbeing. The clusters are responsible for setting priorities for place and planning activity to tackle the borough's challenges. Additionally, the clusters will be working together to achieve the vision of a co-operative borough.

#### **4 Oldham Council Position**

- 4.1 Oldham is well positioned to adapt and adjust to meet some of the new challenges. Since 2008, the strength of the Council has been externally validated with the Council winning the LGC's Most Improved Council award in March 2012 and receiving a highly commended in the LGC Council of the Year in 2014.

- 4.2 The Council underwent a Peer Challenge in October 2013. All Corporate Peer Challenges explore a number of guiding questions covering areas such as political and managerial leadership; financial planning and governance and decision-making arrangements. In order to tailor the peer challenge to local circumstances, Oldham requested that the Peer Challenge Team consider the Cooperative ambition of the Council and explore a number of additional questions. The Peer Challenge Team concluded that there has been: "A remarkable transformation in Oldham, both as a place and a council, in recent years and the authority can be proud of what has been achieved".

- 4.3 The Council's key achievements over the past twelve months include:

- Finding savings of £23.004m to balance the budget in 2014/15
- Being the first Local Government Body in the country to publish its 2013/14 accounts demonstrating improved financial management
- Opening the Metrolink line through the Town Centre and investment in new public realm improvements
- Oldham's primary schools achieving excellent SATs results which show them surging ahead of national averages in the basics of English and maths.
- Oldham winning a Gold Award in the 'Best City Category' of Britain in Bloom in October
- Launch of the Princes Gate development which seeks to capitalise on the arrival of Metrolink and regenerate this gateway site establishing a quality town centre living offer redeveloping redundant land and attracting new retailers including Marks & Spencers.
- The Get Oldham Working team announcing in August that 1,200 job-

related opportunities had been created, more than the target of 1,000. The aim is to create 2,015 job-related opportunities by 2015 and the Council is on track to achieve this target by the end of this financial year (March 2015).

- The official launch in June of the Fair Employment Charter which encourages employers across Oldham to provide fair, ethical and sustainable job opportunities for their employees.
- The launch of our Co-operative Housing offer in April which sets out 6 priorities for housing in the borough.
- The building of nearly 500 new homes during the year providing quality accommodation for existing residents and those relocating to Oldham.
- Oldham Council being awarded a prestigious 'Gold Food for Life Catering Mark' thanks to the high quality meals being served in schools across the borough.
- The launch in summer 2014 of a new partnership with Etsy, the online market place for handmade and vintage goods. The Craft Entrepreneurship Programme provided residents with free micro business training over a six week period, supporting potential crafts entrepreneurs to secure self-employment.
- Construction work beginning on the new £15 million leisure facility for Oldham Town centre.
- Investing £1 million to help independent businesses revitalise the Yorkshire Street area of Oldham's town centre – the Independent Quarter. In addition £100,000 is being invested in both Shaw and Lees High Streets to strengthen the local economy.
- Launching a new employment scheme - Warehouse to Wheels supporting those in warehouse work to get higher paid jobs as Large Goods Vehicle drivers.

4.4 In this challenging operating environment it continues to be essential for the Council to focus on clear priority areas. It is also important that these priority areas are about much more than managing the declining resource base. They are about continuing to invest with confidence in those areas which we know are important for the Borough and its residents and ensure the Council continues to be fit for purpose.

4.5 On 3 November 2014 Greater Manchester agreed a devolution settlement with Government. The agreement reached with the Chancellor who has called for a 'Northern Powerhouse' to maximise the economic potential of the north – and building on work of the Greater Manchester Combined Authority (GMCA) established in 2011. This will give greater powers to the Combined Authority working in partnership with a directly-elected Mayor. It aims to open up new opportunities for increasing economic growth and improving the quality of life of Greater Manchester residents. At this time the precise impact on Oldham has to be determined as development work is still in train, but the Council will be seeking maximum benefit from its operation.

## **5 The Council's Ambition and Priorities**

- 5.1 The Council's ambition is to establish a co-operative future for Oldham, one where citizens, partners and staff work together to improve the borough. The Council wants all members of the community to play an active part in building a co-operative borough. The Council's corporate objectives explicitly articulate this ambition, as being to ensure a productive borough with confident communities supported by a Council that work cooperatively to drive change and add value.
- 5.2 As an organisation, a co-operative approach provides the opportunity to find positive and sustainable solutions to the on-going financial challenges being faced. Oldham has a values-driven approach which underpins the way we do business. The Council believes in the importance of fairness and responsibility. In practice, that means maximising the positive social, economic and environmental impact that we can achieve through everything we do. From our procurement practices to our pay policy, the Council is using its influence as a commissioner, service-provider and employer to deliver that added social value.
- 5.3 Working with communities at a neighbourhood level, we are enabling residents to take greater control over their own lives and over the services and amenities that matter most to them. Power and responsibility is being devolved, and support given to people to do more to help themselves and each other. By building greater resilience and self-reliance, the Council is enabling individuals and communities to make positive choices to change their lives and their neighbourhoods for the better, whether that means small choices that make a big difference, like putting litter in the bin instead of dropping it on the street, or making a big change, like taking control of local services.
- 5.4 In delivering the Council's ambitions and priorities it is essential that a strong identity for Oldham is established, supported by a strong identity for Districts and neighbourhoods. This includes developing the role and strengths of neighbourhoods and districts and developing their identity and role within the overall borough. It also includes a strong role for Oldham within the Greater Manchester sub-region.
- 5.5 The Council is committed to developing a different relationship with citizens, partners and staff. This means being a Council that listens, responds and engages as locally as possible and has strong civic and community leadership.
- 5.6 The Council values the dignity of work and is striving to improve the productivity of our communities. Our ambition to create 2,015 job opportunities by 2015 continues and significant reductions in our unemployment rates show that this hard work is paying off. Worklessness, in particular the number of young people who are not in education, employment or training is a serious concern. It drives social exclusion as well as having a negative impact on the productivity of the borough and its communities. Regenerating our borough remains a key priority and is central to our future prosperity.
- 5.7 The Council has developed an exciting portfolio of opportunities demonstrating that Oldham is open for business by using resources to attract and secure significant additional investment. Progress on our regeneration programme continues with, amongst other initiatives, work beginning on turning the Old Town Hall into an 800-seater ODEON cinema and the building of the Town Centre's new £15m flagship leisure centre. There is an ambition to further

extend the regeneration of the town centre and in particular a vision for its Eastern Gateway based around a residential neighbourhood of 800 homes, together with a major new retail development to bolster Oldham's retail offer.

- 5.8 Transformational approaches to delivery of services that work in partnership with citizens are essential. The Council must significantly reconfigure its business and organisational arrangements over the next few years in order to continue to provide value for public money services. The financial challenges faced mean the Council's response must be more ambitious than simply applying percentage reductions across services.
- 5.9 As a Cooperative Council, services are being re-designed and innovative commissioning models developed to ensure that all our services, whether delivered in-house or with partners, provide excellent and improving value for public money, achieving the maximum impact for Oldham and its people for every £ spent. The Council will be organised in a way that enables it to meet the challenges from Central Government whilst also delivering the Administration's priorities.
- 5.10 The need to reduce cost and make savings will be a key driver for the foreseeable future. Therefore, financial prudence is essential. Significant budget savings have been delivered, a total of £141m has been removed from the budget over the period 2009/10 to 2014/15. A robust approach to managing the budget means we are one of a limited number of Authorities in the country who have identified budget options for 2015/16 before the end of the calendar year 2014. However, the challenge going forward cannot be underestimated. The current savings target for 2015/16 and amended target for 2016/17 will bring total budget reductions over the period 2009/10 to 2016/17 to £205.5m. As highlighted earlier, savings targets for future years will continue to be high and savings opportunities more difficult to identify.

## **6 The Approved 2014/15 Budget**

- 6.1 In considering the budget for future financial years, it is first necessary to review the budget for 2014/15. Members will recall that the report approved at the 5th March 2014 Council meeting agreed a budget of £215.532m. Since the 2014/15 budget report was presented to Council, there have been a number of further funding allocations and amendments which have been presented to Cabinet in Revenue Monitoring Reports (the month 8 report was approved at the Cabinet meeting of 16<sup>th</sup> February 2015). These changes are detailed in the table 1 below. A further amendment is required with regard to use of reserves. It should be noted that these are all one off funding adjustments for the purpose of setting the base budget for 2015/16 and do not therefore impact upon the budget gap of £35.229m previously reported and considered.
- 6.2 Table 1 outlines that the 2014/15 budget has increased as a result of £3.978m additional one off grant funding, a reduction of Central Education Support Grant of £289k and the inclusion of a technical accounting adjustment for capital grants of £2.535m bringing it to a total of £221.756m. Allowing for grant these adjustments and a further adjustment for use of reserves of £672k brings the revised net revenue base budget for 2015/16 to £222.428m.

2014/15 Revised Budget Position	£m	£m
Net Revenue Budget as at 5th March Report		215.532
<b>One off Adjustments - Grant Income</b>		
- Care Bill Implementation New Burdens Grant	0.125	
- SEN Adoption and Reform Grant	0.600	
- Multiplier Cap	0.613	
- Empty Property Relief	0.002	
- Long Term Empty Property Relief	0.020	
- Retail Relief	0.509	
- Small Business Rate Relief	1.328	
- Severe Weather Fund	0.513	
- Staying Put Grant	0.020	
- SEND Improvement	0.240	
- Single Fraud Investigation Grant	0.008	
	3.978	
<b>Amendments to existing allocations 2014/15</b>		
- Central Education Support Grant Reduction	(0.289)	
<b>Technical Accounting Adjustment 2014/15 only</b>		
- Capital Grants	2.535	
		6.224
<b>Use of Reserves</b>		0.672
<b>Total Revised Net Revenue Budget</b>		222.428

## 7 Updated 2015/16 Financial position

7.1 The reports to PVFM, Cabinet and Council in November and December 2014 advised of an approach to determine savings proposals which followed a tried and tested methodology. All reports advised that there were sufficient proposals to balance the 2015/16 budget if all were approved and that work was continuing to find savings for 2016/17 and £9.398m had already been proposed. However, given that there is 13 months to go before the start of 2016/17, this must be considered as excellent progress and provides a firm base from which to continue the budget review exercise.

7.2 The table below sets out the revised budget position for 2015/16 and 2016/17 reported in December having taken account of known and anticipated changes in funding prior to the receipt of the Provisional and Final Government Finance Settlement. It also shows the impact of all the budget proposals should they all be approved. This therefore shows a balanced position for 2015/16 and that detailed savings of £15.698m were yet to be finalised for 2016/17. Clearly, given the information presented later in this report, this position has now moved on so the remaining 2016/17 target is now £20.091m.

## Budget Position Presented to the December Council Meeting

	2015/16 £m	2016/17 £m
<b>Prior Year Net Revenue Budget</b>	<b>220.112</b>	<b>192.277</b>
One off adjustments	(4.580)	-
<b>Base Budget</b>	<b>215.532</b>	<b>192.277</b>
<u>Expenditure Pressures</u>		
- Pensions	0.265	0.263
- Pay Award	0.899	0.908
- Inflation	2.847	2.914
- Investment Fund	4.953	1.055
- Demand Pressures	1.345	-
- Business Plan Pressures	0.000	1.500
- Reduction for Local Welfare Provision Grant Loss	(1.022)	-
<u>Savings Proposals</u>		
- Savings through Transformation Proposals	(32.542)	(7.798)
<b>Total Expenditure</b>	<b>192.277</b>	<b>191.119</b>
<u>Funded by:</u>		
- Business Rates Top Up	(30.237)	(30.842)
- Revenue Support Grant	(49.227)	(32.037)
- Housing Benefit and Council Tax Administration	(1.668)	(1.503)
- Council Tax Freeze Grant	(1.748)	(2.622)
- Central Education Support Grant	(3.021)	(2.222)
- New Homes Bonus	(2.160)	(1.444)
- Lead Local Flood Authorities	(0.026)	(0.023)
- Settlement Funding Adjustment	(0.613)	-
- Local Reform and Community Voices	(0.203)	-
- Business Rate Reliefs	-	(0.531)
<b>Total Government Grant Funding</b>	<b>(88.903)</b>	<b>(71.224)</b>
- Retained Business Rates	(28.210)	(29.620)
- Council Tax Income	(72.477)	(72.977)
<u>Savings Proposals:</u>		
- Income through Transformation Proposals	(2.687)	(1.600)
<b>Revised Budget Funding</b>	<b>(192.277)</b>	<b>(175.421)</b>
<b>Net Gap/Savings Requirement (when all proposals are approved)</b>	<b>0.000</b>	<b>15.698</b>

- 7.3 In the table above, the proposals to address the funding gap have been split between those which reduce the net revenue expenditure of the Council and those which increase the funding available. For clarity, the following table summarises the position.

#### Addressing the Budget Gap

	2015/16 £m	2016/17 £m
Funding Gap	35.229	25.096
Savings through Transformation Proposals	(32.542)	(7.798)
Income through Transformation Proposals	(2.687)	(1.600)
<b>Total</b>	<b>0</b>	<b>15.698</b>

- 7.4 Budget proposals sufficient to balance the 2015/16 budget were presented to Council on 17<sup>th</sup> December 2014. As three budget proposals totalling £7.758m for 2015/16, C045 (Children's Services Redesign £1.261m), C046 (Adult Social Services Redesign £6.197m) and D040 (Review District Arrangements £300k) had not completed their public consultation exercises, it was not possible to recommend these for approval, however, the balance £27.471m were approved. These proposals are presented in summary at Appendix B and the detail proformas are presented at Appendix C. This allows Council the opportunity to review/reconsider any proposals or confirm approval.
- 7.5 The remaining proposals sufficient to balance the budget gap require further consideration now that the consultation processes have completed. However, now that the Final Local Government Finance Settlement and other key financial information is available, a review of proposal D040 has been carried out and the proposal has been reduced to £180k, the balance of £120k being the subject of a further savings proposal D064C - Additional Resources to Support the Budget Process. These proposals which require review and final approval are presented at Appendix D in summary and E in detail.
- 7.6 The implications of the Provisional and Final Local Government Finance Settlements and other budget developments have impacted on the overall financial position of the Council. The wider implications of these issues need to be considered before the budget position can be finalised. This new information is set out in Section 8,9,and 10 of the report.

## 8 Local Government Finance Settlement (LGFS) Provisional Settlement

- 8.1 The 2015/16 Provisional Local Government Finance Settlement was released on 18<sup>th</sup> December 2014. It was issued by Local Government Minister Kris Hopkins MP, setting out the Government's formal proposals for funding English Local Authorities for 2015/16. The 2015/16 Provisional Settlement advised that the Government intended this to be is a one year settlement and there have been no indicative figures issued for 2016/17.
- 8.2 For 2015/16, provisional allocations were provided which were compared to the indicative information that was first issued as part of the Provisional Local Government Settlement in 2014/15 released in December 2013 and upon which budget estimates have been based.

- 8.3 Authorities had the opportunity to submit consultation comments on the Provisional Settlement. The Government issued some specific consultation questions to which a response was requested. The consultation period was open until 15<sup>th</sup> January 2015 and a response was submitted by the Council.
- 8.4 It was expected that funding information relating to the Independent Living Fund would be available alongside provisional settlement information. This is not yet available. In addition some other grants will only be confirmed later in the year.

#### **Final Settlement**

- 8.5 The Final Local Government Finance Settlement was received on 3rd February 2015. The only major change was the allocation by Government of an additional £74m in recognition of Councils requests for support with regards to local welfare needs and to improve adult social care provision. This funding was distributed by means of an increase in Revenue Support Grant (RSG). The increase for Oldham was £478k. This could not have been anticipated. There were also some minor reductions to New Homes Bonus (NHB) and Local Council Tax Support and Housing Benefit Subsidy Grant resulting in a reduction to these grants of £3k. The net impact of the Final Settlement was an increase in grant to the Council of £475k.

#### **Overall allocations**

- 8.6 Whilst the report to the PVFM Select Committee on 22<sup>nd</sup> January 2015 was based on the Provisional Local Government Finance Settlement figures, the figures included within the report reflect the Final Settlement.
- 8.7 The national Settlement Funding Assessment (SFA) figures used by Central Government show all the Government funding included in the Final Settlement for 2015/16 at £20,833m. This is a reduction from £24,112m in 2014/15, a change of £3,279m, 13.60% and highlights the extent of the funding being withdrawn from the SFA.



<b>National Breakdown of Settlement Funding Assessment</b>		
	<b>Adjusted 2014-15 Settlement Funding Assessment £m</b>	<b>2015-16 Final Settlement Funding Assessment £m</b>
Upper-Tier Funding	14,239.777	11,869.761
Lower-tier Funding	3,632.290	3,035.229
Fire & Rescue Funding	1,141.011	1,038.714
2011-12 Council Tax Freeze Compensation	590.698	588.448
Early Intervention Funding	1,576.402	1,435.900
GLA General Funding	42.012	40.554
GLA Transport Funding	773.225	788.000
London Bus Services Operators Grant	45.188	46.052
Homelessness Prevention Funding	78.803	78.500
Lead Local Flood Authority Funding	20.686	20.606
Learning Disability and Health Reform Funding	1,426.151	1,420.794
Rural Services Delivery Funding	11.500	15.500
2013-14 & 2014-15 Council Tax Freeze Compensation	319.179	319.179
Returned Holdback	31.110	0.000
2014-15 Efficiency Support Grant	9.386	9.386
Carbon Reduction Credits Energy Efficiency Scheme adjustment		-6.356
Local Welfare Provision	172.127	129.600
<b>Settlement Funding Assessment (England)</b>	<b>24,112.195</b>	<b>20,832.539</b>
<b>% change in reduction</b>		<b>-13.60%</b>

### **Revenue Spending Power**

- 8.8 The Minister announced that Local Authorities will face an overall reduction in spending power of 1.7% in the final settlement for 2015/16 and that no Local Authority would experience a decrease of more than 6.4%. To a degree this is a misleading comparator as spending power includes in some instances funding in accordance with a Government estimate rather than actual receipts, such as Business Rate income. It includes the Better Care Fund which is not under the direct control of the Council (this is part of Department of Health funding allocated to Clinical Commissioning Groups within the NHS). It also includes Council Tax (which is clearly not financed by the Government). However the Government is keen to quote this figure as an indicator of the funding reduction. The Oldham reduction in revenue spending power has been assessed as 4.34% with the 2015/16 position being £219.499m compared to £229.447m (the adjusted 2014/15 Spending Power Assessment). The elements of the Spending Power Assessment are set out in the table below.

Revenue Spending Power for Oldham	2015/16 £m
- Settlement Funding Assessment	109.685
- Assumed Council Tax	72.066
- Government Grants within the Settlement	5.999
- Settlement Funding Assessment Adjustment	0.858
- Public Health Grant	14.915
- Better Care Fund	16.036
- Adjustment for Council Tax Support for Parish Councils	-0.060
<b>Total Government Assessed Spending Power</b>	<b>219.499</b>

### Settlement Funding Assessment (SFA)

- 8.9 The SFA is a Government calculated figure. This incorporates Business Rates Top Up Grant and Revenue Support Grant which are cash payments to the Council, together with the Government assessed locally retained Business Rate figure. The SFA is used by Government in nationally reported funding information. The overall SFA variance for Oldham compared to the budget estimates reported to Council on the 17<sup>th</sup> December 2014 (expected position) shows a positive variance of £1.683m for 2015/16 as shown in the table below.

Changes to Funding – Final Local Government Finance Settlement (Government assessment)	Expected Position £m	Final Settlement £m	Difference £m
- Retained Business Rates	28.538	28.819	0.281
- Business Rates Top Up	30.237	29.987	-0.250
- Revenue Support Grant	49.227	50.879	1.652
<b>TOTAL SETTLEMENT FUNDING ASSESSMENT</b>	<b>108.002</b>	<b>109.685</b>	<b>1.683</b>

- 8.10 As the Retained Business Rate element of the SFA reflects the Governments' assessment of Business Rate income, the Council must decide whether this will be achieved in the light of local factors. The local assessment is set out below and shows that rather than £28.819m in retained business rate income as assessed by Government, a sum of £28.002m is anticipated (this is £536k lower than the previous local estimate). This is detailed in the report on the Council Tax and Business Rates Taxbase which was approved at Cabinet on 26<sup>th</sup> January 2015. It should be noted that £328k increase in Business Rates growth has already been approved as a budget option.
- 8.11 Taking all the elements of the SFA together, the overall change to the SFA figure is an increase in resource of £866k as shown in the table below rather than £1.683m

Changes to Funding – Final Local Government Finance Settlement (local assessment)	Expected Position £m	Final Settlement £m	Difference £m
- Retained Business Rates	28.538	28.002	-0.536
- Business Rates Top Up	30.237	29.987	-0.250
- Revenue Support Grant	49.227	50.879	1.652
<b>TOTAL SETTLEMENT FUNDING ASSESSMENT</b>	108.002	108.868	0.866

### Settlement Funding Assessment Adjustment (Adjustment to change in the Business Rate cap)

- 8.12 The Settlement figures, as notified in the Autumn Statement 2014, have been adjusted to allow for a cap on the increase in business rates to 2%. A separate national grant of £165.1m is to be paid in respect of lost income associated with the 2% cap. This is the second year of this grant and the Government estimate is that Oldham will receive £858k in 2015/16, although the local estimate is for a sum of £641k.

### Other Business Rate Grants

- 8.13 Although not included in the Provisional or Final Settlement, the Council will continue to receive other business rate grants as announced in the 2014 Autumn Statement. These other business rate grant adjustments have been estimated based on Government returns. Grant confirmations will be made prior to the start of the 2015/16 financial year (probably March 2015) and therefore are still subject to change. The inclusion of these estimates in financing is essential to ensure there is a rounded view of the financial position for 2015/16. The assumptions are included in the table below (together with the adjustment for the change to the business rate cap). This shows the Council will receive £147k more in business rate related grants than anticipated (£119k excluding the business rates cap grant).

Changes to Funding Following Autumn Statement /Final Settlement	Expected Position £m	Final Settlement £m	Difference £m
- Small Business Rate Relief	1.328	1.369	0.041
- Empty Property Relief	0.002	0.000	-0.002
- Long Term Empty Property Relief	0.020	0.020	0.000
- Retail Relief	0.509	0.589	0.080
- Adjustment for Change to Business Rates Cap	0.613	0.641	0.028
<b>TOTAL BUSINESS RATES GRANTS</b>	2.472	2.619	0.147

### Revenue Support Grant

- 8.14 The Revenue Support Grant (RSG) is the largest unringfenced grant the Council receives and it is used to underpin general Council services. The RSG included in the final settlement (shown above) is £1.652m higher than the estimates

included in the earlier reports. However the RSG allocation includes the rolled up element for 2014/15 Council Tax Freeze Grant at a sum of £866k and Local Welfare Provision at £770k. Whilst these allocations have been passported into RSG in full, the impact of other changes to the RSG allocation means that in overall terms the RSG is less generous than it might initially appear.

- 8.15 It should be noted that the indicative funding allocations for 2015/16 issued in December 2013, advised that Local Welfare Provision would cease and the rolling up into the RSG was introduced as a result of concerns expressed by the Local Government Sector. As highlighted earlier RSG was also further increased at the final settlement to include extra funding for local welfare provision and adult social care.

### Other Unringfenced Grants

- 8.16 The Council will receive other unringfenced general grants in 2015/16 and is able to use this Government funding as it sees fit. Some of these were notified within the Provisional and Final Settlements and are included in the Spending Power calculation; others were notified separately as shown below. In overall terms, the Council will receive £482k more funding from these grants than it anticipated. Each of these grants is explained below in paragraphs 8.17 to 8.26.

Changes to Funding Following the Final Local Government Finance Settlement	Expected Position £m	After Settlement £m	Difference £m
- Housing Benefit and Council Tax Administration	1.668	1.529	-0.139
- New Homes Bonus	2.160	2.086	-0.074
- New Homes Bonus - Return Grant Funding	0.000	0.189	0.189
- Lead Local Flood Authorities	0.026	0.026	0.000
- Council Tax Support New Burdens	0.000	0.066	0.066
- Department of Health Revenue Grant	0.203	0.151	-0.052
- Council Tax Freeze Grant	1.748	0.864	-0.884
- Adult Social Care New Burdens	0.000	1.088	1.088
<b>Grants within the Spending Power calculation</b>	<b>5.805</b>	<b>5.999</b>	<b>0.194</b>
- Central Education Support Grant	3.021	3.126	0.105
- Extended Rights to Free Travel	0.000	0.023	0.023
- Special Educational Needs	0.000	0.160	0.160
<b>Other Grants</b>	<b>3.021</b>	<b>3.309</b>	<b>0.288</b>
<b>TOTAL INCREASE IN GENERAL GOVERNMENT GRANTS</b>	<b>8.826</b>	<b>9.308</b>	<b>0.482</b>

### Housing Benefit and Council Tax Administration Grant

- 8.17 The Government has continued the payment of this unringfenced grant which compensates Local Authorities for the administration of the Housing Benefit and Council Tax system. The amount allocated at £1.529m is £0.139m lower than previously anticipated and a reduction of £0.325m from the previous years' allocations.

### **New Homes Bonus (NHB)**

8.18 New Homes Bonus consists of two elements, New Homes Bonus and New Homes Bonus Adjustment.

- The New Homes Bonus element has reduced from the previous estimate by £74k. Initial estimates were based upon figures provided by DCLG. The achievement of the NHB allocation for 2015/16 demonstrates the reduction in the number of empty homes and reflects the increased number of properties in the Oldham area.
- The Council will also receive an allocation of the excess funds initially withdrawn from RSG by Government to pay for NHB allocations. This results in a NHB adjustment allocation to Oldham of £189k which was previously not budgeted.

The net impact of this is an increase of £115k from previously anticipated NHB figures.

### **Local Lead Flood Authority**

8.19 This is an unringfenced grant that the Council uses to underpin the budget of the Council. A sum of £26k has been notified which is unchanged from that previously anticipated.

### **Council Tax Support New Burdens**

8.20 This unringfenced grant of £66k is intended to support the administrative change in Council Tax operation following the move from a Council Tax Benefit regime to the Discount scheme that has been in operation from April 2013 and the costs associated with the changes. This grant will be used to underpin the budget of the Council and was not previously anticipated.

### **Department of Health Revenue Grant**

8.21 This grant from the Department of Health at £151k replaces the former Local Reform and Community Voices grant (LRCV). In 2014/15 the LRCV grant also included allocations for Independent Mental Health Advocacy and for veterans' Guaranteed Income Payments, which have been included within the Better Care Fund for 2015/16. When comparing against the LRCV to anticipated levels, there is a reduction in this grant of £52k.

### **Council Tax Freeze Grant**

8.23 Indicative Freeze Grant for 2015/16 had been estimated by assuming the historic growth rate in Local Authority tax bases continued and that there was 100% take up of a 1% grant. Funding allocations nationally are £248m for 2015/16. As the policy of the Council is to freeze Council Tax, the Council will qualify for the grant. The Governments assessment of the grant payable is £864k which could change when the Government is notified of the Councils Taxbase. The Freeze Grant payable in respect of 2014/15 has been rolled into the RSG and has been subsumed within other funding. As the Council had expected the grant to continue to be paid separately for 2015/16, Freeze Grant received is £884k less than anticipated.

## **Adult Social Care New Burdens**

8.23 The recent reforms to Adult Social Care via the Care Act 2014 introduce a number of new burdens to local authorities.

- i) Additional assessments for the cap on individuals' lifetime eligible care costs (paid as a DCLG unring-fenced revenue grant).

The cap will come into force in April 2016 and will be set at £72k for people of state pension age and older. Anyone with an eligible care need will be able to register with their Local Authority for a care account to record their progress towards the cap. As a result the Council will need to carry out additional assessments to enable those meeting the cost of their own care to record progress towards the cap.

- ii) Universal deferred payment agreements (paid as a DCLG unring-fenced revenue grant).

From April 2015 the Council will have a new duty to offer a 'loan' towards the cost of care where certain criteria are met. This will mean that people should not be forced to sell their own homes in their lifetime to pay for care. By agreeing to a deferred payment with their Local Authorities, cost of care and support can be deferred or delayed until a later date offering a more flexible solution for the funding of care.

The funding allocations for early assessments for the cap and for deferred payment agreements have been allocated using new methodologies developed by the Review of Adult Social Care Relative Needs Formulae, as consulted upon in Summer 2014. The Oldham allocation is £1.088m and will be locally ringfenced.

## **Central Education Support Grant**

8.24 Central Education Support Grant reflects the amount Authorities are funded for school related services provided through the Local Education Authority. It is based on pupils aged 3 to 19 in state schools. The allocation received at £3.126m is a slight increase of £0.105m compared to previous estimates. This grant is used to underpin the budget of the Council but is subject to change in year.

## **Extended Rights to Free Travel**

8.25 This grant is passed to the Authority to assist in funding low income families attending schools further from home than the statutory walking distance and to promote the general duty of sustainable travel. This grant of £23k was not previously anticipated in the funding allocations for 2015/16. It will be used to underpin the budget of the Council

## **Special Educational Needs or Disabilities (SEND)**

8.26 Following a public consultation, the SEND code of Practice 0-25 came into force on 1<sup>st</sup> September 2014. The aim is to find ways to identify the needs of children and young people earlier, make it easier for families to receive the support they need and to develop fairer and more transparent funding arrangements.

Nationally funding of £31.7m is available and the 2015/16 allocation for Oldham is £160k. This grant is to be locally ringfenced.

### **Overall Position After Allowing for the Impact of the Final Settlement and Other Grant Assessments**

<b>Changes to Funding Local arising from the Final Local Government Finance Settlement and Revision to Related Estimates</b>	<b>Expected Position £m</b>	<b>Final Settlement £m</b>	<b>Difference £m</b>
General Government Grants	8.826	9.308	0.482
Business Rates Grants	2.472	2.619	0.147
Settlement Funding Assessment	108.002	108.685	0.866
<b>TOTAL CHANGE TO RESOURCES AVAILABLE</b>	<b>119.300</b>	<b>120.795</b>	<b>1.495</b>

8.27 As can be seen in the table above, an initial review of the General Grants in the Settlement shows a favourable variance of £482k. When adding increased Local Settlement Funding Assessment figures of £866k, the impact of the Final Local Government Settlement is an apparent favourable position of £1.348m.

8.28 When taking into account the estimation of Business Rates grants, this takes the overall potential favourable variance to £1.495m.

## **9 Other Changes Impacting on the Financial Position**

### **Council Tax Policy 2015/16**

9.1 As highlighted at sections above, the Council intends to accept the Council Tax Freeze grant of £864k offered by Central Government for 2015/16. The Council Tax policy is therefore to keep the Oldham Council element of the Council Tax static at £1,392.95 for a Band D property. The level of Council Tax this will generate is determined by the Council Tax Base as set out in 9.3.

### **Relevant Basic Amount of Council Tax**

9.2 The Council must calculate its Relevant Basic Amount (RBA) of Council Tax to determine whether there is a requirement to hold a referendum about a Council Tax increase above a level that the Government considers excessive. This “excessiveness” will be determined annually but for 2015/16 has been set at a figure of a 2% increase in the RBA of Council Tax. As a result of the changes in legislation arising from the passing of the Local Audit and Accountability Act 2014, the change in the RBA of Council Tax is now equivalent to the change in Band D headline Council Tax. As there is to be no increase, no referendum is required.

### **Council Tax Base**

9.3 Each year the Council is required to review its Tax Base by considering the:

- a) numbers of properties within the boundary of the borough which determines the number of Band D equivalent properties upon which the Council Tax calculations are based;
- b) anticipated level of Council Tax that will be collected known as the Collection Rate.

- 9.4 On 26<sup>th</sup> January 2015 Cabinet approved the calculation of the Council Tax Base for 2015/16 and a summary of the calculation is included at Appendix G to this report. The taxbase has increased from 51,865 to 53,401 generating Council Tax of £74.384m. This increase produces £2.138m extra Council Tax (at a Band D Council Tax of £1,392.95). It should be noted that £500k was assumed within a budget option and this will therefore generate £1.638m more than previously expected. The local policy to regenerate the borough is now evidencing itself and this is demonstrated by growth within the local tax base.

### **Business Rates**

- 9.5 As outlined at section 8.10 the Council has to estimate how much business rate income it can rely on for 2015/16. Business Rates income is shared between Central Government 50%, the Council 49% and the GM Fire & Rescue Authority 1%. The Government determines a business rates income baseline based on its estimate of how much business rate income can be generated, and provides a Business Rate Top Up Grant if there is a shortfall between income receivable and the baseline. The Top Up grant for 2015/16 is £29.987m.
- 9.6 The Council has made an assessment of the 49% of collectable business rates that it can rely on for budget setting purposes. This is known as the Business Rates Tax Base. The report to Cabinet on 26 January 2015 approved that the Taxbase and hence income budgeted for in the 2015/16 budget would be £28.002m.

### **Collection Fund Surplus**

- 9.7 The Collection Fund is a statutory fund separate from the General Fund of the Council. The Local Government Finance Act 1992 (as amended) requires that the Council as the Billing Authority calculates a Collection Fund estimate on 15th January each year. This may produce a surplus or deficit which can then be distributed to the Council and the two precepting bodies, the Police and Crime Commissioner for Greater Manchester (PCCGM) and the Greater Manchester Fire and Rescue Authority (GMFRA).
- 9.8 Due to changes to the Local Government Finance regime in 2013/14, and with particular focus on the elements impacting the Collection Fund (the localisation of Council Tax and Business Rates Retention), it is evident that the financial position of the Collection Fund has been more volatile than in previous years. Indeed, accounting for the assessment of outstanding business rates appeals is still very subjective and open to a range of uncontrollable elements.
- 9.9 The most recent financial monitoring position has shown that the overall Collection Fund balance that can be distributed is a deficit of £85k comprised of a surplus of £1.115m of Council Tax and a deficit of £1.200m of Business Rates as illustrated in the table below. However because of the allocation of the proportions of funding the Councils share of the Collection Fund balance is:

	<b>£m</b>
Council Tax Surplus	(0.970)
Business Rates Deficit	0.588
<b>Total Surplus</b>	<b>(0.382)</b>



	Allocation				Total
	Central Government	Police	Fire	Council	Surplus/ Deficit for Distribution
	£m	£m	£m	£m	£m
Council Tax	0.000	(0.105)	(0.040)	(0.970)	(1.115)
Business Rates	0.600	0.000	0.012	0.588	1.200
Total (Surplus)/ Deficit	0.600	(0.105)	(0.028)	(0.382)	0.085

9.10 The key reasons for the Collection Fund position are:

- a) Council Tax
  - The introduction of the Council Tax localisation scheme in 2013/14 and the difficulties in assessing the collection levels. The revision to the scheme for 2015/16 will remove some of this surplus going forward
  - The increase in the Council Tax Base during 2014/15 which had not been fully anticipated. The revision to the Tax Base for 2015/16 will also prevent excessive surpluses building up in the Collection Fund
- b) Business Rates
  - Changes in liability resulting from a change in occupancy
  - The uncertainty of the level of Business Rate appeals
  - The continuing economic downturn depressing business rate income

### Ringfenced Grants

#### Public Health

9.11 In April 2013 the Public Health function transferred to the Council from the then PCT. The funding for this function comes in the form of a ring-fenced grant which for 2015/16 is the sum of £14.915m (nationally £2.801bn). This funding is in line with budget expectations.

#### Better Care Fund

9.12 As highlighted earlier in the report, the Oldham share of the BCF has been confirmed at £16.036m. This is expected to cover issues such as personalisation, the provision of support carers, information advice and support, independent mental health advocacy. Funding will be allocated to the Oldham CCG as part of the pooling arrangements and passported to the Council as per the BCF agreements. This has already been anticipated within some of the savings proposals and is therefore in line with expectations.

#### 0-5 Public Health Services

9.13 The Council will take responsibility for the commissioning of 0-5 health visitor services and services linked to an all age early help offer when the functions transfer from NHS England on 1<sup>st</sup> October 2015. The service contract is currently with Pennine Care NHS Trust. On December 11<sup>th</sup> 2014 the Council was notified of the 0-5 Public Health Services grant. This is to be paid as a ringfenced grant at the value of £2.164m which is in line with expectations.

## **Dedicated Schools Grant**

- 9.14 The Dedicated Schools Grant (DSG) for 2015/16 is set at £216.738m. This provides funding for schools; the Pupil Referral Unit; and Early Years Provision in Private, Voluntary and Independent nurseries (PVIs); and a budget for other provision for pupils which the Local Authority funds centrally. Central Local Authority funding now includes high needs provision, including post-school provision up to the age of 25, and other pupil related services. The DSG is a ring-fenced specific grant. This funding is calculated by Central Government based on the “spend plus” methodology and the number of pupils receiving education within the Oldham Council area. The Council then allocates the money to the schools, according to our own funding formula. Each school’s budget is subject to a Minimum Funding Guarantee (MFG), the level of which is set by DfE. The MFG ensures that, subject to certain exemptions, a school’s budget is guaranteed to increase or decrease by a set percentage. The Council can retain funding centrally to meet its estimate of the cost of delivering education in settings other than its own maintained schools as well as to provide relevant pupil related support services for Early Years or High Needs.
- 9.15 Although the Local Authority will continue to receive funding for schools directly from the Government through the DSG, this is now allocated within three notional blocks. Councils can move funding between the notional blocks in consultation with the Schools Forum to ensure that local pressures can be met. These blocks are:

### **a) Schools block**

This covers;

- Reception to year 11 pupils and some centrally retained services for school pupils e.g. admissions service
- Budgets which were previously within the centrally retained DSG. This gives greater choice to Headteachers, Principals and Governors on how to spend their budgets

The funding reforms introduced from April 2013 outlined the requirement for the maximisation of delegation to schools and academies of central services funding and the funding from the schools block in the first instance. This was to ensure that local decision making was made by schools/academies directly.

This change requires Local Authorities to delegate funding relating to a number of centrally retained school block budgets to schools via the Local Funding Formula. Locally maintained schools then have the option of de-delegating the funding back to the LA to provide better value for money or to pool risk. These services are Insurance, School Improvement/ Underperforming Schools, Contingencies and Teacher Union Duties.

### **b) High Needs Pupils**

This covers pupils in mainstream schools and special schools as well as alternative provision and SEN support services. Pupils and students with high needs are those young people who need educational provision that costs, including basic provision given to all pupils and students, more than £10,000 per year;

### c) Early Years

This covers;

- free entitlement to Early Years funding for 3 and 4 year olds
- current centrally retained Early Years services.

- 9.16 The DSG for 2015-16 also includes funding of £56k for the costs of monitoring and quality assurance of Newly Qualified Teachers (NQT) induction.
- 9.17 The Oldham DSG has also been reduced by a share of the deduction to DSG as a result of schools no longer being part of the Carbon Reduction Commitment (CRC) Energy Efficiency Scheme.
- 9.18 Based on pupil number changes, the DSG funding received by Local Authorities continues to be allocated on a 0% cash change basis for the Schools Block and Early Years Block. (i.e. the guaranteed unit of funding per pupil will be the same as that in 2014/15). Although the funding allocated to the Local Authority will remain constant for 2015/16, the changes brought about by the new local funding formula and the prescriptive criteria set by Government results in both winners and losers for individual schools in financial terms.
- 9.19 In determining schools budgets, a number of key changes have been implemented. This includes reducing the number of factors that can be used in local formulae to distribute funding from 37 factors to 12.
- 9.20 To dampen the impact of changes to schools budgets the Minimum Funding Guarantee (MFG) will continue at minus 1.5% per pupil, and be calculated on a simplified basis. MFG will ensure that budgets do not exceed the maximum decrease of 1.5% per pupil. Conversely, as Authorities are operating within a set level of resources, caps may have to be applied to any gainers. This capping restricts a schools gain when comparing what they received per pupil in the preceding year compared to what they receive under the new formula arrangements. For 2015/16 the capping level has been set at 1.8%
- 9.21 In relation to the Council's revenue budget, changes to the DSG will have a neutral effect and work has taken place to confirm this position.

### **Position after all Issues that may Impact on the Budget are Considered**

- 9.22 Pulling all the current information together about increased useable resources, and taking account of know expenditure pressures, results in the availability of £3.515m of additional resources for the Council (as set out in the following table) which is sufficient to finance the known expenditure pressures. It will not require a change to the total savings proposals of £35.229m.

Changes to Funding After the Final Local Government Finance Settlement and Revision to Estimates	Expected Position £m	After Settlement £m	Difference £m
General Government Grants – Settlement	8.826	9.308	0.482
Business Rates Grants	2.472	2.619	0.147
Provisional Settlement Funding Assessment	108.002	108.868	0.866
Council Tax for Council Use	72.746	74.384	1.638
Collection Fund Surplus	0	0.382	0.382
<b>TOTAL CHANGE TO COUNCIL RESOURCES AVAILABLE</b>	<b>192.046</b>	<b>195.561</b>	<b>3.515</b>
Parish Precept – Ringfenced to Parishes	0.231	0.239	0.008
<b>TOTAL CHANGE TO BUDGET</b>	<b>192.277</b>	<b>195.800</b>	<b>3.523</b>

## 10 Further Expenditure Pressures

10.1 Since the budget savings target was initially determined, a number of other budget pressures have been identified, some of which are linked to the direct allocation of resources by Central Government. The additional expenditure pressures identified are detailed as follows:

a) New Responsibilities – Adult Social Care and SEND

As highlighted above, the Government has provided resources of £1.088m to address new Adult Social Care responsibilities and £160k to support the earlier provision of services for children with special educational needs or disabilities (SEND). These new responsibilities therefore require funding, and the expenditure budget is to be increased to match the level of Government resources provided.

b) Achievement of Prior Year Savings

Savings agreed in 2014/15 related to activities of the Unity Partnership in assisting the Council make savings by reducing spending or increasing income. The make-up of the savings has changed as the programme of activity has developed and savings linked to the increase in the level of Council Tax by means of reviewing issues such as Single Person Discount have been added to the programme. As savings have already been assumed from reduced expenditure, this requires the increase in income to be matched by a corresponding revenue pressure of £278k in order to produce a balanced position.

c) Pay Award

Provision for the pay award has been included in previous estimates, but given the announcement that the NJC pay award has been settled at 2% over a two year period to the 31st March 2016, the estimated initial provision was insufficient. A pressure of £209k has been identified and resources have been allocated to address this.

d) Staying Put

Staying Put is a Government initiative to enable young adults to remain in foster care past the age of 18. This has been funded by grant in 2014/15; as yet no funding allocation for 2015/16 has been announced. Given the importance of this initiative, funding of £185k has been allocated to finance this key area.

e) Revenue Priorities

During 2014/15 a number of central government grants have been reduced in-year and additional pressures have been identified. In order to enable such budget issues to be addressed in 2015/16, a revenue priorities budget of £1.475m is to be retained.

10.2 The availability of additional resources has allowed for a review of budget proposals. It is now proposed to reduce option D040 Review District Arrangements by £120k. As a consequence a new budget proposal is required. This is presented as D064C – Use of additional resources to support the budget and is summarised within Appendix D and in detail within Appendix E.

10.3 The allocation of the additional resources of £3.515m as outlined below produces a balanced position.

<b>New Burdens, Expenditure Pressures and New Proposal</b>	<b>2015/16 £m</b>
- SEND Implementation	0.160
- Adult Social Care New Burdens	1.088
<b>Total New Burdens</b>	<b>1.248</b>
Expenditure Pressures:	
- Achievement of Prior Year Savings	0.278
- Pay Award	0.209
- Staying Put	0.185
- Revenue Priorities	1.475
<b>Total Expenditure Pressures</b>	<b>2.147</b>
<b>New Savings Option - D064C</b>	<b>0.120</b>
Less Resources Available	3.515
<b>Balance</b>	<b>0.000</b>

## 11 Other Issues Impacting on the Budget

### Business Rates Pooling

11.1 Members will be aware that as a result of the change to the Business Rates regime, it is possible for a group of Councils to form a business rates pool. The purpose of pooling business rates across the individual authorities is not intended to alter individual authority's income levels but to retain any levy that might be payable by certain members of the pool. Any sum gained would be retained by the pool.

- 11.2 Councils in Greater Manchester have considered this in both 2013/14 and 2014/15 but the matter was not pursued as it was not considered to be a viable proposal given the volatility around business rates income especially with regard to the position on business rates appeals.
- 11.3 After a review of the anticipated business rates position for 2015/16, an application for the pooling of business rates has been submitted to the Department of Communities and Local Government on behalf of the Greater Manchester Council's and Cheshire East. Manchester City Council will administer the pool and it is anticipated that any proceeds will be retained for investment within Greater Manchester and other non Greater Manchester Councils.
- 11.4 A key requirement was that each Authority made a decision on whether it wishes to be part of the pool within 28 days of the issue of the Provisional Local Government Finance Settlement i.e. by 15<sup>th</sup> January 2015. As a decision did not fit within the Cabinet reporting timeframe, Council of 17<sup>th</sup> December delegated the decision on whether Oldham Council should be part of the pooling arrangement to the Cabinet Member for Finance and HR in consultation with the Executive Director, Corporate and Commercial Services and the Interim Borough Treasurer. Given the business rates position of the Council, a delegated decision was made that the Council should join the pool.

#### **Greater Manchester Waste Disposal Authority (GMWDA)**

- 11.5 The GMWDA approved its 2015/16 budget and levies to the Greater Manchester Districts on 13<sup>th</sup> February 2015. This confirmed the assumption that Oldham's levy would reduce to £16.573m and that the reliance on the waste smooth reserve could also reduce. There remains a contribution of £195k from the waste smoothing reserve, to offset expenditure on the levy.

#### **Greater Manchester Combined Authority (GMCA)**

- 11.6 The GMCA met on 30<sup>th</sup> January 2015 and approved its budget for 2015/16. Oldham's levy was set at £16.337m and contributions for other GM services increased to £351k reflecting some movement of functions between the GMCA and AGMA.

#### **Environment Agency**

- 11.7 The Environment Agency has confirmed the anticipated increase in its levy for 2015/16. The revised levy is therefore £100k.

#### **Association of Greater Manchester Authorities (AGMA)**

- 11.8 The AGMA budget for 2015/16 was agreed on 30<sup>th</sup> January 2015. The AGMA contribution has reduced to £591k for 2015/16 reflecting some movement of functions to the GMCA.

## 12 Impact of the Decisions of Precepting Authorities

12.1 Whilst the spending decisions of precepting Authorities do not affect the level of resources available to the Council, they do affect the amount of Council Tax that is charged to Oldham citizens. The major preceptors are the PCCGM and the GMFRA. The PCCGM and the GMFRA held their respective budget setting meetings on 12<sup>th</sup> February 2015 and both bodies agreed to freeze Council Tax for 2015/16.

### Parish Precepts

12.2 Saddleworth Parish Council agreed its 2015/16 budget and parish precept at a meeting on 26<sup>th</sup> January 2015. A freeze in the Council Tax charge was agreed. Shaw and Crompton Parish Council agreed its 2015/16 budget and parish precept at a meeting on 9<sup>th</sup> February 2015. It agreed to increase its charge by 1.96% to £15.11.

### Council Tax – Draw on the Collection Fund

12.3 The Band D Council Tax for 2014/15 is therefore proposed as follows and set out in detail in Appendix H.

Council Tax Raising Body	2014/15 Council Tax £	2015/16 Council Tax £	Change %
Oldham	1,392.95	1,392.95	0.00%
PCCGM	152.30	152.30	0.00%
GM Fire & Rescue Authority	57.64	57.64	0.00%
<b>TOTAL BOROUGH WIDE BAND D COUNCIL TAX</b>	<b>1,602.89</b>	<b>1,602.89</b>	<b>0.00%</b>
Saddleworth	19.35	19.35	0.00%
Shaw & Crompton Parish Council	14.82	15.11	1.96%

12.4 Taking account of Council Tax assumptions, the sums to be drawn from the Collection Fund for Council Tax for 2015/16 are, subject to confirmation, as follows:-

Precepting Body	£m
Oldham Council	74.384
PCCGM	8.133
GM Fire & Rescue Authority	3.078
Saddleworth Parish Council	0.159
Shaw & Crompton Parish Council	0.080
<b>TOTAL</b>	<b>85.834</b>
Less: contribution from Parish Taxpayers	(0.239)
<b>TOTAL Draw on Collection Fund for Major Preceptors</b>	<b>85.595</b>

### 13 2015/16 Savings

- 13.1 As highlighted in this report, there is no need to amend the savings target in the light of the Final Local Government Finance Settlement and other changes. Attached at Appendix A is the consolidated list of budget proposals highlighting how the 2015/16 budget could be balanced if all proposals were agreed. The staffing reductions previously reported were 121.1 FTE. The proposed revision of option D040 has changed this figure to 115.1 FTE. It should however be noted that this figure differs from the 117.1 FTE figure included on the S188 notice issued to Trade Unions on 2nd October at the beginning of the staff consultation process. Proposal D052 Organisational Redesign Phase 1 relating to a change to the senior management structure of the Council with an FTE count of 4, ran to a different consultation timescale that ended on 15th September 2015. The S188 staff consultation period in relation to the 117.1 (now 111.1) posts expired on 1<sup>st</sup> December.
- 13.2 Appendices B and C set out savings proposals already approved by Council in December.
- 13.3 Appendix D summarises the savings proposals for approval by Council totalling £7.758m and detailed options revised following completion of consultation at Appendix E.
- 13.4 Appendix A also summarises proposals which required detailed Equality Impact Assessments (EIAs) to be carried out prior to any decision being made.
- 13.5 Appendix E also details the revised EIAs for approval following completion of outstanding consultations,
- 13.6 If all savings proposals were approved, the revised revenue budget would therefore be presented as set out below. The detailed budgeted expenditure by portfolio, reflecting all savings proposals and other budget adjustments is set out in detail below.

2015/16 Revenue Budget	£m
Cooperatives and Neighbourhoods	76.502
Health and Wellbeing	73.114
Economy and Skills	18.684
Corporate and Commercial Services	4.495
Corporate and Democratic Core	5.200
Policy and Governance	2.073
Capital Treasury and Technical Accounting	15.629
Parish Precepts	0.298
Use of Reserves	-0.195
<b>2015/16 Net Revenue Budget</b>	<b>195.800</b>



2015/16 Net Revenue Budget		2015/16 £m
<b>Prior Year Net Revenue Budget (2014/15)</b>		<b>222.428</b>
<b>Less one year adjustments in 2014/15</b>		(6.224)
<b>Less adjustment to Base Budget - Levy</b>		(0.477)
<b>Revised Base Position</b>		<b>215.727</b>
<b>Expenditure Pressures:</b>		
- Pensions		0.265
- Pay Award		0.899
- Inflation		2.847
- Investment Fund		4.953
- Demand Pressures		1.353
- Reduction for Local Welfare Provision Grant Loss		(1.022)
- Settlement New Burdens		1.248
- Further Expenditure Pressures		2.267
<u>Savings Proposals and Use of Reserves</u>		
- Agreed Use of reserves to support GMWDA Levy		(0.195)
- Identified Savings Proposals		(32.542)
<b>Total Expenditure</b>		<b>195.800</b>
<b>Funded By:</b>		
- Business Rates Top Up		29.987
- Revenue Support Grant		50.879
- Housing Benefit and Council Tax Administration		1.529
- Council Tax Freeze Grant		0.864
- Central Education Support Grant		3.126
- New Homes Bonus		2.086
- New Homes Bonus Adjustment		0.189
- Extended Rights to Free Travel (other grant)		0.023
- SEND Implementation Grant		0.160
- Adults Social Care New Burdens		1.088
- Council Tax New Burdens		0.066
- Lead Local Flood Authorities		0.026
- Settlement Funding Adjustment		0.641
- Department of Health Grant		0.151
- Additional Business Rates Grants		0.119
<b>Total Government Grant Funding</b>		<b>90.934</b>
- Retained Business Rates		27.674
- Council Tax Income		74.123
- Income Related Budget Proposals		2.687
- Collection Fund Surplus		0.382
<b>Revised Budget Funding</b>		<b>195.800</b>

Note that the income related budget proposals includes increases in Council Tax (£0.500m) and Business Rates (£0.328m). Actual Council Tax income is £74.623 including Parish Precepts (£74.384m excluding Parish Precepts) and Retained Business Rates income is £28.002m.

#### 14 Budget for 2016/17

- 14.1 The financial year 2016/17, is the second year of the two year budget setting timeframe that the Council has been working to. The initial estimate for savings was £25.096m. As can be seen from the table below, this has increased by a net £4.393m to £29.489m primarily as a result of increases in expenditure pressures. As £9.398m of savings have already been identified the budget gap to be addressed has risen from £15.698m to £20.091m.

Estimated revenue position 2016/17	2016/17 £m
<b>Prior Year Net Revenue Budget</b>	<b>195.800</b>
<b>Expenditure Pressures:</b>	
- Pensions	0.263
- Pay Award	1.717
- Inflation	3.818
- Investment Fund	1.055
- Business Plan	1.500
- Increase in NI Changes	2.363
- Fair Employment Charter Costs	0.600
<b>Total Expenditure</b>	<b>207.116</b>
<b>Funded By:</b>	
- Business Rates Top Up	30.587
- Revenue Support Grant	33.276
- Housing Benefit and Council Tax Administration	1.378
- Council Tax Freeze Grant	1.790
- Central Education Support Grant	2.266
- New Homes Bonus	2.000
- Multiplier Cap	0.641
- Adults Social Care	0.585
<b>Total Government Grant Funding</b>	<b>72.523</b>
- Retained Business Rates	29.980
- Council Tax Income	75.124
<b>Revised Budget Funding</b>	<b>177.627</b>
<b>Net Gap/Savings Requirement</b>	<b>29.489</b>
<b>Less Savings Already Identified</b>	<b>(9.398)</b>
<b>Savings Yet to Find</b>	<b>20.091</b>

- 14.2 The change in the budget gap of £4.393m is summarised in the table below, however it should be noted that the new expenditure pressures identified at 14.3 (a) to (d) total £4.676m, with a small net change in resources offsetting the increased costs.

Expenditure Pressures:	Initial Estimate £	Revised Estimate £	Change £
- Increase in Base Budget	0.000	3.523	3.523
- Pay Award	0.908	1.717	0.809
- Inflation	2.914	3.818	0.904
- Increase in NI	0.000	2.363	2.363
- Fair Employment Charter	0.000	0.600	0.600
Total increase in expenditure pressures	3.822	12.021	8.199
Less:			
- Increase in Government Grant	0.000	1.299	1.299
- Increase in Retained Business Rates	0.000	0.360	0.360
- Increase in Council Tax	0.000	2.147	2.147
Overall Change	3.822	8.215	4.393

14.3 The key changes in the table that impact on the savings target relate to the following issues

a) Pay Award

Provision for the pay award has been increased to 2% given the experience of the pay settlement for 2014/15 to 2015/16. An additional increase to the budget over previous estimates of £809k is required.

b) Inflation

A review of the inflation calculation using up to date information has led to an increase in the budget pressure by £904k. As in the 2015/16 budget round, this position can be reviewed later in the financial planning round.

c) Increase in National Insurance costs

The Pensions Act 2014 introduced a new 'single tier' State pension payable to those reaching State pension age from 6<sup>th</sup> April 2016. This means that 'Contracting Out' for defined pension benefits schemes will be abolished from 6<sup>th</sup> April 2016. This will result in an increase to the payroll bill of Local Government Pension Scheme employers with an increase in National Insurance contributions. This unavoidable increase has been assessed as £2.363m.

d) Fair Employment Charter

The Council wishes to continue to support the Fair Employment charter. The financial implications of the first phase of this initiative have been included in the 2016/17 budget at £600k.

14.4 Any changes to the assumptions for the 2016/17 budget will change the potential budget gap. Assumptions and projections can be developed further during 2015/16.

14.5 The next stage in the two year budget process is to work towards finalising savings for 2016/17 based on current projections. As a first step it is proposed to distribute targets on a pro rata basis to commissioning cluster group so that suitable options can be brought forward for consideration. It is proposed that the detailed examination and review of 2016/17 budget proposals is undertaken around the commissioning clusters rather than the thematic groups used for 2015/16. This is to ensure the aligning of priorities and delivery mechanisms and reflects the emphasis of the Oldham Plan, the blue print for the borough and also the Corporate Plan both of which are currently being refreshed. The commissioning clusters are:

- Economy and Skills
- Health and Wellbeing
- Co-operatives and Neighbourhoods

14.6 These Clusters are the delivery vehicles for partnership working and represent a new way of working and an opportunity for innovation and developing radically different ways of using resources to deliver shared outcomes. The Council is also restructuring under the cluster themes. This will assist in providing opportunities to strengthen the Council's approach to business planning to support delivery of key outcomes and also embed the recently launched Values and Behaviours. The Corporate Plan will inform and underpin planning and delivery for the next financial year and beyond.

14.7 The proposal to take forward the budget process for the 2016/17 financial year in the cluster themes, would currently exclude the Corporate and Commercial Services Portfolio along with other central service areas. It is therefore proposed that these areas are combined to form a fourth cluster specifically for the budget process.

14.8 Clearly there is still a lot of work to do to address the savings target but it is also evident that good progress has been made so far and the established working arrangements are successful. The savings proposals to address the remaining gap for 2016/17 will be considered via the Star Chamber process and brought forward for detailed review and scrutiny during 2015/16.

## **15 The Medium Term Financial Strategy (MTFS)**

15.1 The Medium Term Financial Strategy is a core part of the Council's strategic framework and has a vital role to play in enabling the translation of the Council's ambition and priorities into action. This Medium Term Financial Strategy (MTFS) principally focuses on taking a forward look over a five year timeframe (2015/16 to 2019/20) at a range of major issues affecting the financing of Oldham Council.

15.2 The strategy considers:

- international and national economic influences on Oldham Council
- local factors which influence policy within the Council including the Administrations priority of regenerating the borough and creating jobs
- key Council policy areas
- the influence of Central Government policy and strategy

15.3 The strategy brings together the key issues affecting the revenue budget, Housing Revenue Account budget, treasury management strategy, statement on

the use of reserves, capital strategy and capital programme. It projects the level of available resources and budget pressures relating to both capital and revenue funding streams. It therefore highlights the budget challenges that will need to be addressed by the Council over the coming financial years. The MTFS is included in a further report presented to this meeting.

## **16 Fees And Charges**

- 16.1 Attached at Appendix F are the proposed fees and charges for 2015/16 financial year. An element of the charges have been uplifted following discussions with the Heads of Service, however a number are proposed to remain the same as in 2014/15.
- 16.2 At this stage where services have proposed to increase the charge it is not proposed to increase income budgets, unless the increase already forms part of a budget saving proposal, due to the highly volatile nature of the income.

## **17 Pay Policy Statement**

- 17.1 It is a requirement of Section 38 of the Localism Act that the Council reviews and prepares a Pay Policy Statement for each financial year and that it is approved by full Council. The Department for Communities and Local Government published a revised Local Government Transparency Code in October 2014. Amongst other things this places additional requirements on local authorities in England to publish additional information relating to senior salaries. The purpose of these requirements is to provide transparency of approach to setting pay for our employees with particular emphasis on the level of remuneration for our most senior staff. The draft Pay Policy Statement accords with all requirements and is included at Appendix I.
- 17.2 The Council's current Pay Policy Statement continues to be available on the website together with a range of pay data specific to senior officers in accordance with the Localism Act and Transparency Code. This data will be reviewed and as appropriate updated effective from 1st April 2015 so that it is relevant to the 2015/16 financial year. The data provided within Appendix I will reflect the position as of 1st January 2015 in the current financial year 2014/15. There is a link within the document referring to the Council's Constitution which does not require any update, but is included in the Pay Policy for the interest of transparency and ease of access for readers. It has not been provided with this paper but will continue to be available to review via the website.

## **18 Options and Alternatives**

- 18.1 Council can make comments on the proposals/information included in this report and revise the budget proposals/revised resource allocation outlined in this paper.

## **19 Preferred Option**

- 19.1 That Council approves the budget and Council Tax levels proposed within this report.

## **20 Consultation**

- 20.1 Since 1<sup>st</sup> August 2014 the Council has been consulting the public about its budget challenge and about how we can work together to meet that challenge.
- 20.2 The Council commissioned a short video which outlined our financial position and our co-operative approach. The video then asks residents to get involved in an online discussion about how the Council should spend its budget and invites them to offer their money saving ideas. The video has been promoted via social media, on the Council's website, through district networks and partners including Oldham Housing Information Partnership and Voluntary Action Oldham, through the local media (both print and broadcast), via the Contact Centre call lines, and has currently had 23,032 views. It has received more than 100 direct replies or comments on Twitter and the hashtag #Letstalkbudget has been used 2,128 times. We've also had more than 1,200 engagements (comments, shares and likes) on Facebook.
- 20.3 To ensure we did not exclude residents who do not use digital channels we also included budget messaging in two editions of our resident newsletter, Borough Life, and in a two page feature in the Oldham Evening Chronicle on two occasions. Both of these offered a tear-off reply slip asking for feedback and ideas. In addition, the budget information was produced in a print summary, which was distributed through the district networks and handed out during public events. It was also placed in key council locations, including Access Oldham and Libraries.
- 20.4 During this time we have also been talking to Council Staff about our budget challenge and asking them to share their money saving ideas through an intranet forum.
- 20.5 The most recent information shows that we have received 128 budget ideas and suggestions across social media, the online discussion forum, by post and from staff through our intranet. Wherever, possible we have responded directly to comments and suggestions offering further information about Council spend and services. Appendix J summarises the key consultation comments received so far.
- 20.6 Alongside the Council's public consultation around the '£60 Million Budget Challenge', there has been specific consultation around the savings proposals in Adult and Children's Services and Public Health. Where appropriate the feedback received to date has been reflected in the EIAs. The website information around the proposals included a link to certain overarching questions for consideration and a 'mailbox' for additional comment. We also held a number of public consultation meetings to specifically discuss proposed changes to adults and children services and public health. These were promoted in council buildings, online, on social media and in the local press. There was also consultation around specific proposals with affected groups including staff and service users for example, proposals around short break provision for children with disabilities (and consultation is still on-going in this area). There has also been consultation with key partners including the Clinical Commissioning Group, provider organisations and the Voluntary and Community Sector (VCS).
- 20.7 In respect of public and user/carer consultation the Council's aim of reducing dependence on statutory services has been a factor particularly in instances where service users are more vulnerable. Some people can see the value in an

expanded role for neighbours and communities whereas others feel that reliability and continuity may be difficult to achieve.

20.8 Voluntary Sector partners have been actively involved in the work around developing the 'early help offer' alongside the budget savings proposals and there is keen local interest in an expanded role in delivery for the VCS. There is a fear that smaller organisations might be denied opportunities if many of our commissioning proposals are large scale.

20.9 The full summary of consultation responses are enclosed at Appendix J.

## **21 Financial Implications**

21.1 Dealt with in full in this report.

## **22 Legal Services Comments**

22.1 The Council has a legal obligation to pass a resolution to pass its budget and Council Tax resolutions by 10 March 2015. There are legal issues contained in the body of the report.

## **23 Co-operative Agenda**

23.1 The Council will ensure that its budget setting process addresses the repositioning of the Council as a Co-operative Council linking to Oldham's ambition for a Co-operative Future.

## **24 Human Resources Comments**

24.1 High level union and staff engagement commenced as early as 23rd July with those options released by Star Chamber in June in order to start giving an indication of where savings may be required and the Council's initial thoughts. Those options released by Star Chamber in July and September were shared at the end of September.

24.2 The S188 document starting formal consultation on these proposals was issued to the recognised trade unions on the 2<sup>nd</sup> October 2014 and started the minimum 45-day consultation process. Generally the consultation period ended on 1<sup>st</sup> December in order to allow full consideration of any comments or alternatives submitted by unions or staff to be considered in advance of, and where relevant presented to, Cabinet and Council for final approval. The S188 document showed a potential 117.1 FTE job losses.

24.3 The cross cutting proposal which affects the corporate management of the Council is outside of the Section 188 timeline as consultation had already commenced earlier in the summer and are therefore non Section 188 related.

24.4 Consultation with staff and unions commenced as detailed proposals became available and in most cases has now ended and, following approval by Council in December 2014, are now being implemented. Of the options approved at Council subject to the outcome of final completion of the consultation process, formal consultation the proposals for People Services Re-design has commenced and will be completed by the beginning of March. Any changes to the proposals will be re-presented to Council for re-consideration if applicable.

- 24.5 Two options are presented within this report; Children's and Adult's Services Re-Design, and consultation has now ended in relation to these. In addition one further option, the Review of District Assets is also included in this report. This option was initially presented on the S188 document showing a saving of £300k and with a potential reduction in posts of 6 FTE posts. However proposals for £120k of this saving has now been withdrawn, together with its associated reduction in staffing numbers, and, as such the potential job losses indicated on the S188 document has reduced to 111.1 FTE.
- 24.6 People Services and the HR Advisory Service will continue to work with the Directorates to ensure that the proper implementation process is followed and that staff and unions are engaged at the correct stages, especially where compulsory redundancy selection is required. (Sally Blackman)

## **25 IT Implications**

- 25.1 Many of the budget proposals require the more efficient use of existing computerised systems. Any costs associated with any improvements to systems have been factored into the net budget savings put forward.

## **26 Property Implications**

- 26.1 Any impacts on asset management have been factored into the proposals identified or will be dealt with as part of the previously approved asset management strategy.

## **27 Procurement Implications**

- 27.1 Any proposals that impact on the procurement of goods, services etc. will be undertaken in full liaison with procurement and in compliance with all necessary Council and statutory requirements.

## **28 Environmental and Health & Safety Implications**

- 28.1 Environmental and Health and Safety implications will be taken into account when dealing with the individual proposals as appropriate.

## **29 Equality Impact Assessment Completed**

- 29.1 In taking financial decisions the Council must demonstrate that it has given "due regard" to the need to eliminate discrimination, promote equality of opportunity and promote good relations between different groups.
- 29.2 Demonstrating that "due regard" has been given involves:
- assessing the potential equality impacts of proposed decisions at an appropriate stage in the decision making process - so that it informs the development of policy and is considered **before** a decision is taken;
  - ensuring that decision makers are aware of the equality duties and any potential equality issues when making decisions.

NB – having due regard does not mean the Council cannot make decisions which have the potential to impact disproportionately, it means that we must be



clear where this is the case, and must be able to demonstrate that we have consulted, understood and mitigated the impact, where possible.

- 29.3 To ensure that the process of impact assessment is robust, it needs to:
- Be specific to each individual proposal;
  - Be clear about the purpose of the proposal;
  - Consider available evidence;
  - Include consultation and involvement with those affected by the decision, where appropriate;
  - Consider proposals for mitigating any negative impact on particular groups;
  - Set out arrangements for monitoring the actual impact of the proposal.
- 29.4 The Equality Act 2010 extends the public sector equality duties to cover eight protected characteristics, namely:
- age,
  - disability,
  - gender,
  - gender reassignment,
  - pregnancy and maternity,
  - race,
  - religion and belief and
  - sexual orientation.
- 29.5 In December 2010, the Government announced that it would not be taking forward the socio-economic duty for public bodies. Despite this we have continued to consider people on low incomes as part of our equality impact assessment process.

### **Oldham's approach to assessing the impact**

- 29.6 Assessing the potential equality impact of proposed changes to policies, procedures and practices is one of the key ways in which public authorities can show 'due regard'. Equality Impact Assessments (EIAs), therefore, provide a structured framework which enables the Council to ensure that it considers the equality impact of decisions, and to demonstrate to others that it has done so.
- 29.7 Oldham's EIA form is based on the experience of previous years and incorporates elements from good practice elsewhere. The main aims of our current EIA are to:
- strengthen the process through improved accountability – identifying a lead officer for each EIA;
  - stimulate a more rigorous and overt analysis of the impact and possible mitigations;
  - implement a stronger equality monitoring and management process to ensure that we follow through on what we said we would do. This

includes identifying risks to implementation and how these will be managed.

- 29.8 Where they are available, draft EIAs are included for consideration by the PVFM Select Committee. This early release of the draft EIAs gives the Select Committee the opportunity to consider the potential impact of the proposals when carrying out its deliberations.
- 29.9 Public consultation finished on 16 November 2014, although where necessary specific consultation with users has continued. No EIA is complete until consultation has closed. Following close of consultation the EIAs are finalised using the information and feedback from consultation. These are available to Cabinet and Council.
- 29.10 The equality impact assessment process undertaken for the Council's budget process involves:
- An initial equality impact screening – The budget proposal action plan forms completed by each Assistant Executive Director (AED)/ Service Manager incorporate an initial equality screening to identify whether any proposal has the potential for significant disproportionate adverse impact in respect of any protected characteristic i.e. whether the impact of the proposal falls disproportionately on any particular group – such as people with a disability.
  - The initial screenings are then independently reviewed by a small group with knowledge of the equality legislation, comprising the Cabinet Member for Adult Social Care and Public Health, the Assistant Executive Director for Adults and Commissioning, a senior officer from the Neighbourhoods directorate, and a lawyer from the Legal Services team.
- 29.11 The key aims of this review process are to:
- assess the potential equality impact of each proposal using the information provided.
  - provide challenge to those where the Group feel the initial screening does not accurately identify those equality groups potentially affected and that a further screening process needs to be completed.
- 29.12 An equality impact assessment is carried out if the initial screening identifies that the proposal could have a potential significant, disproportionate adverse equality impact.

#### **Involving elected members**

- 29.13 A key element to assessing the equality impact has been the involvement of elected members. This involvement has included:
- Cabinet Member for Adult Social Care and Public Health sits on the Equality Challenge Group.

- Consideration of equality impact throughout the Star Chamber process, including through the initial screenings on the proposal forms and a briefing paper.
- Briefings between Executive Directors and Cabinet Members during development of proposals and working together to consider the equality impacts and identify any mitigating actions.
- Both the EIA screening information contained with the budget proposals and the EIA forms themselves, where available, are submitted to, and considered by the PVFM Panel NB: The EIA forms are still in draft at this stage;
- Final EIAs are made available to Members alongside the budget proposals in the Council papers.

29.14 The Council in adhering to the legal requirements is completing EIAs and progress will be reported on these throughout the budget preparation as it was last year. (Jenni Barker)

### **30 Equality Impact Assessment Completed**

- 30.1 An equality impact assessment is carried out if the initial screening identifies that the proposal could have a potential significant, disproportionate adverse equality impact.
- 30.2 Appendices A & D identifies within the list equality impact assessments and the detailed assessments of Appendix D are included with the proposals at Appendix E.

### **31 Key Decision**

31.1 Yes.

### **32 Forward Plan Reference**

32.1 CFHR-27-14

### **33 Background Papers**

33.1 The following is a list of background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents which would disclose exempt or confidential information as defined by the Act:

File Ref:	Background papers are included in A – J of this report.
Officer Name:	Anne Ryans
Contact No:	0161 770 4902

## **List of Appendices**

- A) Summary of Savings Proposals (£35.229m)
- B) Approved Savings Summary (£27.471m)
- C) Approved Detailed Proposals (£27.471m)
- D) Summary of Savings to be Approved (£7.758m)
- E) Detailed Proposals to be Approved including EIAs (£7.758m)
- F) Fees and Charges
- G) Council Tax Base 2015/16
- H) Council Tax Schedule
- I) Pay Policy Statement (including supplementary information at Annex 2)
- J) Summary of Consultation Responses

## Budget Report 2015/16

### Report of Interim Borough Treasurer - Appendices

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**2015-16 & 2016-17 - Schedule of Budget Proposals****Budget Savings Proposals**

Reference	Brief Detail	Responsible Officer	2015/16 (£'000)	FTE 2015/16	2016/17 (£'000)	Equality Impact Assessment Required
A006	Economy & Skills Service Review	Elaine McLean	250	0.0		N
A007	Lifelong Learning Service - Income Generation	Michele Carr	30	0.0	120	N
A008	Commissioning - Learning & Attainment	Steve Edwards	415	0.0	277	Y
A009C	Income Growth via Additional Council Tax Revenue	Clare Nangle	500	0.0	900	N
A010C	Income Growth via Additional NNDR Revenue from New Non-Residential Development	Bryn Cooke/Darren Jones	328	0.0	700	N
A038C	Review of Capital Programme Spend	Elaine McLean	1,000	0.0		N
A051	Building Control - Income Generation	Michele Carr	75	0.0	25	N
D040	Review District Arrangements	Colette Kelly	180	0.0		Y
	<b>Total - Improved Economy by Stimulating Growth and Increasing Productivity</b>		<b>2,778</b>	<b>0.0</b>	<b>2,022</b>	
B034	Public Protection	Carol Brown	50	1.0		N
B035	Redesigning services for Children, Young People and their Families (0-19 offer)	Jill Beaumont	1,525	54.1	1,925	Y
B039	Review of Public Health Budget	Alan Higgins	2,467	5.0	602	Y
B055	Neighbourhood Services	Elaine McLean	200	0.0		N
	<b>Total - Independent Self Reliant and Resilient Communities</b>		<b>4,242</b>	<b>60.1</b>	<b>2,527</b>	
C043	Adult Social Services - Joint Working	Maggie Kufeldt	5,144	0.0		N
C045	Children's Services Redesign	Kim Scragg	1,261	14.0	1,261	Y
C046	Adult Social Services - Redesign	Maggie Kufeldt	6,197	7.0	5,132	Y
	<b>Total - People Safe, Active and Healthy in their Homes and Communities</b>		<b>12,602</b>	<b>21.0</b>	<b>6,393</b>	
D017	Customer and Business Support Redesign	Suzanne Heywood	200	6.0	350	Y
D019	Legal & Democratic - Shared Advocacy Service	Paul Entwistle	20	0.0		N
D020	Legal & Democratic - Registrar Service	Paul Entwistle	25	8.0		Y
D021	Legal & Democratic - Legal Services Redesign	Paul Entwistle	40	2.0		Y
D023	Financial Services Redesign and Insurance Review	Anne Ryans	369	10.0	375	N
D026	Schools ICT - Income Generation	Helen Gerling	30	0.0	75	N

**APPENDIX A**

**2015-16 & 2016-17 - Schedule of Budget Proposals**

**Budget Savings Proposals**

Reference	Brief Detail	Responsible Officer	2015/16 (£'000)	FTE 2015/16	2016/17 (£'000)	Equality Impact Assessment Required
D027	Programme Management Office - Income Generation	Chris Lewis	20	0.0	55	N
D041	People Services - Training Budget	Dianne Frost	100	0.0		N
D042	People Services - Redesign	Dianne Frost	140	3.0		N
D044C	Collection fund (changes in Business Rates regime)	Anne Ryans	4,700	0.0		N
D048	Procurement Redesign and Income Generation	Karen Lowes	45	1.0	125	N
D049C	PFI Costs for Schools	Anne Ryans	301	0.0		N
D050C	Retirement Costs (School Staff)	Anne Ryans	120	0.0		N
D052C	Transformational Budget	Carolyn Wilkins	1,000	0.0		N
D053	Organisational Redesign Ph1	Carolyn Wilkins	250	4.0		N
D054	School Meals - Income Generation	Heather McManus	50	0.0		N
D056	Reduction in Unity Contract	Phil Cresswell	127	0.0		N
D057C	Review of Non Pay Budgets	Anne Ryans	1,012	0.0		N
D058C	Inflation Review	Anne Ryans	600	0.0		N
D059C	Reserves used to Finance Capital Spending	Anne Ryans	1,000	0.0		N
D060C	Airport Dividend - Manchester Airport Group	Anne Ryans	500	0.0		N
D061C	Revision to Redundancy Budget Provision	Anne Ryans	2,000	0.0		N
D062C	Capital Financing Savings	Anne Ryans	2,286	0.0	(2,286)	N
D063C	Use of Demand Pressures Budget	Anne Ryans	552	0.0	(238)	N
D064C	Use of Additional Resources to Support the Budget Process	Anne Ryans	120	0.0		N
	<b>Total - Effective Democratic Accountability Supported by Strong Corporate Governance</b>		<b>15,607</b>	<b>34.0</b>	<b>(1,544)</b>	
	<b>Total Savings Proposals</b>		<b>35,229</b>	<b>115.1</b>	<b>9,398</b>	

	Budget Gap	35,229		29,489	
	Total Proposals	35,229		9,398	
	<b>Balance</b>	<b>0</b>		<b>20,091</b>	



**APPENDIX B**

**2015-16 & 2016-17 - Schedule of Budget Proposals Approved**

**Budget Savings Proposals**

Reference	Brief Detail	Responsible Officer	2015/16 (£'000)	FTE 2015/16	2016/17 (£'000)	Page no.
A006	Economy & Skills Service Review	Elaine McLean	250	0.0		6
A007	Lifelong Learning Service - Income Generation	Michele Carr	30	0.0	120	9
A008	Commissioning - Learning & Attainment	Steve Edwards	415	0.0	277	17
A009C	Income Growth via Additional Council Tax Revenue	Clare Nangle	500	0.0	900	23
A010C	Income Growth via Additional NNDR Revenue from New Non-Residential Development	Bryn Cooke/Darren Jones	328	0.0	700	25
A038C	Review of Capital Programme Spend	Elaine McLean	1,000	0.0		27
A051	Building Control - Income Generation	Michele Carr	75	0.0	25	30
	<b>Total - Improved Economy by Stimulating Growth and Increasing Productivity</b>		<b>2,598</b>	<b>0.0</b>	<b>2,022</b>	
B034	Public Protection	Carol Brown	50	1.0		35
B035	Redesigning services for Children, Young People and their Families (0-19 offer)	Jill Beaumont	1,525	54.1	1,925	38
B039	Review of Public Health Budget	Alan Higgins	2,467	5.0	602	44
B055	Neighbourhood Services	Elaine McLean	200	0.0		49
	<b>Total - Independent Self Reliant and Resilient Communities</b>		<b>4,242</b>	<b>60.1</b>	<b>2,527</b>	
C043	Adult Social Services - Joint Working	Maggie Kufeldt	5,144	0.0		51
	<b>Total - People Safe, Active and Healthy in their Homes and Communities</b>		<b>5,144</b>	<b>0.0</b>	<b>0</b>	
D017	Customer and Business Support Redesign	Suzanne Heywood	200	6.0	350	59
D019	Legal & Democratic - Shared Advocacy Service	Paul Entwistle	20	0.0		64
D020	Legal & Democratic - Registrar Service	Paul Entwistle	25	8.0		66
D021	Legal & Democratic - Legal Services Redesign	Paul Entwistle	40	2.0		69
D023	Financial Services Redesign and Insurance Review	Anne Ryans	369	10.0	375	71

Reference	Brief Detail	Responsible Officer	2015/16 (£'000)	FTE 2015/16	2016/17 (£'000)	Page no.
D026	Schools ICT - Income Generation	Helen Gerling	30	0.0	75	75
D027	Programme Management Office - Income Generation	Chris Lewis	20	0.0	55	79
D041	People Services - Training Budget	Dianne Frost	100	0.0		84
D042	People Services - Redesign	Dianne Frost	140	3.0		86
D044C	Collection fund (changes in Business Rates regime)	Anne Ryans	4,700	0.0		88
D048	Procurement Redesign and Income Generation	Karen Lowes	45	1.0	125	90
D049C	PFI Costs for Schools	Anne Ryans	301	0.0		95
D050C	Retirement Costs (School Staff)	Anne Ryans	120	0.0		97
D052C	Transformational Budget	Carolyn Wilkins	1,000	0.0		99
D053	Organisational Redesign Ph1	Carolyn Wilkins	250	4.0		101
D054	School Meals - Income Generation	Emma Alexander	50	0.0		104
D056	Reduction in Unity Contract	Helen Gerling	127	0.0		107
D057C	Review of Non Pay Budgets	Anne Ryans	1,012	0.0		109
D058C	Inflation Review	Anne Ryans	600	0.0		111
D059C	Reserves used to Finance Capital Spending	Anne Ryans	1,000	0.0		113
D060C	Airport Dividend - Manchester Airport Group	Anne Ryans	500	0.0		115
D061C	Revision to Redundancy Budget Provision	Anne Ryans	2,000	0.0		117
D062C	Capital Financing Savings	Anne Ryans	2,286	0.0	(2,286)	119
D063C	Use of Demand Pressures Budget	Anne Ryans	552	0.0	(238)	121
	<b>Total - Effective Democratic Accountability Supported by Strong Corporate Governance</b>		<b>15,487</b>	<b>34.0</b>	<b>(1,544)</b>	
	<b>Total Savings Proposals For Approval</b>		<b>27,471</b>	<b>94.1</b>	<b>3,005</b>	

# **Appendix C**

## **Detailed Budget Savings Proposals Approved**



## **REFERENCE: A006 (Economy & Skills Service Review)**

**TOTAL SAVING: 2015/16 £250k; 2016/17 £0k**

**FTE IMPACT (2015/16): NIL**

### **Savings through transformation**

**What service area/s does this proposal relate to?**

Economy and Skills Service

**What is the proposal?**

The proposal is to reduce the Economy and Skills budget by £250k.

As a key strategy of the council it is imperative that the savings do not affect the implementation of the Get Oldham Working (GOW) campaign and the pledge of achieving 2015 work related opportunities by 2015.

Therefore this saving aims to ensure the service concentrates on the delivery of the GOW outputs and reduces the amounts allocated for a number of projects which due to wider public sector reforms are now a lower priority or sourced through different mechanisms.

The Get Oldham Working team will focus on:

Building effective partnerships and ensuring partners are working together to support local people into work

Delivering the council's commitment to traineeships, apprenticeships, business support and creation of jobs through engagement with local employers and investors.

The transformation will be challenging and particularly the facilitation of partners to deliver in partnership with the Economy and Skills team. This will be achieved by continuing to re-focus the team on core delivery and meeting the established targets. This will be in place and implemented by Quarter 4 2014 and Quarter 1 2015.

In order to achieve the savings the following will be affected.

- The Get Oldham Working Programme will commit to supporting Looked After Children and the Corporate Parenting scheme but improvements in partnership activity has led to a reduced need for this support. The

proposal is to retain £9k out of the allocated £25k budget.

- Contribution to the GMCA Business Start up Support programme which concludes in March 2014. The council is looking to develop new arrangements which will utilise staff time differently (reduction of £35k).
  - Reduction in events activities e.g. reduced ability to host business events and Festival of work events\*
  - Removal of GM Chamber Membership\*
  - Maintenance of software systems – the team will seek to find alternative sources of funding to maintain GOW IT systems.
- \*will seek to find alternative sources.

## Financial Impact

### Financial Impacts of the proposal cover issues set out below

**Structure:** The structure will remain as is and the staffing cost is **£309k**. It should be noted that this does not prevent a change to roles and job descriptions and should be viewed as budget that retains a similar level of service to that which currently exists.

**Savings:** In order to achieve savings of **£250k** it is proposed that the following sums are deleted:

**£160k** recurring budget for one off initiatives

**£16k** looked after children budget (reduction in line with spend)

**£74k** professional fees

### Income Generation

It is proposed that income could be generated from European Funding; however it is difficult to be precise at this time as the GM EU programme is currently being shaped. A number of projects are being presented to GM which dove-tail with the economy and skills needs of Oldham.

### Capital Implications

There are no property or capital implications as a result of the proposed savings.

## What impacts might the proposal have in terms of:

- **The ability of the service to deliver its expected outcomes?**

The service delivers the GOW outputs, including

Jobs created 1110

Apprenticeships 225

Traineeships 150

Work Experience 540

The targets can be delivered and the levels of service maintained. As stated above the key issue will be delivery of ad hoc programmes and value added.

- **Communities?**

In terms of delivering traineeships, apprenticeships, business support and job creation activities the residents of Oldham will not see any reduction in service. The impact of the savings will be funding of projects and ad hoc programmes and opportunities that arise during the year. The savings will limit the capacity to be flexible and will place more reliance on partners to deliver on behalf of the GOW campaign. Additionally, any further project proposals are likely to be rejected as the budget will no longer be in existence.

- **Workforce?**

The proposed level of savings is highly unlikely to affect the current staffing levels and the core service delivery. GOW is a partnership approach and the next step is to place further responsibility on public and private sector partners to deliver on the GOW aims. This process has commenced and strong partnerships have been built with Manchester Growth Company, Job Centre Plus, Positive Steps, Oldham College and OHIP to name but a few and the team will continue to build these relationships to ensure that delivery of the wider economy and skills agenda is prioritised by partners.

- **Organisational Impact?**

There will be no impact on other services.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	Yes / No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	NA
Date:	NA

### Consultation information

There is no requirement for consultation in respect of this proposal.

**REFERENCE: A007 (Lifelong Learning Service – Income Generation)**

**TOTAL SAVING: 2015/16 £30k; 2016/17 £120k**

**FTE IMPACT (2015/16): NIL**

## Savings through transformation

What service area/s does this proposal relate to?

Lifelong Learning Service

What is the proposal?

The proposal is that the service try to generate additional income, including providing training internally for Council Directorates to retain budgets in house.

This is Option A and it is explained fully below. Details for Option B are also included to enable transparency.

The proposals that have been explored include remaining in house, or to deliver the service outside of the council. Four options have been explored. The first two options are shown in this section. Two further options were considered but are not included because of the requirement for commercial confidentiality. They were discounted because they were high risk:

**Option A:** The service remains in house and generates additional funding from sources other than the Skills Funding Agency.

**Option B:** Create a new independent organisation to deliver the service.

**Option A** would retain the strong contribution that the service makes to the council's vision and priorities, especially in relation to Get Oldham Working and the Co-operative Council. It will enable the council to influence the shaping of services for local citizens.

This option has been explored in great depth and the only opportunity lies in the service seeking to draw in additional non SFA (Skills Funding Agency) related income. The proposal is to set an annual income target of £30k for 15/16 and £120k for 16/17. This reflects the fact that the service operates its budget on an educational rather than financial year.

**Option B** would allow the service potential for greater access to additional sources of funding and open up restrictions in terms of enabling delivery outside of the

Borough.

This option would create further budget pressures (as set out in the financial implication section) for the council and would only be worth pursuing as part of a wider vision about how we want to deliver services in the future.

The service is predominantly funded by the Skills Funding Agency (SFA) and ultimately, any change made to the delivery model will have to be carried out in accordance with their criteria and with their approval. The council does not have the power to implement an independent model without their support.

In **Option A** the service would explore the viability of creating a new role of Business Development Officer who would take a proactive stance to growing the delivery of income generating courses and seeking other sources of funding in addition to SFA funds.

It should be noted that the service would be competing with many other learning providers and competition is high.

### **Option B**

This option would require detailed consultation with staff.

An understanding of the impact on the use of council buildings would be required for this option because the service is an anchor tenant in a number of buildings.

In addition, **Option B** would require:-

- The further development of the current financial forecast into a robust business case with 3-5 year projections making clear the level of tapering council subsidy required.
- Exploration of the type of business model best suited to this type of service and the potential for access to other funding sources e.g. a mutual, a social enterprise, a charity etc.
- Identification of the council's appropriate stake or involvement in the independent organisation that would meet the SFA requirements and afford the council continuing influence on delivery.
- Informal consultation with the SFA has indicated that the due diligence tests would be rigorous and that this model is not generally being pursued by councils because of the cost benefit analysis and risks involved

**Option A** could begin immediately to allow a lead-in period for the business development work to begin. There will obviously be a delay before any new income could be secured.

**Option B** is far more challenging to deliver and implementation would be determined by how much support is needed and available to develop the full business model and to go through the due diligence required by the SFA. It is anticipated that the earliest it would be in place would be the start of the 2016



academic year in August 2016.

The council would not be required to decommission any of the Lifelong Learning service in either option because the service is currently entirely funded by the SFA plus income from fee paying clients.

However, for Option B, there would be a need to decommission various corporate services in order to achieve any savings if the independent organisation option is pursued.

### Financial Impact

#### Option A – Staying in house

The Service has been given an income target of £30k in 2015/16 and £120k in 2016/17.

Saving target of £150k

	<b>Increase in Income</b>
Potential net additional income from Business development activities	-£150,000
<b>Subtotal</b>	<b>-£150,000</b>

#### Option B – Independent option

In this option, the council would lose the funding which the service contributes via the CSS charges and other direct contributions

In addition, there would be an initial funding gap for the first four years. The projections indicate a surplus on activities from 2019-20 onwards.

The council needs to consider if it will fund the 4 year funding gap - this would be approximately **£436,860**

## What impacts might the proposal have in terms of:

- The ability of the service to deliver its expected outcomes?

The service currently:

- Is graded as outstanding by OFSTED
- Has circa 14,500 enrolments and engages circa 8,000 learners per year
- Contributes significantly to the council's Get Oldham Working ambitions, the Public Service Reform agenda and our Health and Wellbeing ambitions by delivering provision which focuses on people who are:
  - Unemployed
  - Seeking work
  - Jobcentre Plus clients
  - Hard to reach and most disadvantaged
  - Parents and families
  - Minority ethnic groups
  - Experiencing learning difficulties and/or disabilities
  - Full level 2 learners
- Delivers vocational learning, English, Maths and English for Speakers of Other Languages (ESOL), Family English, Maths and Language (FEML), ICT, community learning and community engagement, health and wellbeing
- Works closely with key partners to deliver the Council's vision and priorities these include:
  - Oldham College
  - Jobcentre Plus
  - Work Programme providers
  - Positive Steps – National Careers Service
  - Work Clubs
  - Union learning representatives
  - Workforce development service
  - Schools
  - Children's centres
  - Voluntary and Community sector
  - Local businesses

### Post Implementation impacts:

In **Option A** there should be little impact on the service's ability to deliver outcomes and meet targets. The high quality of the service will be maintained and outcomes and targets will remain in line with SFA and council requirements.

The development of a non SFA element of delivery may help to diversify the offer from the service.

In **Option B**, as the service is funded by the SFA, the new organisational model will need to meet their requirements in order to continue to be awarded a contract and funding agreement. All providers must regularly complete a Pre-Qualification Questionnaire (PQQ) to demonstrate that they meet stringent quality requirements. If they pass the PQQ they are placed on the Register of Providers. The service is

currently on the Register having achieved the highest possible score. The quality and quantity of learning delivered via the new arrangement will determine the levels of SFA funding received.

A delivery agent for the SFA is expected to have plans in place e.g. Community Learning Plan, Self- Assessment Report and Quality Improvement Plan which are robust enough to meet their requirements before any funds would be assigned. The current service has these plans in place and these would have to be reviewed to reflect the nature of the new delivery model.

The independent service must have the ability to deliver the required outcomes and meet targets in order to meet the SFA's requirements. As, in this model, the majority of staff would be retained, the expertise would be in place to deliver these outcomes and targets.

New targets would be set for income generation and entrepreneurial activity.

The independent model would enable access to other additional funds which may enable enhancement of the learning opportunities for Oldham residents.

It is anticipated that **Option B**, which would be implemented largely by existing management and staff, would retain many of the features of the current service. It is also likely to provide the opportunity for the council to retain a stake in how the service is delivered.

- **Communities?**

Learners are already largely taking responsibility for their own learning. The only exceptions are Job Centre Plus clients who may be participating simply because they are mandated to attend.

**Option A:**

There will be no change in the community in terms of responsibility

**Option B:**

There will be no difference expected assuming that the new organisation is established with the same culture and ethos as the existing service.

**Option A:**

Minimal impact on performance targets is envisaged resulting in little behavioural change or enforcement.

**Option B:**

The Service is currently heavily involved in the PSR discussions with basic skills an essential element of Get Oldham Working ambitions and of our work with Troubled Families. It is essential that this close engagement continues via the new model.

Communities have not been involved in the design or delivery of this proposal.

The current service is outstanding and receives the maximum SFA funds. There is a risk that any change might undermine this if not carefully planned and appraised.

However if the new organisation is largely staffed by existing staff the risk is minimal.

**Option A**

The current footprint of delivery is not expected to change

**OPTION B**

It would be essential to require the new organisation to continue delivery in the medium term from Oldham Lifelong Learning Centre, Coldhurst Community Centre and Turf Lane Community Centre. Coldhurst and Turf Lane have received SFA capital grants. Community based delivery is also an essential feature of much of the SFA programmes and is vital in maximising take up so is expected to be a continuing priority for the new organisation.

- **Workforce?**

When considering the proposal Option B will rely upon a change to the Service Delivery Model.

For both options there may be opportunities to include the work of the Development Academy.

For **Option A** new skills would be required in terms of business development and additional marketing capacity would be required.

For **Option B** the overall nature of delivery is expected to stay largely the same. However, a greater focus will be required on marketing and selling the service and developing new provision. This will require additional specialist expertise. This would be fully explored in the development of a full business case.

In order to carry out this transition staff and partners will need to be consulted. Once the preferred option has been determined a full action plan will be developed to manage the transition for staff and residents in particular.

In **Option A** there will be no reduction in FTE.

In **Option B** there will be a potential reduction of 9.6FTE and Headcount of 11 from ceasing to be the anchor tenant in Council buildings. Plus it is anticipated that that there would need to be significant staffing reductions from the corporate centre in order to reduce the budget pressure that would remain.

There may be a number of additional posts created due to the need to develop a business approach.

Option B would be expected to contribute to overall corporate reductions which, together with other budget options are expected to reduce headcounts in some corporate services. This might be minimised should the independent organisation use some/all of the council's support services such as accountancy and HR. However, those additional cost constraints may make this option less viable

- **Organisational Impact?**

It will be essential that the new models fully engage with the PSR and Get Oldham Working agenda or it may undermine our ambitions to get more people into work

The service does not trade with other council services and therefore this proposal will not impact upon any other services.

Equally there is no investment requirements for other services.

The only assumptions of specific services continuing to enable this proposal to be successful are that the SFA will approve the change in Option B and will continue to fund the new model to the current level.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	Yes / No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	NA
Date:	NA

### Consultation information

No formal consultation has taken place so far.

We have spoken to Manchester City Council who have been through a similar process and therefore have an indication of the deliverability of options and the SFA's views on those options.

We have also carried out informal consultation with the SFA

Requirement for further consultation

**Option A** None required

## **Option B**

SFA will be the key consultee

Staff will need to be consulted

Partners will need to be consulted

Residents including learners and users will need to be consulted

### Consultation Plans

**Option A** None required although the management team will be consulted about the best means to deliver the target and the role of the Business Development Officer

## **Option B**

Consultation and involvement of the SFA throughout the process but particularly:-

- In developing the business case for the independent option
- At key stages to be identified during the implementation of the transition plan

Consultation with staff at the following key points:-

- Following approval of this proposal
- Testing out staff's appetite for a mutual model
- At key points agreed with HR to discuss options for staff and to discuss the transition plan

Consultation with partners at the following key points:-

- Following approval of this proposal
- At key points during the implementation of the transition plan

Consultation with residents including learners and users:-

- Recent consultation feedback will be used to develop the option further
- Further consultation will be carried out where there are gaps in information to develop the detailed business plan

**REFERENCE: A008 (Commissioning - Learning & Attainment)**



**Oldham**  
Council

**TOTAL SAVING: 2015/16 £415k; 2016/17 £277k**

**FTE IMPACT (2015/16): NIL**

**Savings through transformation**

**What service area/s does this proposal relate to?**

Commissioning: Learning and Attainment

**What is the proposal?**

This proposal combines a number of approaches to achieve the savings target of £692k (previously £530k – now accommodating an additional £162k arising from a reduction in the Education Services Grant) over 2015/16 and 2016/17. These include:

- Scaling back some areas of service delivery, specifically in school improvement and partnership development;
- Income generation, specifically in relation to school admissions and school admissions appeals;
- Trading services with schools: specifically in relation to pupil behaviour preventative services;
- Restructuring services;
- Sharing some services with neighbouring local authorities (specifically with Bury and Rochdale);
- Commissioning some services from external providers;
- Co-commissioning services with schools.

This proposal has no property implications

## Financial Impact

Service	Total budget (£)	Saving 15/16 (£)	Saving 16/17 (£)	Type of saving
Transforming learning	313,260	99,000	-----	Scaling back of service: deletion of partnerships post to support OLCP and communications budget; reduction in commissioning budgets.
Access, admissions, SEN	406,230	30,000	60,000	Income generation from school admissions service and school admissions appeals service
		-----	97,000	Service redesign/restructuring
			20,000	Shared service with other local authorities
SEN transport	2,100,000	64,000		Contract efficiencies
Vulnerable children	285,550	30,000	10,000	Central use of Pupil Premium Plus grant to quality assure Personal Education Plans
		30,000		Income generation from penalty fines for non-attendance at school
	279,210	-----	20,000	Shared service with other local authorities
School attendance Improvement Service	270,590		20,000	Shared service with other local authorities
Across all service areas	-----	-----	50,000	Co-commissioning agreement with schools pooling all available funding (including Pupil Premium) to commission services
Across a range of service areas, including some central services	-----	162,000		This saving is necessary because of a reduction in the Education Services Grant (ESG). The ESG is a non-ring fenced central government grant which funds the following services to schools: <ul style="list-style-type: none"> <li>• School improvement</li> <li>• Statutory and regulatory duties</li> <li>• Education welfare services</li> <li>• Central support services</li> <li>• Asset management</li> <li>• Premature retirement costs/redundancy costs</li> <li>• Therapies and other</li> </ul>



				<p>health-related services</p> <ul style="list-style-type: none"> <li>Monitoring national curriculum assessment</li> </ul> <p>The grant is not DSG and therefore forms part of the Council's core budget.</p> <p>It is proposed that the saving is allocated to those service budgets which are supported by the ESG.</p>	
TOTAL SAVINGS:		415,000	277,000	Total savings £692k	Savings target (revised): £692k

**What impacts might the proposal have in terms of:**

- The ability of the service to deliver its expected outcomes?**

The service provides the following:-

- Discharges the council's statutory duties in: the promotion of high standards of educational attainment for all children and young people in the borough (including the use of formal powers where schools are failing); ensuring the offer of a broad and balanced curriculum; quality assurance of assessment (including the phonics check); Standing Advisory Council on Religious Education (SACRE); Special Educational Needs and Disabilities (SEND) (including the school-facing element of the new SEN Code of Practice); Governance; School Exclusions; Attendance; Pupil Referral Unit; Children Missing Education; Elective Home Education; the education of Looked After Children; SEND transport to and from school; Admissions; Post 16 Learning Difficulties or Disabilities (LLDD); Raising of the Participation Age; School place planning.
- Closing the gap for vulnerable and under-achieving groups.
- Support for the development and embedding of the Oldham Learning Co-operative Partnership

The council's arrangements for supporting school improvement are now subject to inspection by OFSTED under the framework which came into force in May 2013.

The service has sustained significant reductions in recent years and is delivering minimum statutory and regulatory requirements.

The quality of services delivering SEND support is high, but will be challenged by the requirement to deliver the new SEND reforms and SEND Code of Practice set out in the Children and Families Act. Services for Admissions are of a high standard, and as set out above, have the potential to generate income if adequately resourced.

Services for vulnerable pupils, inclusion and attendance are also of a high standard, but are increasingly stretched due to increased statutory obligations regarding the education of the most vulnerable children such as Looked After Children and the requirement to have a Virtual School Headteacher. The Council's school improvement arrangements, although increasing in their effectiveness, are likely to be judged ineffective by OFSTED if inspected in 2014. The savings proposed will limit the service's capacity to respond to the recommendations of an inspection – however the inspection outcomes would be a service priority going forward. The capacity of the service to support the development of the Oldham Learning Co-operative Partnership and to respond to the findings of the Oldham Education and Skills Commission is limited, but will be prioritised.

The service restructuring proposed for 2016/17 may necessitate the setting of new targets and outcomes.

- **Communities?**

One of the themes of the Education and Skills Commission is to look at ways in which parents can be encouraged and persuaded to take more responsibility for their children's learning in order to improve outcomes. The capacity of the service to contribute to this change will be limited, but, as with other elements of the Commission's findings, will shape the service in future years.

Investment in behaviour change for parents has the potential to reduce costs in the medium to long term.

Communities have not been involved in the design or delivery of this proposal

The proposal will impact on the quality of provision in schools and service capacity to meet the needs of vulnerable pupils.

There will no change in the footprint on which the service is delivered as a result of this proposal.

- **Workforce?**

When considering a change in service delivery, shared services form part of the proposals for 2016/17.

Synergies and merging with other services will be explored as part of the proposal for restructuring for 2016/17.

When considering any changes to job type, skills and capacity levels of this proposal, there is likely to be a change in emphasis from direct service delivery to brokerage of support.

Project plans will be put in place to deliver the required change management to enable the transition.

There will be a reduction of between 1 to 6 FTE posts depending on the outcome of restructuring and shared services development.

- **Organisational Impact?**

As the services support improved educational outcomes for children and young people, a reduction in the quality of provision in schools would ultimately result in poorer outcomes of young people in terms of employability and health and wellbeing.

No significant impact is envisaged with regards to any internal trading with Oldham Council services, although the proposed reduction in commissioning budgets may have an adverse effect on the delivery of school expansion schemes to meet increased demand for pupil places.

The proposal does not require any investment from other service areas

The continuation of the following services at adequate capacity and with appropriate expertise in school-facing work is assumed:

- Children's social care
- Public health
- Services for disabled children
- Legal services
- Human resources
- Finance
- Corporate landlord
- Regeneration

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	Yes / No
Disabled people	Yes
Particular ethnic groups	Yes
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	Yes
People in particular age groups	Yes
Groups with particular faiths/beliefs	No

EIA required:	Yes – for certain elements of the proposed savings.
EIA to be completed by:	Steve Edwards
Date:	November 2014

### **Consultation information**

Consultation to date has been limited to Senior Managers within the service  
 Further consultation is required for 2016/17 proposals for staff affected.  
 Consultation Plans are in line with statutory requirements.

## Budget Information

<b>Reference:</b>	<b>A009C</b>
<b>Theme:</b>	<b>Improved Economy by Stimulating Growth and Increasing Productivity</b>
<b>Lead Member:</b>	<b>Cllr J McMahon</b>
<b>Proposal:</b>	<b>Income growth via additional Council Tax Revenue</b>

	<b>2015/16 £k</b>	<b>2016/17 £k</b>
<b>Proposed Financial saving:</b>	<b>500</b>	<b>900</b>
<b>Proposed reduction in FTE's</b>	<b>0</b>	<b>0</b>

### Background

The strategic Regeneration and Development Team and the Assets Team are scheduled to dispose of a number of residential development sites over the next five years. This will result in the creation of higher value and higher quality homes within the borough and in turn increase the Council Tax Base and Council Tax income that can be generated.

In addition job creation will flow from the construction of new housing and support the Get Oldham Working (GOW) initiatives.

### Proposed savings

The saving will be realised by additional income from Council Tax revenues as a result of the increased number of taxable properties including higher quality and higher value housing stock.

### Key Milestones

- Phasing of regeneration works – on-going
- Council Tax Base Report – Jan 2015

### Key Consultations

- Corporate Property Board with regard to release of land for disposal
- Cabinet to approve Asset Disposal Report (if applicable)

### **Impact on Voluntary, Community or Faith Groups or Organisations**

Please list the groups or organisations affected and detail the impact on each:	
<b>Group</b>	<b>Impact</b>
N/A	N/A

### **Key Risks and Mitigations**

- The phasing of construction and occupation is key to income generation and delays to developments will impact upon the years in which Council Tax becomes collectable. This has been mitigated by prudent estimates of dwellings when phasing development schemes.
- Local Government mortgage scheme becoming withdrawn. This can be mitigated by developers looking to the rental markets.

### **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	<b>State Yes / No against each line</b>
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	N/A
By:	N/A

Responsible Officer:	Clare Nangle
By:	2 <sup>nd</sup> October 2014

## Budget Information

<b>Reference:</b>	<b>A010C</b>
<b>Theme:</b>	<b>Improved Economy by Stimulating Growth and Increasing Productivity</b>
<b>Lead Member:</b>	<b><u>Cllr J McMahon</u></b>

<b>Proposal:</b>	<b>Income growth via additional NNDR revenue from New Non-residential development.</b>
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	<b>2015/16 £k</b>	<b>2016/17 £k</b>
<b>Proposed Financial saving:</b>	<b>328</b>	<b>700</b>
<b>Proposed reduction in FTE's</b>	<b>0</b>	<b>0</b>

### Background

The strategic Regeneration and Development Team and the Assets Team are scheduled to dispose of and/or facilitate a number of non-residential development sites over the next five years. This will result in the creation of a mix of non-residential developments within the borough which in turn will increase the business rates within the local economy. The new business rates regime encourages development in business rates growth and allows 49% of growth in business rates to be retained locally.

In addition job creation will flow from new non-residential development within the borough and in turn supports the Get Oldham Working (GOW) initiatives.

### Proposed savings

The saving will be realised by additional income from Business Rates as a result of growth in the local business economy.

### Key Milestones

- Phasing of regeneration works – on-going
- NNDR1 Government Form – Jan 2015
- Setting of NNDR Tax Base – Report to Cabinet January 2015

### Key Consultations

- Corporate Property Board with regard to release of land for disposal
- Cabinet to approve Asset Disposal Report (if applicable)

## Impact on Voluntary, Community or Faith Groups or Organisations

Please list the groups or organisations affected and detail the impact on each:	
<b>Group</b>	<b>Impact</b>
N/A	N/A

## Key Risks and Mitigations

- The phasing of construction and occupation of new businesses is key to income generation and delays to developments will impact upon the years in which business rates becomes collectable. This has been mitigated by prudent estimates of non-residential properties when phasing development schemes.

## Equality Impact Screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	<b>State Yes / No against each line</b>
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	N/A
By:	N/A

Responsible Officer:	Bryn Cooke/Darren Jones
By:	2 <sup>nd</sup> October 2014



## Budget Information

<b>Reference:</b>	<b>A038C</b>
<b>Theme:</b>	<b>Improved Economy by Stimulating Growth and Increasing Productivity</b>
<b>Lead Member:</b>	<b>Cllr J McMahon</b>

<b>Proposal:</b>	<b>Review of Capital Programme spend.</b>
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	<b>2015/16 £k</b>	<b>2016/17 £k</b>
<b>Proposed Financial saving:</b>	<b>1,000</b>	<b>0</b>
<b>Proposed reduction in FTE's</b>	<b>0</b>	<b>0</b>

### Background

The council prepares a capital programme each financial year which sets out its planned investment in projects including transport schemes, school extensions and new buildings, ICT initiatives and major regeneration schemes including the redevelopment of the Old Town Hall and the Leisure estate. As the investment in such projects is usually for millions of pounds, the council funds this from a number of sources including grants (usually from Central Government), from the sales of its assets and by borrowing. Borrowing (referred to as prudential borrowing) must, however, be financed and this therefore means that resources must be identified within the revenue budget to pay for the cost of borrowing.

In order to ensure that the investment continues to be targeted at priority projects, there has been a detailed review of all schemes within the capital programme. The aim was to reduce capital expenditure by £10m and hence reduce the prudential borrowing requirement for the Council to deliver a £1m revenue saving in 2015/16.

This review was undertaken from May to September 2014 and examined all schemes (except 7 major schemes which were excluded as they were subject to separate detailed review processes).

The review was undertaken by an examination of financial/performance information as follows:

- Areas of slippage in the 2013/14 capital programme to assess if projects still remain a priority and whether any unspent resources were still required.
- All new expenditure anticipated in 2014/15 and future years, to assess if it was necessary/still a priority. However, as the capital plans for 2014/15 had been subject to scrutiny in the setting of the capital programme, there was limited scope for decommissioning;

- Opportunities for value engineering projects to reduce planned spending or reducing contingency sums included in cost projections;
- Opportunities for financing planned capital spending by different means e.g. substituting capital grants for prudential borrowing, identifying additional capital receipts, external contributions, use of revenue resources.

The findings of the review process are subject to approval by the will be reported to the Capital Investment Programme Board (CIPB) and it will make final recommendations to Cabinet as to how the saving will be achieved.

There will be property implications. These can only be determined once the review has been completed. Corporate property officers will be contacted accordingly

### **Proposed savings**

This is a corporate savings proposal which could impact upon many areas of the council.

The aim is to reduce revenue expenditure related to the cost of financing prudential borrowing by £1m in 2015/16. The budget for the financing costs is within treasury management cost centres.

### **Key Milestones**

- Review of the programme – May to Sept 2014
- Report to CIPB
- Report to Cabinet

### **Key Consultations**

- Capital Investment Programme Board
- Members
- EMT
- Project Managers
- Officers of Unity Partnership

### **Impact on Voluntary, Community or Faith Groups or Organisations**

Please list the groups or organisations affected and detail the impact on each:	
<b>Group</b>	<b>Impact</b>
N/A	N/A

## **Key Risks and Mitigation**

- Reduction in the capital programme expenditure is not identified. A robust exercise has been undertaken and there has been full Member engagement in the process. There is regular reporting to the CIPB to ensure that progress is understood and key decisions can be taken. A recommended approach has been prepared for approval.
- The review identifies the requirement for additional expenditure on certain projects. Project managers have been required to identify cost reductions from within the scheme. Any additional expenditure requirements will be reported to the CIPB where consideration will be given to financing alternatives and reprioritisation of other schemes.
- The review of the capital programme has been undertaken under the guidance of the CIPB and therefore savings proposed is in accordance with approved protocols.

## **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	<b>State Yes / No against each line</b>
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	N/A
By:	N/A

Responsible Officer:	Elaine McLean
By:	2 <sup>nd</sup> October 2014



**REFERENCE: A051 (Building Control – Income Generation)**

**TOTAL SAVING: 2015/16 £75k; 2016/17 £25k**

**FTE IMPACT (2015/16): NIL**

## **Savings through transformation**

**What service area/s does this proposal relate to?**

Building Control

**What is the proposal?**

The proposal is to create a council owned Approved Inspector service.

To date, Building Control services have only been able to operate within their own borough boundaries. Recent regulatory changes mean that officers within local authorities can apply to become Approved Inspectors which enables the service to trade outside of their own area.

There is no evidence that this opportunity is being taken up widely, and the council has an opportunity to be ahead of the curve and build upon its existing high reputation amongst a number of developers and builders to create additional income.

Developers can already choose whoever they wish to check their plans against Building Regulations and our service already has a number of developers who choose to use Oldham Building Control wherever they are planning to develop. However, if the Council was to develop an Approved Inspector business this would allow us to work outside the Borough and secure additional income. The Approved Inspector business can commission other qualified surveyors to do these inspections. The ability to provide the entire service is expected to attract more potential clients, especially as Oldham Council is a “trusted brand”. Nevertheless, the new business would require its own identity and branding.

One of the innovative elements of this proposal requires the exploration of whether and how we introduce a hybrid scheme i.e. creating that new identity and retaining the local authority strengths.

The council and the Building Control Officers will need to apply for Approved Inspector status.

Work is required to develop an appropriate business model that retains a balance between an arms- length business and retaining the trusted Council brand.

Advice will be required regarding how this might affect staff terms and conditions.

The service will be marketed, firstly amongst existing clients and then with potential new clients.

This new service could be in place by 1April 2015

None of the service is being decommissioned

There are no property implications relating to this proposal

### Financial Impact

The service has made significant progress in returning a balanced budget. In overall terms the service cost the council £76k in 2013/14. With fee income more than balancing the services controllable budget.

Moving forward if accepted the service predicts that the creation of an approved inspector trading arm could deliver the following additional income after all deductions have taken place

Year One 2015/16 – £50k to £75k per annum additional income

Year Two 2016/17 – £75k to £100k per annum additional income

Year Three 2017/18 - £100k to £150k per annum additional income

It is considered that we will be able to build the business organically, whilst the initial sums seem small these have been assessed prudently and are based on our existing partnership working that is likely to expand once we can offer a wider range of services that are not constrained geographically.

Any additional capacity would be brought in via agreed agency arrangements. Only if sufficient business is developed would permanent staff be recruited if this proved to be more cost effective.

These figures take into account the cost of delivering the additional services required to operate across England and Wales utilising existing and new contacts to carry out elements where it is not cost effective to utilise existing staff or resources.

Please note the initial set up cost will be met from the Planning and Infrastructure reserve

### What impacts might the proposal have in terms of:

- **The ability of the service to deliver its expected outcomes?**
- **Communities?**

By retaining the service in house, we continue to be in a position to tackle our on-going issues relating to poor building practices.

The service is also developing a series of fact sheets which will help to advise residents and property owners of their responsibilities.

The diversification of the service will also open up other ideas and possibilities e.g. offering “property MOTs” to our residents as part of a co-operative offer where we could seek to encourage home owners to take more responsibility for the repair and maintenance of their homes. Again, this relies upon the fact that the Council is seen as independent and a trusted brand.

Ultimately, the continued advice given is expected to improve building practices but this is a long term approach.

Communities have not been involved in the design or delivery of this proposal.

Residents and builders are used to coming to the local authority for this service. This proposal does not impact on the current provision.

The service will still be delivered borough-wide. However, the opportunity to earn additional income will arise from providing a service outside of the Borough.

- **Workforce?**

When considering changes to the service delivery model, the proposal seeks to identify a hybrid of in house and mutual model.

When considering synergies between and merging with other council services, it is anticipated that there may be other opportunities but the main opportunities (some of which are already taking place) lie in supporting other building projects e.g. inspection of PFI build, clerk of works for leisure projects, which serve to keep more work in house and keep costs down.

When considering changes in job type, skills requirement and capacity levels, the diversification of work provides a greater opportunity for our own less experienced Officers to gain the experience they need.

As part of the Approved Inspector work, there will be a need to have a bank of additional qualified surveyors on our books, including some in other parts of the UK where our clients are building.

In order to transition from existing to the future proposal we will be:

- Applying for Approved Inspector status
- Identifying the best model for delivery
- The key focus is steadily building up on our trusted brand and building up from our existing relationships. Reputation is the most important mechanism for building up a client base and a marketing strategy will be a key requirement.

This proposal will not lead to any reduction in head count. Indeed, it is expected to generate additional work that will require additional posts and/or additional opportunities for other qualified Building Surveyors.

- **Organisational Impact?**

This proposal will result in some additional demand on administrative and accountancy services but this is anticipated to be capable of absorption by existing team members with the current income projections.

The service currently provides a service upon request for specific Council run building projects e.g. PFIs

This proposal does not require investment from other services, although advice from Marketing and Communications may be required.

There is an assumption that the service will continue to need business support and accountancy support.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	Yes / No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	NA
Date:	NA

### Consultation information

No consultation has been carried out so far, although staff are aware of the proposal

Discussions have taken place with developers which have indicated their support for a complete service from Oldham Council Building Control

Further consultation with staff will be required once delivery options are identified

Once delivery options have been identified, it will be essential to discuss the implications for staff.





**REFERENCE: B034 (Public Protection)**

**TOTAL SAVING: 2015/16 £50k; 2016/17 £0k**

**FTE IMPACT (2015/16): 1**

## **Savings through transformation**

**What service area/s does this proposal relate to?**

Public Protection – Environmental Health, Trading Standards and Licensing

**What is the proposal?**

This budget option is designed around supporting a more comprehensive approach to regulatory working through joint working with the fire service and other regulatory units across AGMA and the North West. The proposal supports a budget reduction of £50k.

No Property implications.

**Financial Impact**

It is proposed to reduce the budget reliance of Public Protection by £50k and this will be underpinned through realigning duties and responsibilities.

**What impacts might the proposal have in terms of:**

- **The ability of the service to deliver its expected outcomes?**

This option will include a review of the delivery by the council and its partners of regulatory services.

The Public Protection Service enforces legislation in both a commercial, business and neighbourhood environment to ensure appropriate controls are in place to support the health, well-being and prosperity of residents, local businesses, commercial undertakings and open spaces.

The work includes Environmental Health, Trading Standards and Licensing for a range of stakeholders in order to protect public health and improve the environment and quality of life.

The service has a number of overarching objectives that drive the service and focus delivery on behalf of the Council. These are as follows:-

- Improve the quality of life for communities through enforcing environmental legislation to reduce flytipping, littering, and dog fouling;
- Improve standards of workplace health, safety and welfare in accordance with national legislation;
- Ensure food produced, prepared or sold in the borough is safe to eat and of the quality desired;
- Enforce legislation to tackle public health issues such as drainage, infectious disease outbreaks, contaminated land issues, dampness in properties, noise nuisance and air quality;
- Regulate standards of animal health and welfare.
- Improve conditions in privately rented properties such as, licensing Houses in Multiple Occupation, dealing with serious hazards in privately rented properties and bringing long term empty properties back into use.
- Prevent people being the victim of commercial crime in their own home
- Disrupt traders operating in the informal economy.
- Prevent harm to children and nuisance caused by young people from access to restricted goods. (Alcohol, tobacco, fireworks etc)
- Ensure fair competition through goods and services being accurately measured, correctly described and priced
- Prevent unsafe goods from entering the market place
- Licensing to provide control to licensed premises, taxi and private hire operations and other licensed activity.

Given the drive to reduce costs, work is on-going to examine a service redesign supported by closer working across regulatory services with neighbouring authorities. However this work is unlikely to realise significant savings given the reductions in budget made to these services over the past 2 years.

- **Communities**

- Communities should see a minimal impact in terms of the outcomes to be delivered by the service as the redesign will be based on commissioning principles to deliver to Corporate priorities

- **Workforce?**

- The service redesign will be undertaken in 2015/16 with a view to accommodating any reduction in workforce through natural wastage over the next 12 months

- **Organisational Impact?**

- Minimal impact internally

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	Yes / No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	N/A
Date:	NA

### Consultation information

- None – to this point as proposal to be developed over the next 12 months

# REFERENCE: B035 (Redesigning Services for Children, Young People and their Families (0-19 Offer))



**TOTAL SAVING: 2015/16 £1,525k; 2016/17 £1,925k**

**FTE IMPACT (2015/16): 54.1**

## Savings through transformation

### What service area/s does this proposal relate to?

The aim of this budget option is to reduce the overall council spend across a range of universal and targeted services to children and young people by designing and commissioning a revised offer for children, young people and their families. This is known as the 0 – 19 offer.

There are 3 Equality Impact Assessments associated with this option to match the proposals outlined below.

1. Universal Youth Offer
2. Targeted Youth and Family Support Services
3. Early Years 0 -4 Offer

### What is the proposal?

Outcomes – the intended outcomes of a redesigned 0 – 19 offer would be -

- For children, families and communities to be independent, resilient and self-caring.
- To reduce the numbers of people entering higher cost specialist services
- An integrated approach across agencies.

The outcomes above are key drivers in the work around Public Service Reform.

#### Proposals Identified to Date

1. Redesign of the current universal youth offer maximising the role of commissioned and non – commissioned Voluntary Community Sector Organisations (VCS) in local delivery and consequently reducing the level of council investment. It is also proposed to establish alternative delivery models for those elements of the service that are primarily traded to schools and other organisations. Proposed saving approx. £600k.

NB The savings associated within this proposal have already been identified as part of 2014/15 savings requirements and therefore are not reflected in the figures for 15/16 and 16/17

2. Redesign and recommission Oldham's 'targeted youth provision and family support activities and achieve efficiencies by better ways of working. Proposed saving £450k

3. Reduce the spend in Early Years to more closely match income - received following a redesign process and recommissioning of an integrated early years delivery model. We will seek to reduce the infrastructure costs associated with administering the Government's child care funding arrangements. We will also reduce the investment in quality assurance and monitoring in line with a reclarification of Ofsted's role and the importance of sector led support. Proposed saving £3 million.

There are no currently identified property implications in this proposal.

**Because of the interrelated nature of many of the services making up the 0 – 19 offer it is proposed that a certain degree of flexibility across the different workstreams is agreed meaning that the total figure for each workstream may alter within the overall savings target.**

### Financial Impact

The current spend profile is given below.

Budget Area	Gross	Income	Net
Preventative Services	12,040,300	(7,915,370)	4,124,930
Integrated Youth	3,884,340	(3,389,880)	494,460
Targeted Youth/Family Support	3,661,950	(740,380)	2,921,570
Child and Maternal Health	1,657,730	(1,657,730)	0
<b>Totals</b>	<b>21,244,320</b>	<b>(13,703,360)</b>	<b>7,540,960</b>

The savings proposals outlined in this template amount to £3.45 million in addition to the figure of £0.6 million added as a deferral` from 2014/15 savings requirements (Integrated Youth).

What impacts might the proposal have in terms of:

- The ability of the service to deliver its expected outcomes?

### **Proposal 1. Universal Youth Offer**

- The council has a statutory duty to secure, as far as is practicable, sufficient services and activities to improve the wellbeing of young people (section 507B of the Education Act 2006). The duty also requires local authorities to take into account young people's views and publicise information about what is available.
- The reduction in the council funded universal/non statutory offer will be partially mitigated by the overall youth offer at a District level delivered by wider partners and where community alternatives already exist. A key area for consideration is the council's ongoing role in funding engagement and participation.
- Where services are primarily traded, their sustainability will depend on customer demand and future commercial success.

### **Proposal 2. Targeted Youth and Family Support Services**

- The council will continue to deliver and commission targeted youth and family support services but will achieve a greater balance between youth specific and family focused intervention building on service redesign work already underway.
- Oldham currently funds targeted careers information advice and guidance (IAG) at a higher level than most GM authorities who have reduced investment in recent years. Oldham's focus on youth unemployment as part of Get Oldham Working and the emerging Youth Guarantee mean that the offer to young people is not entirely dependent on targeted Information, Advice and Guidance (IAG) provision. We intend to reduce the level of funding to this activity.
- In line with Public Service reform we are looking at some elements of the support needs of young people and their families alongside those services provided or commissioned in other areas of the council e.g. Community Safety, Public Health. We intend to design a service offer which both promotes independence and ensures families fully engage with the interventions offered in order to achieve sustainable change.

### **Proposal 3. Early Years 0 – 4 Offer.**

- To make greater use of the Private, Voluntary and Independent (PVI) sector and partners (health, schools) to enable rationalisation of the children's centre estate, by looking at options to provide Oldham's 0-4 offer with others at district level that will join up the whole sector at a District level promoting better co-ordination and consistency of approach and standards including delivery of the core offer.
- By adopting the Dept for Education (DfE) approach built around setting to setting support we are able to achieve a reduction of high cost, specialist early childhood services teams /personnel by commissioning the early learning function from those schools and registered settings and agencies at both a district and national level who have demonstrated they can provide good Early Years Foundation Stage Profile results and early years outcomes.
- The roll out of an integrated early year's delivery model will be partly facilitated by the council assuming responsibility for the commissioning of Health Visiting services from October 2015.

- **Communities?**

Particularly in respect of the universal offer but across the whole range of 0 – 19 services there is the opportunity for communities to become more involved and where there is existing involvement, collaborate up with other groups and organisations to create a joined up offer.

Community groups and voluntary sector organisations (VCS) will be crucial as the council withdraws from being a provider of universal 'open access' youth services.

In respect of targeted services, across the age ranges the VCS is currently significantly involved with the majority of spend being on non - council delivered support and interventions.

As part of the reconsideration of what the service offer should look like, the council's continuing role as provider of some of these targeted services when a local primarily VCS market exists will be explored.

- **Workforce?**

There are undoubtedly going to be reductions in posts within the varied teams which make up the 0 -19 offer in particular the Integrated Youth Service and Preventative Services. Some teams will find themselves transferring to a new organisational construct such as mutual and others may be transferred under TUPE regulations to alternative provider organisations.

The approximate numbers of council staff potentially affected by these proposals is approximately (36 FTE in the Integrated Youth Service and 18 FTE in Preventative Services/Family Support) This includes staff who may be transferred to another organisation.

- **Organisational Impact?**

There is a widely recognised interrelationship between universal, targeted and specialist services whether or not they are directly delivered by the council or commissioned. The majority of the savings identified in this template relate to the universal/open access offer to children and young people. In line with the PSR Approach we need to develop the targeted offer in order to have the best chance of beginning to reduce the spend on high cost specialist services particularly social care over the longer term. Even within universal services we wish to embed early help and preventative approaches but it is felt that it is the universal offer which can best be augmented by community assets and non – council funded activity.

Some of the specific proposals around the Integrated Youth Service build on the excellent reputation of the services and success of the traded services approach to date.

The transfer of responsibilities to the council around Health Visiting to sit alongside existing responsibilities in respect of School Nursing will necessitate a review of the infrastructure and governance around child health and it's relationship to wider agendas. There is significant Public Health investment to family and youth services and this will still be needed to ensure a sustainable offer.

The council's future relationship with schools particularly as co – commissioners will be of major importance in order to maximise the total available resource for Oldham's children and young people.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	Yes (mothers of young children)
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	Yes
People in particular age groups	Yes
Groups with particular faiths/beliefs	No

EIA required:	Yes – one for each proposal
EIA to be completed by:	Jill Beaumont
Date:	30th September 2014



## Consultation information

Since July there has been full engagement of all staff within the services and with wider stakeholders. Formal consultation commenced on 3<sup>rd</sup> October 2014 and is currently ongoing.



## **REFERENCE: B039 (Review of Public Health Budget)**

**TOTAL SAVING: 2015/16 £2,467k; 2016/17 £602k (total £3,069k)**

**FTE IMPACT (2015/16): 5**

### **Savings through transformation**

#### **What service area/s does this proposal relate to?**

All the costs and services commissioned through the ring fenced public health budget are included in this theme.

#### **What is the proposal?**

The proposal is to use £3.069m of the council's public health budget to achieve a transformational step toward enabling health in all policies across the council. The savings identified from the public health budget will be invested in council services to achieve a high rate of return on public health outcomes.

Assuming the £3.069m savings target is achieved, it (alongside existing savings already achieved) will be identified as the Public Health Transformation Fund, against which council services can make a bid. The strength of the case and agreement to fund will be based upon the conditions of the public health grant as set down by the Department of Health. The relative strength of each bid in relation to the grant conditions and predetermined outcomes will be taken into account.

It should be noted that the council's public health budget is an opportunity to shift the balance of the council's overall budget further towards prevention of problems, accelerate service transformation and cooperative Oldham goals.

The proposed savings for re-investment are presented under six headings.

Five of the proposals relate to distinct service provision and propose a radical remodeling of service provision or transfer the risk to service providers to become more efficient by reducing costs while maintaining service provision. The Council will work with the service providers to seek new models of service provision for better outcomes.

One proposal relates to reducing staff costs from the public health budget and this stretches across the core public health team, commissioning hub, procurement and BIU. Innovation will be promoted to find the most efficient use of staff capacity.

Generating the proposed savings has required a detailed examination of current spend and innovation in modeling of service provision.

## Financial Impact

The potential savings identified amount to £3.069m drawn from all areas of the budget as follows:

<b>Proposal</b>	<b>Service Area</b>	<b>Potential Savings £m</b>
Proposal One:	Drug and alcohol treatment system	0.980
Proposal Two:	Sexual Health Services	0.151
Proposal Three:	Health improvement activity	0.740
Proposal Four:	Child and maternal health	0.298
Proposal Five:	Miscellaneous projects and support costs	0.436
Proposal Six:	Core Function and Support Costs	0.464
<b>Total</b>		<b>£3.069m</b>

Note that savings are over two years, with £2.467m in 2015/16 with an additional £0.602m in 2016/17.

## What impacts might the proposal have in terms of:

- **The ability of the service to deliver its expected outcomes?**
- **Communities**

The majority of the public health investment is used for preventive interventions. These interventions are constructed so as to foster positive behaviour changes. They are dependent upon a culture of co-production, i.e. where communities and individuals engage with services and each other in order to improve their health.

We have steered the proposed changes in investment to ensure that those which foster community engagement and empowerment are supported. We have looked at existing investment to see how it might be transformed to deliver interventions using (where appropriate) models which utilise an 'assets based' approach. Communities will need to engage with new service models in order to achieve maximum health benefit.

There is likely to be a difference for communities as several public health services will be delivered via alternative providers and wider council services.

Through the implementation of the Public Health Transformation Fund, communities will start to see the emergence of a more explicit public health role from wider council services, including housing, care services and leisure services. Communities may thus benefit from an 'at scale' enhanced public health role from these wider council services. Currently services deliver on a district footprint, however as they reduce in size this may be less feasible (e.g. stop smoking service) and are more likely to be centralised.

- **Workforce**

The proposed changes will require significant transformation of several services.

In the short term this will principally affect services outlined below, which are currently contracted directly from the Public Health budget. The majority are outsourced, and due to go out to procurement in 2014/5. It is possible that some services might change host provider organisation as they would appear to appeal to a variety of organisations (e.g. social enterprises). Merging with other Council services is being considered through the redesign process (i.e. in light of the 0-19 redesign and the PSR programme)

Savings that are achieved will then be transferred to support wider council services, under Service Level Agreements which will require each service to deliver against specific Public Health Performance Indicators. This will mitigate against some of the loss in delivery from efficiencies in contracted delivery and maximise on the exposure to clients that wider council service have. These tasks are likely to be in addition to their existing work, and as such there will be a significant impact with regard to Organisational Development.

Close working with the Organisational Development lead will be part of the transformation process, for example training for frontline staff in 'Making Every Contact Count' and delivery will be monitored via established reporting systems (e.g. framework i) . Contracted services will lead transformation based upon the outcomes of the procurement process.

- **Organisational Impact**

The proposals rely upon wider Council services (which will be funded from the efficiencies gained from this proposal) delivering against key public health outcomes.

The success will be dependent upon the implementation of the Public Health Transformation Fund, administered through the Public Health Commissioning Board, which will oversee the effectiveness and value provided for the totality of the Public Health Budget (both outsourced and those internal services then funded through efficiency savings).

Where internal services funded through the public health investment fund are then found not to be delivering, they will be at risk of disinvestment, with funds coming back into the Public Health Budget.

A process of service nomination by relevant the Executive Directors has been agreed, with the Public health team then working with service leads to increase the public health impact of each service.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	Yes / No
Disabled people	No
Particular ethnic groups	Yes
Men or Women (include impacts due to pregnancy/maternity) <ul style="list-style-type: none"> <li>• <i>Eg Reduction in funding for infant feeding peer supporters</i></li> </ul>	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes <ul style="list-style-type: none"> <li>• <i>Eg Reduction in health promotion and engagement activities targeted in deprived communities</i></li> <li>• <i>Ceasing of specialist health trainers for ex-offenders</i></li> </ul>	Yes
People in particular age groups <ul style="list-style-type: none"> <li>• <i>Eg Reduction in activity in Schools (School Nursing Service and Healthy Schools), and</i></li> </ul>	Yes
Groups with particular faiths/beliefs	No

EIA required:	Yes
EIA to be completed by:	Andrea Fallon (lead)
Date:	8.10.2014

### Consultation information

#### What consultation have we been undertaking?

Consultation on the public health savings proposals have wherever possible, been included as part of larger consultation events and activities as services users were identified as overlapping with those for other services which were part of wider consultations taking place. Thus we were able to maximise our reach, and reduce the need for stakeholders to input into numerous different consultations.

Since public health investment overall is not decreasing, we have also been working across the council to establish a Public Health Transformation Fund. This fund will support delivery against key public health outcomes from within wider council services.

#### Consultation undertaken so far with/via:

Public Consultation via Oldham Council website.  
 Through open access public consultation meetings.  
 Consultation with NHS Oldham Clinical Commissioning Group.  
 Consultation relating to the establishment of an All Age Early Help Service,

**including Health trainers and stop smoking services(separate consultation)  
Consultation relating to the review of all 0-19s services (see specific template)  
Consultation in relation to Drugs and Alcohol Services (see specific template)**

Further consultation we may need to do.

We have received a number of queries and suggestions relating to public health savings and have considered and amended plans where it is appropriate to do so. We do not foresee at this point that further consultation may be needed but will revisit this in future if it becomes evident that this would be appropriate.

**REFERENCE: B055 (Neighbourhood Services)**

**TOTAL SAVING: 2015/16 £200k; 2016/17 £0k**

**FTE IMPACT (2015/16): NIL**



**Oldham**  
Council

## **Savings through transformation**

### **What service area/s does this proposal relate to?**

Neighbourhoods Directorate – consolidated savings:-  
Highways - Winter Maintenance  
Development Management

### **What is the proposal?**

This budget option is a proposal to reduce the revenue budget for Neighbourhoods by £200k by reducing the budgets for winter maintenance by £100k and increasing the income target for Development Management by £100k. A reserve is held for winter maintenance activity in the event of a harsh winter.

### **Financial Impact**

It is proposed to reduce the budget reliance of Highways winter maintenance by £100k and increase the income target for Development Management by £100k

### **What impacts might the proposal have in terms of:**

- **The ability of the service to deliver its expected outcomes?**

Winter maintenance - This option is based upon work undertaken to reduce costs and will be heavily reliant on weather conditions. However, provision has been made for a reserve which can be accessed if severe weather conditions are experienced and the need arises

Development Management – the service has been achieving greater income in recent years and there is a level of confidence that this can be built into the base budget.

- **Communities?**

- |  |
|--|
| <ul style="list-style-type: none"> <li>• Communities should see a no impact in terms of the outcomes to be delivered by the services.</li> </ul> |
|--|

- **Workforce?**

- |  |
|--|
| <ul style="list-style-type: none"> <li>• Nil Impact</li> </ul> |
|--|

- **Organisational Impact?**

- |  |
|--|
| <ul style="list-style-type: none"> <li>• Nil Impact</li> </ul> |
|--|

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	Yes / No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	N/A
Date:	N/A

### Consultation information

- |  |
|--|
| <ul style="list-style-type: none"> <li>• None</li> </ul> |
|--|



**REFERENCE: C043 (Adult Social Services – Joint Working)**



**Oldham**  
Council

**TOTAL SAVING: 2015/16 £5,144k; 2016/17 £0k**

**FTE IMPACT (2015/16): NIL**

## **Savings through transformation**

**What service area/s does this proposal relate to?**

This proposal relates to **Adult Social Care Services**, specifically the service areas set out in the proposal information below.

**What is the proposal?**

### **The Better Care Fund**

The Better Care Fund brings together £3.8bn council and NHS resources nationally, that are already committed to existing core activity. The fund does not in itself address the immediate financial challenges, but acts as a catalyst to improve services and value for money by creating a shared plan in the form of a five year strategy for health and social care, including a two year operational plan for 2014-15 and 2015-16 through the Health and Wellbeing Board. The council and the CCG will, therefore, have to redirect funds from existing activities to shared programmes that deliver better outcomes for individuals by adopting a shared approach to delivering services and setting priorities, through the Health and Wellbeing Board in order to shape sustainable health and care for the foreseeable future. Local areas were required to return draft operational plans for the implementation of the Fund to NHS England by the **15 February 2014**. Following the submission of the draft document, our final plans for the Fund were submitted to NHS England by the **4 April 2014**. **Following the publication of further national guidance, a revised Better Care Fund plan was submitted in September and is currently going through the national assurance process.**

- The **vision / aim for the fund** is presented as follows;
  - We will change the balance of health and social care in Oldham so that citizens receive the right care at the right time. Care will be closer to home, where that is the right place for them, and will be provided by the most appropriate person, whether that is a nurse, carer or friend.
  - People in Oldham will be independent, resilient and self-caring so fewer people reach crisis point. For those that need it, we will develop an integrated health and care system that enables people to proactively manage their own care with the support of their family, community and the right professionals at the right time in a properly joined up system. In a crisis, people in Oldham will know exactly what

to do, who to contact, receive a rapid response and have their needs met in a completely organised, systematic and careful way.

£5.1m of existing services in the council were previously funded from NHS Funding transferred to the council these are as follows.

<b>EXISTING FUNDING TRANSFER</b>		
<b>NHSE Domain</b>	<b>Amount</b>	<b>Notes</b>
Integrated crisis and rapid response services	565,115	50% Funding of the response service
Maintaining eligibility criteria	1,543,820	Bed based assessment at Medlock
Re-ablement services	2,517,110	Contribution towards the reablement service
Early supported hospital discharge schemes	496,750	Hospital Social Work Team
Other preventative services (details to be given in free text field in sc 230 below)	21,205	Contribution to home care budget
<b>Total</b>	<b>5,144,000</b>	

Discussions with the CCG indicate the Better Care Fund will be funding these services going forward.

The partners also anticipate that through pooling additional aligned services we could create a bigger total pool including complex and continuing healthcare. This has been explored within other templates put forward relating to Adults Social Care.

**To support our aims and objectives for the integrated system, the key schemes that will be funded by the Better Care Fund are;**

1. **Healthy, independent and active citizens**
  - a) **Fully Integrated Health and Social Care Teams** to offer joined up assessment and care management across all adult care areas
  - b) **Integration of Intermediate Care and Reablement** to provide a fully joined up and efficient rehab offer for Oldham
  - c) **Developing a quality care home offer** with appropriate clinical and social support
2. **Development of an integrated support offer for carers** that supports and sustains them in their caring role
3. **Developing an Integrated Support Offer for people with dementia** that promotes community options aimed at maintaining independence

## Financial Impact

The current Medium Term Financial Strategy assumed there would be a pressure from the loss of £5.144m NHS funding to the Council as at the time initial estimates of the budget position were prepared, the Government had confirmed the monies would form part of the Better Care Fund but no agreement had been reached over the funding of existing services from here.

Following discussions with CCG Colleagues this agreement has now been reached and the initial plans for the Better Care Fund submitted, therefore we feel it is now appropriate to build this into the Councils financial plans thereby contributing **£5.144m** to the savings target.

### What impacts might the proposal have in terms of:

- The ability of the service to deliver its expected outcomes?

Our performance for the Fund will be **measured** using the nationally set measures, and our specified schemes have been developed to ensure Oldham can achieve excellent performance according to the nationally set metrics, which include;

- admissions to residential and care homes;
- effectiveness of reablement;
- delayed transfers of care;
- avoidable emergency admissions
- patient / service user experience.

### Local Measure

#### Dementia

In addition to this, Oldham will measure its performance against an **additional local metric of improving diagnosis rates for dementia**. Dementia diagnosis rates are currently at 61% and our aim will be to increase this to 70%. Following the recommendations of the 2011/12 overarching Oldham Joint Strategic Needs Assessment, improving the support for people with dementia and their carers was made a key priority of the Ageing Well theme of the Oldham Health and Wellbeing Strategy.

The outcomes for the specified schemes are set out in the table below;

Better Care Fund Scheme	Outcomes
Fully Integrated Health and Social Care Teams to offer joined up assessment and care management across all	Co-ordination of services minimises duplication and will improve the experience people have when they need care.  Extending Integrated Health and Social Care Assessment

adult care areas	<p>Teams input across all adult customer groups will improve people's experience, efficiency and outcomes.</p> <p>This will bring distinct advantages for Health agencies and the local authority; reducing demand for complex and costly interventions will allow resources to be directed to increase capacity for early intervention and prevention, which in turn will help to improve outcomes for local people, manage demand for intensive treatment and support and manage associated costs.</p>
Integration of Intermediate Care and Reablement to provide a fully joined up and efficient rehab offer for Oldham	<p>The integration of re-ablement and intermediate care will enable;</p> <ul style="list-style-type: none"> <li>- Greater coordination of resources</li> <li>- Improved outcomes for people</li> <li>- Effective utilisation of clinical expertise for individuals who require a clinical assessment and then supervision from reablement providers</li> <li>- A reduction in demand for complex and costly interventions will allow resources to be directed to increase capacity for early intervention and prevention, which in turn will help to improve outcomes for local people, manage demand for intensive treatment and support and manage associated costs.</li> </ul>
Developing a quality care home offer with appropriate clinical and social support	<p>An integrated definition and assessment of quality, and the provision of support to care homes will enable providers to design and deliver services that enhance the user experience, avoid emergency admissions, and enable more timely transfers of care.</p>
Development of an integrated support offer for carers that supports and sustains them in their caring role	<ol style="list-style-type: none"> <li>1. Carers are represented and involved in the planning of carers services and also in the planning of health and social care services generally.</li> <li>2. Early identification and recognition of carers as partners in care</li> <li>3. Improvement of the accessibility and range of services for carers by providing better information and training.</li> <li>4. Improvement of the early identification and young carers and the support given to young carers to help them realize their full potential.</li> <li>5. Increased numbers of carers receiving a carers assessment and a carers individual budget</li> <li>6. Increased numbers of carers accessing educational or employment opportunities.</li> <li>7. The development of peer support groups to increase the support to carers provided by volunteers in the local communities.</li> <li>8. improved psychological support provided to carers</li> <li>9. Improved emergency planning for carers</li> <li>10. Improved welfare support and advice provided to carers to increase the number of carers who are</li> </ol>

	<p>accessing the benefits they and the cared for are entitled to.</p> <p>11. Improved advice to carers on accessing housing for people with disabilities.</p> <p>12. Improved carers access to advocacy services.</p> <p>13. Improved accessibility and range of breaks available to carers.</p> <p>14. Improved mental and physical health of carers by ensuring carers access primary care services.</p>
<p>Developing an Integrated Support Offer for people with dementia that promotes community options aimed at maintaining independence</p>	<p>1. To improve population health – to improve the mental and physical health and well-being of people with dementia and their carers.</p> <p>2. To improve care provided, and the healthcare experience of individuals – to ensure high quality personalised and coordinated health and social care services are delivered to people with dementia and their carers and that people with dementia are treated with dignity and respect at all times</p> <p>3. Value for money – to provide value for money services with a shift in spend away from crisis intervention to enhanced support to prevent crises arising</p>

- **Communities?**

There has been a great deal of community involvement in the design of the ambitions and objectives set for the overall scheme. A summary of this is provided in the consultation information below.

The residents of Oldham should see a difference in the way they receive health and care services, and will ultimately experience more joined up, better care. Our key objectives for Oldham residents are set out as follows;

- The Oldham Family will benefit from staying healthier longer within their own homes with the support of their family and community.
- Partners will work together to help people to stay well and remain independent.
- There will be improved access to the right services at the right time.
- There will be holistic management of long term conditions with the person in control of their care.
- When people become unwell, health and social care will be co-ordinated to ensure they receive continuity of care
- People will feel in control of their conditions and circumstances and regain confidence

We are not changing the geographical footprint of service delivery, however the way in which people access health and care services should become more streamlined and easier to access. There is a strategic commitment to providing seven-day health and social care services across the local health economy by key partners, which should improve access to services for residents.

- **Employees**

There will be no direct impact on FTEs as a result of the implementation of the Better Care Fund. Following further integration efficiencies may be found in through aligning current LA and CCG functions however at this stage it is too early to understand this impact.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	Yes / No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	N/A
Date:	N/A

### Consultation information

#### **Provider and Wider Stakeholder Consultation**

The borough has developed an integrated care strategy, which has been consulted on widely with partners. The CCG has held Board to Board meetings with its major health providers, to consult on the strategy, and its implications for the local economy.

The Urgent Care Alliance has been the key forum for engaging key providers in Oldham on the plans and schemes associated with the Better Care Fund. A session to discuss the vision, aims and plans for the Better Care Fund was held with the Alliance on the 16 January 2014. In addition to the Alliance, wider engagement with independent and voluntary / community providers has also taken place, on 23

January 2014. Discussions with providers have covered the draft market position statement, our broader commissioning intentions and discussions around the interdependencies with the Better Care Fund. This consultation has been an opportunity to engage and work with providers to shape their business in order to respond to and meet the requirements of the Better Care Fund and the business going forward. The deflections planned as part of the Better Care Fund are now in the sight of the Alliance, who are working together to determine their respective contributions to this ambition.

Consultation and engagement with providers will continue over the coming months as the detail within the schemes associated with the Better Care Fund is developed. The council currently holds regular (every other month) meetings with residential and domiciliary care providers, and these meetings will also be used to consult on the development of plans.

In addition to this, consultation and engagement will take place with wider partners and other initiatives in the borough in order to ensure wider linkages with other public service reform activity such as the fuel poverty work. Bespoke consultation and engagement will also take place with housing providers in Oldham, as they are particularly strong with regards to their work supporting health and social care activity in the borough.

### **Public Consultation**

Both the council and the CCG have developed an ongoing dialogue with patients, service users, carers and the wider public to understand their needs, opinions, priorities and concerns. This ongoing work has created a body of knowledge which has shaped the overarching integration plans. Our population have co-created with us the concept of the 'Oldham family'.

More recent work undertaken includes the 'Wrapping Care Around' You public events held in June 2013. These clinically-led events gathered experiences of people who had accessed both health and social care services and went on to shape local thinking about how the two could be brought closer together. Arising from this, a series of story videos were produced, highlighting the experiences of people living with long term conditions and who had both good and poor experiences of joined up care. Local conversations on the Healthier Together hospital reconfiguration programme and the out of hospital care element of this have also been held. Further consultation and engagement on this related programme of work will also continue in Oldham as the programme develops.

Other significant engagement and consultation exercises with citizens have also been undertaken on specific and associated areas of work relating to the schemes within the fund, including;

- Provision of specialist dementia services
- Falls
- Extra care housing
- Care at home
- Events and forums with carers

Themes running through the public conversations have centred on key issues

concerning independence, self-reliance and integration. Specific citizen engagement will continue as the detail within the schemes associated with the Better Care Fund is developed.





## **REFERENCE: D017 (Customer and Business Support Redesign)**

**TOTAL SAVING: 2015/16 £200k; 2016/17 £350k**

**FTE IMPACT (2015/16): 6**

### **Savings through transformation**

**What service area/s does this proposal relate to?**

Customer and Business Support Services Redesign

**What is the proposal?**

The Customer and Business Support Service was created from a merger of the two services in January 2014, it provides the following services:

1. Client Officers for services delivered by the Unity Partnership:
  - Revenues (Council Tax, NNDR, Accounts Payable and Accounts Receivable)
  - Benefits Client (Housing Benefit, Council Tax Reduction and Free School Meals)
  - Customer Services (Contact Centre and Access Oldham)
2. Delivery of Welfare Reform activity including Universal Credit and the Local Welfare Provision Scheme
3. Welfare Rights Services - supporting residents to maximise their entitlement to Benefits, grants and Tax Credits
4. Responsibility for Customer Payment Systems - web, telephone and face to face
5. Complaints Team - receiving and responding to customer feedback.
6. Customer Transformation Programme which includes :
  - Development of Online Service
  - Transfer of calls to the Contact Centre
7. Business Support provided to 52 services across the council.
8. The vision for the Customer and Business Support Service is to support the organisation to deliver customer focussed services through effective people,

processes and technology.

The aim is to improve the customer experience whilst reducing operational costs.

The Customer and Business Support Services Redesign programme will include a full review of the activities undertaken by the staff employed within the service. However, to be effective the review will need to consider end to end processes and as such will be undertaken in conjunction with services across the council.

The review will also ensure that the service is able to support the changing needs of the council and its services. The full scope of the programme will be developed and will include:

- A full end to end review of service processes from the initial stages of customer contact through to task completion/job fulfilment. This will include:
  - removal of duplication and waste (failure)
  - determining significance of tasks and amending those deemed unnecessary i.e. more risk based approach
  - working with other corporate services to minimise overlaps
  - implementing/reviewing quality procedures to reduce waste
  - maximising opportunities for automation and self-serve through the use of technology
- Review of access channels available for customers (internal and external) the aim is to provide a choice of access channels, with a key focus on moving services online and moving telephone and email contact to the Contact Centre.
- Review of business support requirements across the Council, moving to a more bespoke service rather than a generic model ensuring the support provided meets the needs of the service.
- Reviewing management structures to ensure the service drives transformation.

The programme of activity will deliver savings in 2015/16 and 2016/17.

### Property Impact

The reduction in the overall service will have a property impact. However, as the support is provided at a large number of locations the impact at individual locations will be minimal if this proposal is considered in isolation.

However, if this proposal is combined with the reduction in services supported there will be a wider property impact.

## Financial Impact

The budget for the service is £8.602m (excluding recharges and benefits)

The proposal will deliver savings of £550k through:

- a reduction in FTE's
- a review of service recharges
- a review of all non-pay budgets
- a review of contact centre costs/staffing

It is recognised that this proposal has a number of dependencies on other service reviews and redesign activity it is proposed that the savings be delivered as follows:

- 2015/16 £200k
- 2016/17 £350k

It has been identified that in addition to the above two further proposals D040 - Review District Asset Arrangements and D021 Redesign of Legal Service will also lead to a reduction in Business Support staff.

## What impacts might the proposal have in terms of:

- **The ability of the service to deliver its expected outcomes?**

The Customer and Business Support Service is a key enabler for services across the Council, supporting them to achieve their objectives and targets.

- **Communities?**

Residents will have greater access to services through a wider range of access channels and will benefit from effective service processes with greater resolution at first point of contact.

Residents will be empowered to do their bit by transacting on line with the council. Services will be delivered by high quality, well trained staff.

- **Workforce?**

There will be a significant impact on the workforce:

- There will be the reduction in headcount and FTE the exact levels have yet to be confirmed.

- Where there are opportunities to merge the Customer and Business Support Service with other services this will be explored.
- The development of bespoke service provision may require staff to develop new skills.

- **Organisational Impact?**

The proposal will support other services to improve their service delivery.

However, it has already been identified that the delivery of this proposal could be impacted by a number of other proposals for delivering efficiencies in 2015/16 and 2016/17, the exact impact has not yet been determined.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	Yes / No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	Although we anticipate little impact from this proposal, an EIA is being completed for the overall Customer and Business Support Redesign (D017).
EIA to be completed by:	Suzanne Heywood
Date:	3.11.14

### Consultation information

- Consultation on the proposals has begun with Trade Unions and staff, this will continue when the impact of the redesign is known.
- Consultation will be undertaken with all services to assist with the development of the programme

**REFERENCE: D019 (Legal & Democratic – Shared Advocacy Service)**



**Oldham**  
Council

**TOTAL SAVING: 2015/16 £20k; 2016/17 £0k**

**FTE IMPACT (2015/16): NIL**

**Savings through transformation**

**What service area/s does this proposal relate to?**

Legal and Democratic Services

**What is the proposal?**

To reduce the amount of external expenditure on child care litigation. Due to higher court litigation on child care cases, council spend on Counsel can be considerable. The council is exploring whether a Shared Advocacy Service hosted by Manchester City Council may deliver significant savings.

**Financial Impact**

The total spent on Counsel on child care cases last year was circa £110k. The use of the Shared Advocacy Services should lead to a potential saving of £20k and analysis is being undertaken to confirm the level of potential savings.

**What impacts might the proposal have in terms of:**

- **The ability of the service to deliver its expected outcomes?**

The impact would be minimal for the services although dependent on the Shared Advocacy Service's capacity to cope with demand.

- **Communities?**

No significant impact

- **Workforce?**

As this service is currently commissioned there will be no impact.

- **Organisational Impact?**

Unlikely to be significant

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	Yes / No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	NA
Date:	NA

### Consultation information

Consultation with staff has commenced.



## **REFERENCE: D020 (Legal & Democratic – Registrar Service)**

**TOTAL SAVING: 2015/16 £25k; 2016/17 £0k**

**FTE IMPACT (2015/16): 8**

### **Savings through transformation**

**What service area/s does this proposal relate to?**

Legal and Democratic Services

**What is the proposal?**

Amendment of the terms and conditions of the permanent staff in the Registrars Services so that the staff worked on Saturdays on a rota basis rather than claiming overtime payments. This would also reduce the need for sessional staff.

**Financial Impact**

The approximate saving would be £25k per annum from the commencement date of April 2015 conditional upon staff consultation.

**What impacts might the proposal have in terms of:**

- **The ability of the service to deliver its expected outcomes?**

The Head of Service has spoken to staff and has taken the view that the changes are deliverable.

The Service comprises nine members of staff equating to 8fte and 10 sessional registrars employed on a casual basis to cover the current weekend commitments, namely marriage ceremonies. The service currently operates Monday to Friday for the registration of births, deaths, marriages, notices of marriage citizenship ceremonies, nationality and settlement checking services, certificates and a variety of ceremonial services with appointments required to be made in advance from 9.00am until 4.00pm. All calls for the registration service go through the contact centre which is available Monday-Friday and Saturday Mornings to the public. Members of the



public can also book appointments anytime online via the Council website. In addition staff are required to work additional hours on a voluntary rota to carry out ceremonies taking place on Saturdays, Sundays and Bank Holidays and claim additional hours for this work. There is currently no provision to provide any other registration services over the weekend period. Any person wishing to register a birth, death or notice of marriage must make an appointment during Monday to Friday.

Currently citizens who need to make arrangements for burials over the weekend can contact two volunteers from the Muslim community who are appointed as deputies to the registrars and have been trained accordingly. This allows for the funeral to take place and the registration is undertaken after the funeral via an appointment during operational hours. Couples who also require urgent access to the service out of hours for a death bed marriage can use the Council out of hours number who will ensure that a registrar contacts them. These provisions will remain in place for access to the service out of operational hours.

The proposal is to close one day a week with staff working a two week rota so that each alternate Saturday is covered by half of the permanent staff. Monday is the least popular day for ceremonies and also fewer appointments are utilised by the service users on this day. The service would then be open to the public Tuesday – Saturday, with appointments to register births, deaths, notices of marriage and nationality/settlement appointments as well as pre-arranged ceremonies available every Saturday between 9.00am and 5.00pm. This provides a better service for couples who currently struggle to attend during the week to make arrangements for marriage, and it also helps new parents who are not married, in these circumstances both need to attend to register baby's birth but often one parent is unable to get time off work. It also enables a registration of a death where there is no cause to refer the death to the Coroner. Therefore this proposal ensures that the service is still offered five days a week, but Tuesday to Saturday instead of Monday to Friday with the same out of hour's service for burial/cremation orders available to cover the period of closure (including Mondays).

It is envisaged that there will be fewer appointments available in peak wedding season on a Saturday and it is intended to increase the appointment availability Tuesday to Friday by adding earlier and later appointments to each day.

Should the proposal be accepted then ceremonies would no longer be booked to take place at any Oldham venues on Mondays except bank holidays which will remain the same and ceremonies taking place on this day covered by staff on a rota basis for time off in lieu.

The registration service also currently provides a reception facility for Chadderton Town Hall which is staffed from 8.40 until 5.00pm Monday to Friday for Registrars and Environmental health (Social Services clients access the building via a separate entrance). Alternative arrangements would need to be considered to receive visitors for Environmental Health each Monday should the proposal be accepted.

- **Communities?**

The change will mean that the Registrar Services at Chadderton Town Hall will close one day a week in order to cover the weekend hours which would lessen the opportunities for appointments for registrations. There will advance notice given to the public about the proposed changes which will limit potential impact. In some respects the service will be more accessible due to the full service being available on a Saturday.

- **Workforce?**

Terms and conditions of the affected staff will have to be amended.

- **Organisational Impact?**

There will be limited organisational impact from the proposals.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	Yes / No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	Yes

EIA required:	Yes
EIA to be completed by:	Paul Entwistle
Date:	27 <sup>th</sup> November 2014

### Consultation information

Consultation with staff has commenced

## REFERENCE: D021 (Legal & Democratic – Legal Services Redesign)



**TOTAL SAVING: 2015/16 £40k; 2016/17 £0k**

**FTE IMPACT (2015/16): 2**

### Savings through transformation

What service area/s does this proposal relate to?

Legal and Democratic Services

What is the proposal?

The Practice Manager (PM) post in Legal & Democratic Services was established in 2013 to explore trading opportunities and a new case management system “Visualfiles” has now been introduced with the assistance of the Practice Manager. It was always envisaged in the three year plan that the new Case Management System (CMS) would enable upskilling and efficiencies to be made in Business Support Unit (BSU) support staff and existing fee earners to be able to “self-serve” more administrative tasks. Visualfiles requires on-going improvement and maintain to achieve the efficiencies.

It is proposed that given the introduction of the new CMS that the equivalent of 1.5 Grade 2 BSU posts be deleted. There are currently vacant posts covered by fixed term/ agency workers which would facilitate this.

Financial Impact

1.5 x Grade 2 BSU support including on costs = £42,080

What impacts might the proposal have in terms of:

- The ability of the service to deliver its expected outcomes?

The service will have diminished BSU admin support. It is envisaged that the new CMS develops over the forthcoming months that fee earners will be enabled to undertake such administrative tasks without significant disruption to Legal Services service provision

- **Communities?**

The proposal will have little impact.

- **Workforce?**

The Legal Services will be largely unaffected as Visualfiles is improved and provides more efficient ways of working

- **Organisational Impact?**

Limited.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	Yes / No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	Although we anticipate little impact from this proposal, an EIA is being completed for the overall Customer and Business Support Redesign (D017), which will also pick up any potential disproportionate impacts within this review.
EIA to be completed by:	Suzanne Heywood
Date:	November 2014

**Consultation information**

Consultation with staff has commenced.

## REFERENCE: D023 (Financial Services Redesign and Insurance Review)



**Oldham**  
Council

**TOTAL SAVING: 2015/16 £369k; 2016/17 £375k**

**FTE IMPACT (2015/16): 10**

### Savings through transformation

What service area/s does this proposal relate to?

Financial Services including insurance

What is the proposal?

The proposal is to reduce the size of the Finance structure by up to an estimated 25% which will reduce cost by an estimated £744k over 2 financial years on top of the planned 2014/15 savings .

The proposal has 2 elements as follows:

- a) to further reduce the council's contribution to self-insurance by looking at risk financing to reduce on-going commitments included in the annual budget to cover the cost of unplanned events. Further savings are also anticipated as the implications of the Ministry of Justice Reforms are factored into the future costs of claims on highways. Over recent times the council's performance in defending insurance claims has improved and therefore its risk profile has improved which assists in keeping costs down.
  
- b) The finance service aims to save costs by improving performance and processes including taking advantage of efficiencies arising from the implementation of the integrated HR/Payroll system which will align with the councils existing Agresso financial management system. The service will also introduce a financial management self-service approach for budget holders, thus maintaining the programme of continuous improvement while ensuring cost reductions are also achieved.

These changes will be brought about through a restructure of the service, informed by:

- i) the implementation of the HR/Payroll system and the Self Service Transformation Programme
- ii) reviews of the activities of the service to maximise the use of systems, enhance training, identify duplication and waste and manage demand through the self service programme.

Work on the HR/Payroll integration is continuing and also the Self Service Transformation Programme. Work has already commenced on reviews of internal audit, Agresso utilisation, budget monitoring, treasury management and the provision of financial services to schools. The reviews will encompass the whole service by 31/3/15.

The aim of the reviews is allow for cost reduction without impacting on the quality of the service being provided

It is expected that both elements combined should save in the region of £744k. The effective date of a restructure will be determined by progress on the HR/Payroll integration and the progress with the Self Service Transformation programme

There are no property implications relating to this proposal

### Financial Impact

At this stage this proposal is expected to reduce the budget by a figure of up to £744k by the end of the financial year 2016/17

This saving is in addition to the 2014/15 savings

### What impacts might the proposal have in terms of:

- **The ability of the service to deliver its expected outcomes?**

This saving is predicated on financial management self service being implemented by the Council which will require a more risk based approach being followed by the Finance team in terms of budget monitoring. Managers will be required to undertake more of their own forecasts meaning that Finance will focus on the major budgets, including capital schemes, income, major payments, major variables and those where there has been a history of issues. System exception reports will also be used in identifying excessive, unusual or forecasts or those where a forecast has not been provided

The quality of the finance service will continue to improve but will be differently focussed

The insurance saving is predicated upon the council introducing appropriate risk financing to ensure sufficient self-insurance funds are held in reserves to meet the worst case scenario in relation to unforeseen events such as premises cost as a result of loss due to fire. The claims history here shows scope based on the last five years to reduce this element of the self-insurance budget.

In terms of the Ministry of Justice, the reforms introduced are estimated to reduce individual claims cost by a level greater than originally estimated.

- **Communities?**

The residents of Oldham, as far as they are aware, will continue to see an improved finance service and the insurance provision will still provide the security to meet the cost of unforeseen events and minimise the financial impact to the council.

- **Workforce?**

The service will reduce in size by up to an estimated 25% from the current structure and will require a more risk based approach as set out above to budget monitoring

This is being managed through the implementation of the Self Service Transformation Programme, a risk financing programme and implementation of the Ministry of Justice reforms

- **Other service areas?**

The success of the Self Service Transformation Programme will depend on the ability of other services to successfully implement their own forecasting for more routine budgets

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	Yes / No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	N/A
Date:	N/A

## Consultation information

Consultation is in the development stage

Consultation has taken place with EMT about the principles of the self-service agenda. Consultation with service users will take place prior to the implementation of self service.

Detailed consultation with Finance staff about service redesign and restructure proposals will take place when the impact of service changes arising from the HR/Payroll system implementation and the roll out of the self service transformation programme have been fully determined. This is expected to be during 2015/16. All consultation with staff and trades unions will be in accordance with HR protocols and timelines.





**REFERENCE: D026 (Schools ICT – Income Generation)**

**TOTAL SAVING: 2015/16 £30k; 2016/17 £75k**

**FTE IMPACT (2015/16): NIL**

## **Savings through transformation**

Part A

**What service area/s does this proposal relate to?**

Commercial Services: ICT Client Services: Schools ICT

**What is the proposal?**

### **Mission statement**

Oldham Schools IT Service aims to be the preferred Education IT service for schools in Greater Manchester and potentially further afield. Our immediate services offering will be:

- Low cost fast broadband
- Security Services (Firewall, Web Filtering, AntiVirus, and Email Filtering)
- Hosted servers
- Telephony, including VoIP
- On site IT engineers service (annual / on demand)
- IT Consultancy / Advice
- IT Procurement & Licensing

Our 14/15 service offering will develop to include:

- Competitive cloud security services including firewalls, web filtering, AntiVirus, and mail filtering
- Cloud Infrastructure as a Service (virtual hosted servers on demand)
- Cloud (Hosted) School Information Management System (SIMS)
- School Information Management System support
- Consultancy with an emphasis on understanding cloud options for education and reducing IT delivery costs for schools

Longer term, we plan to secure a preferred curriculum support partner with cooperative referrals, which could also lead to reaching additional clients. For instance, initial talks with Capita have indicated that they are looking for a hosted School information Management System service they can refer to in the North West.

The aim is to start to launch advertising our existing services immediately, retain existing schools, develop new customers, establish relationships and sell our add on services.

A lot of Local Authorities have already dropped their offer of IT services to schools and these customers are being picked up by a variety of new small businesses. Feedback from schools and other Local Authorities indicates that this is not proving Value For Money for the schools, the businesses are short-lived, and there is no joined up options enabling schools to collaborate easily. Oldham Council's School's IT Service is unique in having a low cost hosted email and collaboration platform that all but 1 school in the Borough signs up and pays for. This service is not replicated anywhere in Greater Manchester. Capita and a local 3<sup>rd</sup> party School information Management System expert have both approached our Schools IT Service requesting a hosted School information Management System and support service.

There is low risk with this opportunity due to the budget for this service already projecting to be cost neutral for 2014/15 and we have already established some new expertise.

**Outcomes:**

The schools IT service will offer a value for money, quality service for schools in Oldham and Greater Manchester, with the possibility of contributing towards improved outcomes for children in education. Current options for schools are:

- Local Authority IT Service (attractive in that any profit made is re-invested into delivering public services)
- Small local businesses (there are many in Greater Manchester that have started and closed within 3 years as they struggle to get competitive aggregated prices when starting from a small customer base)
- Large companies (Capita, RM, etc). It is difficult for schools to get their voice heard in large companies and this can result in a lack of responsiveness to meet the school's demands and best support its pupils.

There are no property implications

**Financial Impact**

	2015/16	2016/17	Total
Income Projection	30,000	75,000	105,000
Savings	-	-	-
Total	30,000	75,000	105,000*

\*Cumulative Income Target for 2016/17 including increase of £45,000 in 2014/15 will be £150,000 (45,000+30,000+75,000)

There will be some cost with generating the income, but that will be low and handled within the revenue budget within Financial Year. The net income generation is projected as above.

There are 86 primary schools, 4 special schools, and 12 secondary schools within Oldham. We currently have 44% schools signed up for Voice over Internet Protocol, 65% for broadband and filtering, 26% IT technicians, and 99% for Email services. We also sell Antivirus, Backup, Espresso, Microsoft licencing, and hosted websites.

We plan to improve the footprint and services to all schools within Oldham this year and increase our customers in the Greater Manchester area significantly leading up to 16/17. On the basis that we are broadening our customer base the financial projections appear to be safe. Clearer financial projections will be possible when we have launched all new services and begun engagement outside Oldham Borough.

#### What impacts might the proposal have in terms of:

- **The ability of the service to deliver its expected outcomes?**

The Schools ICT Service is currently a fully self-funded service. It is dependent on good customer service and the ability to retain customers. We are already seeing improvements in customer relations and have seen 3 customers return from competitors in the last few months.

The impact of this proposal should be to increase the ICT services available to schools and increase confidence in the Local Authority as a good and Value for Money provider of their ICT needs.

- **Communities?**

The schools will be receiving value for money and good, impartial, advice in relation to ICT – helping avoid unnecessary or wasted spend elsewhere and thereby securing money for investment in education. The schools in the local area will feel supported by the Local Authority, when other Local Authorities locally and nationally are abolishing their schools ICT services. As a result, networks of residents related to the schools will also feel that the Local Authority is continuing to support education in Oldham.

- **Workforce?**

There will be initial pressure on the workforce, but the team are keen to deliver value for money for schools they have built relationships with over the years and recognise the need to contribute. As more work comes in, the workforce will grow as necessary which helps in creating jobs and re-assuring existing employees.

- **Organisational Impact?**

We will need to keep a close connection with Schools services throughout the Council and in Unity Partnership. It is important that we are seen to be joined up in our approach. Some of the service relies upon Unity ICT, but there are mitigation plans in place against any risks in relation to that service.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	Yes / No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	N/A
Date:	N/A

### Consultation information

Initial views have been softly gathered from schools, who are keen for a good value for money ICT service and trust the Local Authority in that regard.

The schools ICT service workforce are all regularly consulted and have been involved in the creation of the plans.

We plan to informally consult with the schools service within the Council. We are in regular contact with Unity Partnership in relation to schools ICT services. We will publicly launch when we have the full service catalogue in place.

## REFERENCE: D027 (Programme Management Office – Income Generation)



**TOTAL SAVING: 2015/16 £20k; 2016/17 £55k**

**FTE IMPACT (2015/16): NIL**

### Savings through Transformation

What service area/s does this proposal relate to?

Repositioning Oldham Programme Management Office Consultancy Model

What is the proposal?

#### Overview of Proposal

Demand for effective change management expertise is strongly evident across the public sector as organisations seek to deliver outcomes more effectively and efficiently against the backdrop of increasing demand, declining budgets and resources. The drivers for change can vary depending on the space occupied by the organisation; some organisations whilst mindful of financial efficiencies are still primarily focused on delivering more effective treatments in pursuit of clinical excellence.

This proposal is to create a trusted public sector project/ change management consultancy model with support from the Unity Partnership around the commercial provision of effective change management (Project, Programme and Transformational) initially to the ‘Oldham Market’ as a phase one and wider geographic coverage as a phase two. The key to effectively marketing our services will be the design and implementation of an innovative, transformational and effective Oldham Council transformational story.

The table below outlines how the approach will add value and meet the needs/issues of customers.

Value delivered to the customer	Customers issues/needs resolved
Swifter and cheaper project deliverables based on experience	Solve internal capacity issues
Risk Reduction/ Reassurance- Trusted public sector partner	Rapid delivery of transformational outcomes and cost savings
Leading edge thinking on subject matters (Subject Matter Experts)	Deliver proven transformational change/ solutions

Rapid mobilisation	Provide consultants based on specific skills/ knowledge requirements
Value for money	-
Knowledge Transfer	-

The target customer base for phase one will include the NHS (including CCG), The Royal Oldham Hospital Trust and Pennine Acute Care, First Choice Homes, GM Police, GM Fire and Rescue, Schools, Academies & Colleges, Community and Voluntary Groups.

The proposal has no property implications.

**Outcomes:**

The approach will provide organisations across Oldham with the skills, subject matter expertise and capacity to effectively design and deliver change. Short term benefits will include effective planning and management of change across Oldham as a place ensuring that projects and programmes are sufficiently transformational, coordinated and deliver efficiencies. The medium and long term benefits of the model are to effectively realize sustained changes in operating models and behaviors that improves the lives of residents and communities within Oldham.

A key driver of the approach will be to ensure the skills are transferred to organisations enabling increased internal capacity to accelerate change whilst reducing the cost of change moving forward.

**Timescale for Implementation:**

The new model is planned to be operational from the 1st April 2015 with the following provisional key milestones:

October/November 2014 Business Case produced

December/ January 2015 Approval of Model and business Case

January onwards Commence marketing of services.

April 2015 Phase one Official launch of the model to the public sector market.

October Review of first six months performance and review option around phase Two.

## Financial Impact

Budget Description	Expenditure (£)	(Income) (£)	Gross (£)
Repositioning Oldham PMO	163,930	(19,540)	183,470

Below is the current budget detail for the RO PMO:

	2015/16	2016/17	Total
Income Projection	20,000	55,000	75,000
Savings	-	-	-
Total	20,000	55,000	75,000

### What impacts might the proposal have in terms of:

- **The ability of the service to deliver its expected outcomes?**

The RO PMO has a team of three officers which is considerably smaller than similar PMOs within the North West that are performing a similar function. Diverting attention of the core function of the team which is to support the delivery of Oldham Council's £100 million corporate transformation programme is likely to increase a number of risks including:

- Projects delivered in a less effective manor resulting in unrealised financial and non-financial benefits.
- Poor management and co-ordination of change with unsustainable target operating models and short term culture change.
- Due to the scale of the efficiencies and transformation required within Oldham Council changes to operating models will undoubtedly lead to impacts on individuals and communities presenting considerable reputational risks to the Council.

- **Communities?**

- The outcomes of this proposal will not directly affect the residents of Oldham.
- Indirectly the support offered by the PMO to projects and programmes with the Council and its partners is likely to have a direct impact on residents from the resulting target operating models

- **Workforce?**

- Please refer to the impact section above.
- The model may result in members of the RO PMO team being utilised for direct one to one external consultancy
- Up skilling may be required of the team on external client relationships and contracts.

- **Organisational Impact?**

- Similar to other external market income generating proposals, consideration will need to be given to the support services required that will enable the model to be delivered, this would include finance, legal, PR and a business development function.
- The consultancy will seek to identify additional opportunities for other trading services within the Council, for example procurement.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	Yes / No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No



EIA required:	No
EIA to be completed by:	NA
Date:	NA

### Consultation information

- No formal resident consultation is required
- The proposal will go before the Commercial Services DMT, EMT and the Unity Board for approval prior to commencement.



## **REFERENCE: D041 (People Services – Training Budget)**

**TOTAL SAVING: 2015/16 £100k; 2016/17 £0k**

**FTE IMPACT (2015/16): NIL**

### **Savings through transformation**

**What service area/s does this proposal relate to?**

People Services – General Training Budget

**What is the proposal?**

The proposal is to further reduce the general training budget by £100k for 2015/16

This proposal follows on from the redesign of our development services and the implementation of the new operating model. The combination of scaling back of some areas of activity, prioritising request with key stakeholders, the strengthening of involving the business with identifying development needs, criteria to access some areas of activity and introducing a charging/ no show policy will ensure that these further efficiencies can be made.

**Financial Impact**

The reductions from the general training are achievable for 2015/16

**What impacts might the proposal have in terms of:**

- **The ability of the service to deliver its expected outcomes?**

Given the work that has already been undertaken in terms of service redesign, it is considered that the service has the ability to deliver its expected outcomes within this revised cost envelope, although prioritising some development may impact on when development occurs for some services.

- **Communities?**

It is not anticipated that there will be any direct impact from these proposals on the residents of Oldham

- **Workforce?**

Whilst there will be some impact on the workforce in terms of what the learning and development offer will be and how it is delivered, all priority activity articulated by the business and our statutory/regulatory requirements will be met. The introduction of charging/ no show arrangements, the use of e-learning and new processes and ways of working have begun to assist in the transition from the former state to the new operating model.

There will be no direct reduction in headcount and FTE as a result of achieving this particular efficiency.

- **Organisational Impact?**

The impact of these specific proposals on the organisation are minimal because to the revised ways of working within our Development Academy; the wider Learning and Development Review had significant impact as previously documented for the 13/14 and 14/15 budget reductions.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	Yes / No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	N/A
Date:	NA

### Consultation information

The earlier Learning and Development Review included significant consultation with all key stakeholders, trade unions and staff. It is considered that this specific proposal does not require further consultation and none is planned.

**REFERENCE: D042 (People Services – Redesign)**

**TOTAL SAVING: 2015/16 £140k; 2016/17 £0k**

**FTE IMPACT (2015/16): 3**

## **Savings through transformation**

**What service area/s does this proposal relate to?**

People Services

**What is the proposal?**

The proposal is to reduce costs for full year savings in 2015/16.

The proposals are made possible by People Services taking steps to rationalise business processes and also manage demand for service in forthcoming years. It is anticipated that up to 3 posts may be deleted or alternative efficiencies are identified.

No impact on property

**Financial Impact**

£140k saving for 2015/16

**What impacts might the proposal have in terms of:**

- **The ability of the service to deliver its expected outcomes?**

Building on the service transformation and redesign of 2012 and contributions since, People Services is currently marshalling resources to make self-service and enhanced line and operational management capability a reality.

In addition, we are re-engineering business processes and items of infrastructure which, combined, will do two things:

1. Manage demand for service
2. Transform, the way we do things

As such People Services will invest in organisational management up-skilling in the period 2014 – 2016 and the service will then continue but at a reduced level. It will be delivered a different way; shifting from a 'doing' to 'enabling' emphasis.



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- **Communities?**

It is not anticipated that there will be any direct impact from these proposals on the residents of Oldham.

- **Workforce?**

Potentially 3 posts in total to be deleted

- **Organisational Impact?**

This proposal is in line with the organisations ambition for managers to self-serve.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	Yes / No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	NA
Date:	NA

### Consultation information

These proposals are not yet consulted but will follow Council policy and be statutorily compliant.

## Budget Information

<b>Reference:</b>	<b>D044C</b>
<b>Theme:</b>	<b>Effective Democratic Accountability Supported by Strong Corporate Governance</b>
<b>Lead Member:</b>	<b><u>Cllr Jabbar</u></b>
<b>Proposal:</b>	<b>Collection Fund : (Changes in Business Rates Regime)</b>

	<b>2015/16 £k</b>	<b>2016/17 (addnl) £k</b>
<b>Proposed Financial saving:</b>	<b>4,700</b>	<b>0</b>
<b>Proposed reduction in FTE's</b>	<b>0</b>	<b>0</b>

### Background

The proposal aims to reflect the latest estimated resources which can be assumed following the closure of the 2013/14 accounts and the clarification of the likely impact on the Collection Fund of the changes in the Business Rates financing regime. This will increase business rates income, grant compensation and reduce the requirement for resources held to address the consequences of business rates appeals.

There are no council property implications in respect of this proposal.

### Proposed savings

The estimated benefit is £4.7m per annum from 2015/16

### Key Milestones

December 2014 – Announcement of Local Government Finance Settlement (LGFS)  
– review of any amendment to Business Rates and reliefs  
January 2015 – Submission of NNDR1 form to Central Government  
January 2015 – Setting of the NNDR Tax Base  
March/April 2015 - Final Outturn position for 2014/15

### Key Consultations

Executive Management Team, Cabinet Member

### **Impact on Voluntary, Community or Faith Groups or Organisations**

Please list the groups or organisations affected and detail the impact on each:	
<b>Group</b>	<b>Impact</b>
N/A	

### **Key Risks and Mitigations**

- The risk of income targets not being met will be mitigated by a robust monitoring process.
- A reserve set aside for any shortfall in business rates income, loss of Government grant or adverse impact of business rate appeals

### **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	<b>State Yes / No against each line</b>
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	NA
By:	NA

Responsible Officer:	Anne Ryans
By:	2 <sup>nd</sup> October 2014

## **REFERENCE: D048 (Procurement Redesign and Income Generation)**

**TOTAL SAVING: 2015/16 £45k; 2016/17 £125k**

**FTE IMPACT (2015/16): 1**

### **Savings through transformation**

**What service area/s does this proposal relate to?**

Procurement & Strategic Relationship Management (SRM)- Commercial Trading Model

**What is the proposal?**

The commercial proposal is to develop an income generation stream using a business partner approach, offering skills and expertise to other local authorities and to create a procurement offer that enables a shared service or remit based on concession and a fee where back office costs could be shared from a virtual procurement platform.

We believe there is a market for our most able to work across the public sector in the borough, the wider region and nationally. The offer would involve a “day-rate basis,” selling our services as trusted, respected, knowledgeable, well-connected networking professionals who have a proven track record of delivering cost savings and solving difficult problems (e.g. social value and the local agenda) . This would be done utilising the council’s brand and the team’s subject matter expertise.

Our approach is to promote our consultancy offer through the network of a respected recruitment agency, Badenoch and Clark. They already have the links with the Public Sector on a nationwide basis and are able to promote our services rather than our own direct cold call approach.

Our Professional Services Partnership model would build on our own direct marketplace to provide the following consultancy offer:

- Drive efficiencies through service reviews
- Create local jobs by helping you get the most from the Social Value Act
- Shape and implement new service delivery models
- Create a procurement function that saves you money
- Deliver a procurement hub, savings and major outsourcing
- Management and delivery of council cost reduction programmes
- Provision of interim professional resource



In addition to the above consultancy model we propose to also deliver a Procurement offer that will serve not only the Borough but could be the centre for procurement activity for North Manchester and also into South Yorkshire.

We have positioned our traded offer to meet the demands of other Local Authorities. We have an advantage over the private sector consultants in that we have a low 'cost plus' pricing model and we have the confidence of the public sector with private sector experience. In addition we are one of the few Authorities who have a unique, focussed approach to ensuring tangible social values are embedded into all our contracts and measured through strategic contract management.

The approach will be to market our offer wider than the Association of Greater Manchester Authorities (AGMA) as there is already an AGMA Procurement Hub which is an established small core team which provides professional procurement support to the Collaborative Efficiency Programme and delivers objectives of improvement and efficiency through collaborative procurement projects. In addition we do not want to openly compete with the newly established STaR (Stockport, Trafford and Rochdale) Team which will directly support Trafford, Stockport and Rochdale for all procurement requirement and contracts.

The Strategic Sourcing Team will assist at every stage of the procurement process providing strategic or operational assistance or a combination of both. The team offer a tailored approach to meet the individual needs of clients, whilst ensuring compliance with European Union and procurement best practice and mitigating any potential challenges and risks. The commercially astute team drive value and improvements from and throughout the procurement process. The team are committed to the delivery of cost savings, reduced risks, increased efficiencies and simplified processes, whilst also ensuring that value based outcomes are sought and that the right balance of cost savings, quality and social value are achieved. Our experienced team can help with:

- Identification or re-evaluation of needs.
- Definition or evaluation of the organisation's business requirements.
- Review of current procurement process.
- Embed social value outcomes within the procurement process
- Refinement or development of the procurement strategy.
- Market analysis and assessment.
- Review and benchmark of incumbent suppliers.
- Identification of potential suppliers.
- Definition of appropriate procurement process based on event types and spend.
- Implementation of Category Management.
- Identification of cost reduction opportunities and savings programmes.
- Identification of time and process efficiencies.
- Development of Framework Agreements

## **PROGRESS TODATE**

Discussions have progressed with Tameside Council and an Inter- Authority Agreement has been signed by both parties together with a costed model for Oldham services.

Tameside have commissioned procurement support to provide an 'as is' scenario with a view to directly commission tender support from the Strategic Sourcing team. The contract is expected to generate £15k income in FY14/15 and a further £45k in FY15/16

Consultancy support is currently being delivered into STaR Procurement Team to the aid the development of the team and to raise the profile of Oldham's Procurement Team. The support is contracted to the end of November 2014 and the assignment is expected to generate £15k income.

Meetings have been held with Badenoch and Clark (B & C) to review this innovative approach to procurement consultancy within the public sector and they are very enthusiastic and agree this is a unique opportunity to compete in the procurement consultancy market. They are starting to network with potential clients to explore the opportunity.

Once commercial negotiations are complete between both parties we propose to give B & C agreement to commence marketing our offer. We anticipate this in the next three months.

Head of Strategic Sourcing and Head of Strategic Relationship Management are required to provide the direct consultancy support.

All procurement projects will be managed by the Sourcing Team and Strategic Relationship Management Team within current capacity.

If the model grows at a rate faster than current capacity there will be a requirement to buy-in procurement support or develop this model with Association Greater Manchester Authorities colleagues.

## **IMPLEMENTATION PLAN**

Trading model currently in flight with Tameside Council and STaR Procurement Team and generating estimated income of £12,000 to November 2014.

Develop communications pack and include reference sites – July / August 2014  
B&C actively marketed the consultancy model for assignments to start November 2014 onwards

Develop forward plan for consultancy work 2015/16 for Strategic Sourcing Team to fully engage for 2016/17 as significant Oldham projects should be complete.

There are no implications to property

## Financial Impact

	2015/16	2016/17	Total
Income Projection	45,000	125,000	170,000
Savings	0	0	0
Total	45,000	125,000	170,000

### What impacts might the proposal have in terms of:

- **The ability of the service to deliver its expected outcomes?**

Close scrutiny of capacity will be required to ensure that resource is focussed on delivering council demands as well as income generating models. The quality of the service should not change and there will be new income generation targets.

- **Communities?**

There will be no visible difference for the residents of Oldham

- **Workforce?**

There is potential to generate income for other services within Commercial Services portfolio.

The proposal is to reduce the current Procurement and SRM structure by 2 Procurement Manager posts. The service has already re-shaped to cover 1 x procurement manager post as a result of the recent secondment arrangements. A further 1x procurement manager post to be identified. However, if the traded model for Procurement & SRM is successful we will need to ensure we have sufficient resource to meet the future demand.

Close monitoring of capacity plans and resource allocation will be carried out through the transition period.

There will be a reduction in FTE of 1 x Procurement Manager if the income cannot be generated

- **Organisational Impact?**

- The model may mean that there is a reduction in the capacity of the Oldham Procurement Team
- The service currently trades internally with all Directorates but the proposal does not impact on their service delivery and saving
- The proposal does not require investment from another service area?
- There is an assumption that specific services will continue to be provided to enable this proposal to be successful - corporate procurement service to the Council

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	Yes / No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	N/A
Date:	N/A

### Consultation information

No consultation has taken place so far.  
 If income is not generated we will need to consult with staff to reduce the headcount to budgetary levels.  
 A Consultation plan is to be established pending income generation

## Budget Information

<b>Reference:</b>	<b>D049C</b>
<b>Theme:</b>	<b>Effective Democratic Accountability Supported by Strong Corporate Governance</b>
<b>Lead Member:</b>	<b><u>Cllr Jabbar</u></b>

<b>Proposal:</b>	<b>PFI Costs For Schools</b>
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	<b>2015/16 £k</b>	<b>2016/17 £k</b>
<b>Proposed Financial saving:</b>	<b>301</b>	<b>0</b>
<b>Proposed reduction in FTE's</b>	<b>0</b>	<b>0</b>

### Background

The proposal is to charge base budget expenditure previously charged against the general fund PFI budget to the Dedicated Schools Grant. This will reduce the amount of general fund Base Budget still required to fund PFI charges for schools.

### Proposed savings

The proposal will realise a saving to the General Fund of £301k

### Key Milestones

### Key Risks and Mitigations

The risk is being able to charge appropriate PFI costs to parts of the Dedicated Schools Grant which can fund the costs.

### Key Consultations

Consultation has taken place between Finance officers and officers from the Learning and Attainment services. No detailed user consultation is required.

### Impact on Voluntary, Community or Faith Groups or Organisations

Please list the groups or organisations affected and detail the impact on each:	
<b>Group</b>	<b>Impact</b>
N/A	

**Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	<b>State Yes / No against each line</b>
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	NA
By:	NA

Responsible Officer:	Anne Ryans
By:	2 <sup>nd</sup> October 2014

## Budget Information

<b>Reference:</b>	<b>D050C</b>
<b>Theme:</b>	<b>Effective Democratic Accountability Supported by Strong Corporate Governance</b>
<b>Lead Member:</b>	<b>Cllr Jabbar</b>

<b>Proposal:</b>	<b>Retirement Costs (Schools Staff)</b>
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	2015/16 £k	2016/17 £k
<b>Proposed Financial saving:</b>	<b>120</b>	<b>0</b>
<b>Proposed reduction in FTE's</b>	<b>0</b>	<b>0</b>

### Background

The proposal is to remove base budget funding for this budget as the commitments for existing pension increase act payments can be funded from the existing DSG provision of £1,311,789.

### Proposed savings

The saving realised in the General Fund will be £120k

### Key Milestones

N/A

### Key Consultations

N/A

### Impact on Voluntary, Community or Faith Groups or Organisations

Please list the groups or organisations affected and detail the impact on each:	
Group	Impact
N/A	

### Key Risks and Mitigations

There are no risks attached to this proposal as all the costs can be funded from the Dedicated Schools Grant.

## Equality Impact Screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	<b>State Yes / No against each line</b>
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	NA
By:	NA

Responsible Officer:	Anne Ryans
By:	2 <sup>nd</sup> October 2014



## Budget Information

<b>Reference:</b>	<b>D052C</b>
<b>Theme:</b>	<b>Effective Democratic Accountability Supported by Strong Corporate Governance</b>
<b>Lead Member:</b>	<b><u>Cllr Jabbar</u></b>

<b>Proposal:</b>	<b>Transformational Budget</b>
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	<b>2015/16 £k</b>	<b>2016/17 £k</b>
<b>Proposed Financial saving:</b>	<b>1,000</b>	<b>0</b>
<b>Proposed reduction in FTE's</b>	<b>0</b>	<b>0</b>

### Background

Within the total budget of £216m for 2014/15, there is currently funding of £1m which is available to support investment in transformational projects. This budget has been created to provide a pump priming fund to enable innovative developments to be financed on a one off basis to facilitate corporate change and enable savings proposals requiring some initial investment to be developed to implementation. It is proposed that this budget is offered as a saving

The council recognises the value of the transformation fund and whilst base budget provision will be discontinued, revenue reserves will be utilised to provide pump priming support for transformational proposals which can demonstrate an effective return on the investment.

### Proposed savings

The saving will be realised by offering up the Transformation Budget of £1m.

### Key Milestones

N/A

### Key Consultations

N/A

### Impact on Voluntary, Community or Faith Groups or Organisations

Please list the groups or organisations affected and detail the impact on each:	
<b>Group</b>	<b>Impact</b>
N/A	N/A

**Key Risks and Mitigations**

Any risks associated with this proposal are mitigated by the availability of revenue reserves to finance innovative transformational investment proposals. The availability of reserves will be reviewed at regular intervals to ensure that there are adequate resources available to finance appropriate projects.

**Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	<b>State Yes / No against each line</b>
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	N/A
By:	N/A

Responsible Officer:	Carolyn Wilkins
By:	2 <sup>nd</sup> October 2014

**REFERENCE: D053(Organisational Redesign Ph1)**



**Oldham**  
Council

**TOTAL SAVING: 2015/16 £250k, 2016/17 £0k**

**FTE IMPACT (2015/16): 4**

## **Savings through transformation**

### **What service area/s does this proposal relate to?**

This is a cross cutting proposal that affects the corporate management of the council

### **What is the proposal?**

The council has approved the revision of the Executive Management Team and it has been reconfigured around a Chief Executive and four Executive Directors. The new directorates are as follows

- Corporate and Commercial Services;
- Co-operatives and Neighbourhoods;
- Health and Wellbeing;
- Economy and Skills.

Each of the Executive Directors is responsible for range of services and it will therefore be necessary to revise the management arrangements within the Council to reflect the new operating model

As a result, there is a requirement for the management layer below the Executive Management Team to be revised. A restructure of the posts at Assistant Executive Director level is therefore being undertaken to which will reduce the number of posts and provide a more streamlined management framework to reflect the requirements of a co-operative Council.

The restructure was consulted upon during August and September 2014 and moved to implementation from October 2014 thus enabling savings to be realised during 2015/16

### **Financial Impact**

The saving that has been proposed is £250k. This is directly linked to a reduction in posts at the Assistant Executive Director level

**What impacts might the proposal have in terms of:**

- **The ability of the service to deliver its expected outcomes?**

The streamlining of the management of the council will facilitate the achievement of corporate objectives, including the transformation programme and enhance the delivery of the cooperative agenda.

- **Communities?**

The communities in Oldham will not see a direct impact of this proposal. However, indirectly, the reconfigured management arrangements should ensure that all aspects of service delivery more effectively align to corporate agenda.

- **Workforce?**

The direct impact is on the number staff at the Assistant Executive Director (AED) management level. However, there will need to be a realignment of staff at levels below AED so that services management arrangements mirror new management responsibilities and expectations. This will be developed during the latter part of 2014/15 and early 2015/16.

- **Organisational Impact?**

This proposal results from an already approved organisational change. There will be further changes to the management arrangements at levels below AED. These will be worked through in detail and link to other savings proposals which are assisting the Council deliver its transformational change agenda.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	Yes / No
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People on low incomes	N
People in particular age groups	N
Groups with particular faiths/beliefs	N

EIA required:	No
EIA to be completed by:	NA
Date:	NA

### Consultation information

Consultation has taken place with Cabinet members and those members of staff who are in post at Assistant Executive Director level. The formal consultation on the proposals closed on 15 September 2014 and comments were then subject to review with action taken to address comments as considered appropriate.



**REFERENCE: D054 (School Meals – Income Generation)**

**TOTAL SAVING: 2015/16 £50k; 2016/17 £0k**

**FTE IMPACT (2015/16): NIL**

## **Savings through transformation**

**What service area/s does this proposal relate to?**

Commercial Services

**What is the proposal?**

The proposal is review the Council's Soft Facilities Management Services in response to the Governments Free School Meals (FSM) initiative, which has increased the demand for Catering Services from September 2014.

Although the increased demand requires additional resources in terms of staff, equipment and facilities, it also will generate additional income.

**Financial Impact**

The Catering Service for Primary Schools has a net service budget of (£106k) ie £5,924k expenditure budget offset by an income target of (£6,030k). The introduction of the new legislation regarding Universal Free School meals will generate additional net income of £90k (after the additional reduction in charges to schools). The proposed saving of £50k will reduce the net additional income to £40k. However the above estimates are based on a 90% uptake of eligible pupils and failure to meet this target will impact on the savings proposal.

**What impacts might the proposal have in terms of:**

- **The ability of the service to deliver its expected outcomes?**

The service provides a high (Gold rated) standard catering service to schools, meeting required outcomes and targets. Existing outcomes and targets will have to be reviewed in response to the increase in demand for the additional school meals required.

- **Communities?**

The parents of children in Oldham who are entitled to free school meals will realise a financial benefit, which will help those on low incomes during these difficult economic times. The Free Schools Meal initiative will also guarantee that key stage 1 children will receive a healthy meal daily whilst at school.

There is no requirement to engage with the community in regard to the Governments Free School Meals initiative, as the main impact is directly on the Council's schools.

- **Workforce?**

The Government's Free School Meals initiative has increased the demand for school meals from circa 9500 meals a day to 14500. Consequently, the service is in the process of employing circa 60 additional part-time staff to address the labour needs to meet this increase in demand.

The posts generally consist of cook supervisors and catering assistants.

- **Organisational Impact?**

The increase in staff numbers, directly affects the exiting catering management structure due to the additional management duties required. A review of the service and management structure is currently being undertaken in response to FSM initiative.

The manner, in which schools currently manage their lunch time supervision, will need to be reviewed in light of the increased school meal demand.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	Yes / No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	NA
Date:	NA

### Consultation information

Each project identified is resultant from engagement with the catering manager, kitchen supervisors and the school head teachers. Such engagement is based on the stakeholders need to be prepared for the increased demand that will be placed on the council's controlled school kitchens from September 2014.

Prior to commencement of any works the relevant individual stakeholders will be consulted to confirm the project brief and agree appropriate and convenient start and completion dates for delivery to mitigate any operational risks to service provision.



**REFERENCE: D056 (Reduction in Unity Contract)**



**TOTAL SAVING: 2015/16 £127k; 2016/17 £0k**

**Oldham**  
Council

**FTE IMPACT (2015/16): NIL**

## **Savings through transformation**

### **What service area/s does this proposal relate to?**

The Gross Annual Service charge reduction in relation to the Unity Partnership Contract.

### **What is the proposal?**

The proposal relates to a reduction in price of the contract from 1 April 2015. There will be changes to service delivery, the council will as a result receive increased value for money in relation to the fees and charges provided by the Unity Partnership.

There are no property implications relating to this option.

### **Financial Impact**

This sum is predicated around the Unity contract guarantees as per the Heads of Agreement and the Deed of Variation for Project Diamond. (The project to refresh and reduce the cost of the Unity Partnership to the Council). The saving is approximately 3% of the Gross Annual Service Charge.

There are no capital implications relating to this option.

### **What impacts might the proposal have in terms of:**

- **The ability of the service to deliver its expected outcomes?**

- Most of the services provided by the Unity partnership are transactional and therefore support the Council rather than provide service delivery outcomes.

- **Communities?**

- Project Diamond has been specifically agreed such that there will be no detrimental effect to quality or any users' experience.

- **Workforce?**

- There will be no impact on FTEs

- **Organisational Impact?**

- The saving is price related and will not impact on any operational activity for the council

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	Yes / No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	N/A
Date:	N/A

**Consultation information**

- Consultation and approval by Cabinet May 2013.

## Budget Information

<b>Reference:</b>	<b>D057C</b>
<b>Theme:</b>	<b>Effective Democratic Accountability Supported by Strong Corporate Governance</b>
<b>Lead Member:</b>	<b><u>Cllr Jabbar</u></b>

<b>Proposal:</b>	<b>Review of non pay budgets</b>
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	<b>2015/16 £k</b>	<b>2016/17 £k</b>
<b>Proposed Financial saving:</b>	<b>1,012</b>	<b>0</b>
<b>Proposed reduction in FTE's</b>	<b>0</b>	<b>0</b>

### Background

A detailed review of all non pay budgets including supplies and services has identified that savings of £1.012m can be achieved.

### Proposed savings

Saving from non pay budgets across all services areas of the council excluding those within the Neighbourhoods portfolio will realise £1.012m

### Key Milestones

- Identification of the budgets 1<sup>st</sup> November 2014

### Key Consultations

- Executive Directors

### Impact on Voluntary, Community or Faith Groups or Organisations

Please list the groups or organisations affected and detail the impact on each:	
<b>Group</b>	<b>Impact</b>
N/A	N/A

### **Key Risks and Mitigations**

Services may not be able to identify suitable budget savings. However this will be reviewed throughout the budget setting process and appropriate action taken at Executive Director level.

### **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	<b>State Yes / No against each line</b>
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	N/A
By:	N/A

Responsible Officer:	Anne Ryans
By:	2 <sup>nd</sup> October 2014

## Budget Information

<b>Reference:</b>	<b>D058C</b>
<b>Theme:</b>	<b>Effective Democratic Accountability Supported by Strong Corporate Governance</b>
<b>Lead Member:</b>	<b><u>Cllr Jabbar</u></b>

<b>Proposal:</b>	<b>Inflation Review</b>
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	<b>2015/16 £k</b>	<b>2016/17 £k</b>
<b>Proposed Financial saving:</b>	<b>600</b>	<b>0</b>
<b>Proposed reduction in FTE's</b>	<b>0</b>	<b>0</b>

### Background

The council's budgetary provision for inflationary increases is to be limited to contractual inflation only. This in effect means that all other budgets are cash limited at 2014/15 levels.

### Proposed savings

To reduce the amount of inflation projected for 2015/16 by £0.6m

### Key Milestones

Savings proposals for 2015/16 to be reviewed by Overview & Scrutiny Performance and Value for Money (PVfM) Committee and Cabinet. The budget will be set at February 2015 Council

Monthly budget monitoring through 2015/16 to ensure spend within the set budget.

### Key Consultations

Consultation with EMT and the Executive Member for Corporate Support, Finance & HR

### Impact on Voluntary, Community or Faith Groups or Organisations

Please list the groups or organisations affected and detail the impact on each:	
<b>Group</b>	<b>Impact</b>
N/A	N/A

### **Key Risks and Mitigations**

Maintenance of the 2015/16 budget within the limits set at Council in February 2015 which will be managed through monthly budget monitoring through 2015/16.

### **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	<b>State Yes / No against each line</b>
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	N/A
By:	N/A

Responsible Officer:	Anne Ryans
By:	2 <sup>nd</sup> October 2014

## Budget Information

<b>Reference:</b>	<b>D059C</b>
<b>Theme:</b>	<b>Effective Democratic Accountability Supported by Strong Corporate Governance</b>
<b>Lead Member:</b>	<b><u>Cllr J McMahon</u></b>

<b>Proposal:</b>	<b>Reserves used to finance capital spending</b>
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	<b>2015/16 £k</b>	<b>2016/17 £k</b>
<b>Proposed Financial saving:</b>	<b>1,000</b>	<b>0</b>
<b>Proposed reduction in FTE's</b>	<b>0</b>	<b>0</b>

### Background

The council has an extensive capital programme spanning 4 financial years (currently 2014/5 to 2017/18). The main focus of this programme is a range of major regeneration developments including the Old Town Hall, replacement leisure facilities and other Town Centre regeneration. This will require the council to undertake prudential borrowing to finance the expenditure which in turn requires revenue budget provision to finance the prudential borrowing. It is however proposed to utilise £10m of reserves to finance the capital programme and therefore reduce the prudential borrowing requirement by £10m, resulting in a £1m saving in revenue finance costs.

### Proposed savings

The proposed saving is a reduction in the capital financing requirement resulting in a revenue saving of £1m per annum.

### Key Milestones

- Amendments to the financing of the Capital Programme for inclusion in the Capital Strategy at the February council meeting.

### Key Consultations

Consultation with EMT; Executive Member for Corporate Support, Finance & HR; CIPB

### Impact on Voluntary, Community or Faith Groups or Organisations

Please list the groups or organisations affected and detail the impact on each:	
<b>Group</b>	<b>Impact</b>
N/A	N/A

## **Key Risks and Mitigations**

The reduction in the reserves of £10m is a one off proposal and therefore reduces the council's overarching resilience to any other financial pressures in forthcoming financial years. The overall position in relation to reserves will need to be closely monitored.

## **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	<b>State Yes / No against each line</b>
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	N/A
By:	N/A

Responsible Officer:	Anne Ryans
By:	2 <sup>nd</sup> October 2014



## Budget Information

<b>Reference:</b>	<b>D060C</b>
<b>Theme:</b>	<b>Effective Democratic Accountability Supported by Strong Corporate Governance</b>
<b>Lead Member:</b>	<b><u>Cllr J McMahon</u></b>

<b>Proposal:</b>	<b>Airport Dividend, Manchester Airport Group</b>
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	<b>2015/16 £k</b>	<b>2016/17 £k</b>
<b>Proposed Financial saving:</b>	<b>500</b>	<b>0</b>
<b>Proposed reduction in FTE's</b>	<b>0</b>	<b>0</b>

### Background

Since the takeover of Stanstead airport and at a restructuring of the Manchester Airports Group (MAG), dividends from the Airport have increased. Budgeting to increase the anticipated council income level by £250k was considered a prudent approach, however following a further review it is considered that this could be increased further to £500k (being of a similar value to the dividend received in July 2014).

### Proposed savings

Savings will be realised by an increase in dividend receivable by the council of £500k.

### Key Milestones

- MAG Financial Year End - 31/3/2015
- Declaration of the Dividend by Manchester Airports Groups in July 2015.

### Key Consultations

N/A

### Impact on Voluntary, Community or Faith Groups or Organisations

Please list the groups or organisations affected and detail the impact on each:	
<b>Group</b>	<b>Impact</b>
N/A	N/A

## **Key Risks and Mitigations**

The financial performance of MAG will impact upon the dividend receivable by the council. The performance could be impacted by events beyond control including natural disasters and international events. Any issues will be promptly reported and monitored as part of the council's budget monitoring process throughout 2015/16. While there is some risk associated with this proposal as dividends cannot be guaranteed, the Council will retain reserves to support any reduction in dividend.

## **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	<b>State Yes / No against each line</b>
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	N/A
By:	N/A

Responsible Officer:	Anne Ryans
By:	2 <sup>nd</sup> October 2014

## Budget Information

<b>Reference:</b>	<b>D061C</b>
<b>Theme:</b>	<b>Effective Democratic Accountability Supported by Strong Corporate Governance</b>
<b>Lead Member:</b>	<b><u>Cllr Jabbar</u></b>
<b>Proposal:</b>	<b>Revision to Redundancy budget provision</b>

	<b>2015/16 £k</b>	<b>2016/17 £k</b>
<b>Proposed Financial saving:</b>	<b>2,000</b>	<b>0</b>
<b>Proposed reduction in FTE's</b>	<b>0</b>	<b>0</b>

### Background

As a result of a review of resources available to fund redundancy payments, it is proposed that part of the existing budgetary provision can be released. In future, redundancy costs will be supported by funding available from the efficiency reserve. It is intended to utilise any under spending budgets to maintain an adequate level of resources within the efficiency reserve.

### Proposed savings

The saving will be realised by releasing the provision into the base budget.

### Key Milestones

N/A

### Key Consultations

EMT; Executive Member for Corporate Support, Finance and HR

### Impact on Voluntary, Community or Faith Groups or Organisations

Please list the groups or organisations affected and detail the impact on each:	
<b>Group</b>	<b>Impact</b>
N/A	N/A

### Key Risks and Mitigations

An increase in demand for redundancy expenditure in excess of existing resources available. The level of budget and reserves will be closely monitored to ensure that

there are adequate funds available to meet the council's obligations to make payments to staff in line with corporate policy.

There will be no impact on the entitlement of individuals to redundancy payments.

**Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	<b>State Yes / No against each line</b>
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	N/A
By:	N/A

Responsible Officer:	Anne Ryans
By:	2 <sup>nd</sup> October 2014

## Budget Information

<b>Reference:</b>	<b>D062C</b>
<b>Theme:</b>	<b>Effective Democratic Accountability Supported by Strong Corporate Governance</b>
<b>Lead Member:</b>	<b><u>Cllr J McMahon</u></b>

<b>Proposal:</b>	<b>Capital Financing savings</b>
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	<b>2015/16 £k</b>	<b>2016/17 £k</b>
<b>Proposed Financial saving:</b>	<b>2,286</b>	<b>-2,286</b>
<b>Proposed reduction in FTE's</b>	<b>0</b>	<b>0</b>

### Background

The council initially agreed a capital programme for 2014/15 totalling £113m financed by £80.1m of prudential borrowing. Programme expenditure and financing for 2014/15 subsequently increased as a result of slippage in the capital programme of 2013/14.

Many of the schemes in the capital programme which are financed by prudential borrowing are expected to have a significant proportion of their expenditure re-profiled into future financial years as a result of delays in schemes and a consequent revisiting of timelines for delivery. This will mean that savings will arise as prudential borrowing costs are not incurred in the financial years in which they had been expected. This will generate a one off saving only as the prudential borrowing costs will still be incurred but will be slipped to later financial years.

### Proposed savings

The proposed saving of £2.286m in 2015/16 results from a reduction in the capital financing requirement leading to the generation of a one off revenue saving. As this is deferring the cost rather than removing it, the £2.286m subsequently increases the savings requirement for 2016/17.

### Key Milestones

On-going review through regular capital/treasury management activity  
 March 2015 – Final capital financing of 2014/15 programme at outturn  
 March 2016 – Final capital financing of 2015/16 programme at outturn

### **Key Consultations**

EMT, Cabinet Member for Corporate Support, Finance and HR, Capital Programme Investment Board (CIPB), Project Managers of Major schemes

### **Impact on Voluntary, Community or Faith Groups or Organisations**

Please list the groups or organisations affected and detail the impact on each:	
<b>Group</b>	<b>Impact</b>
N/A	N/A

### **Key Risks and Mitigations**

If expenditure on schemes in the capital programme is speeded up, then may be a risk that the saving is not generated in full.

Prudent assumptions have been used based on the current position in relation to schemes and past evidence of spending. In addition, the capital programme is subject to on-going monthly review and should there be any variation in spending patterns. This would be examined at an early stage any mitigating actions initiated.

### **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	<b>State Yes / No against each line</b>
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	N/A
By:	N/A

Responsible Officer:	Anne Ryans
By:	2 <sup>nd</sup> October 2014

## Budget Information

<b>Reference:</b>	<b>D063C</b>
<b>Theme:</b>	<b>Effective Democratic Accountability Supported by Strong Corporate Governance</b>
<b>Lead Member:</b>	<b><u>Cllr Jabbar</u></b>
<b>Proposal:</b>	<b>Use of Demand Pressures Budgets</b>

	<b>2015/16 £k</b>	<b>2016/17 £k</b>
<b>Proposed Financial saving:</b>	<b>552</b>	<b>-238</b>
<b>Proposed reduction in FTE's</b>	<b>0</b>	<b>0</b>

### Background

When preparing the Medium Term Financial Strategy, an assessment was made of the likely level of demand pressures that the council would face in the 2015/16 budget round. This resulted in a budget of £2m being established to finance pressures arising from both local and national developments and priorities.

A detailed review of the requirement for this budget has been undertaken taking into account budgetary pressures of which the council is currently aware. It is proposed that £552k of this £2m is no longer required and this can be released to contribute toward the savings needed to balance the budget of the council for 2015/16.

However, it considered that there may be a requirement for an increase in budgetary provision for 2016/17. This will be subject to further review and will be finalised later in the 2016/17 budget setting process.

### Proposed savings

The release in 2015/16 of £552k of the demand pressures budget established to finance pressures arising from both local and national developments and priorities.

### Key Milestones

N/A

### Key Consultations

EMT/Cabinet Member for Corporate Support, Finance and HR

### **Impact on Voluntary, Community or Faith Groups or Organisations**

Please list the groups or organisations affected and detail the impact on each:	
<b>Group</b>	<b>Impact</b>
N/A	N/A

### **Key Risks and Mitigations**

There may be a requirement to address other priorities or there may be national developments that require the allocation of further resources. This position will be closely monitored within the review of the whole of the 2015/16 so that wherever possible, any increased costs are matched by increased income.

### **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	<b>State Yes / No against each line</b>
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	N/A
By:	N/A

Responsible Officer:	Anne Ryans
By:	2 <sup>nd</sup> October 2014



**2015-16 & 2016-17 - Schedule of Budget Proposals to be Approved**

**Budget Savings Proposals**

Reference	Brief Detail	Responsible Officer	2015/16 (£'000)	FTE 2015/16	2016/17 (£'000)	Page No	EIA Required	EIA Page No
D040	Review District Arrangements	Colette Kelly	180	0.0		126	Yes	129
C045	Children's Services Redesign	Kim Scragg	1,261	14.0	1,261	132	Yes	139
C046	Adult Social Services - Redesign	Maggie Kufeldt	6,197	7.0	5,132	175	Yes	190
D064C	Use of Additional Resources to Support the Budget Process	Anne Ryans	120	0.0		284	No	n/a
<b>Total Savings Proposals</b>			<b>7,758</b>	<b>21.0</b>	<b>6,393</b>			

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# **APPENDIX E**

## **SAVING PROPOSALS (including EIAs) TO BE APPROVED**



**REFERENCE: D040 (Review District Arrangements)**

**TOTAL SAVING: 2015/16 £180k; 2016/17 £0k**

**FTE IMPACT (2015/16): 0 (Savings through transformation)**

**What service area/s does this proposal relate to?**

Commercial Services / Neighbourhoods  
Legal & Democratic Services / Neighbourhoods

**What is the proposal?**

This saving proposal has come forward following a strategic review of the costs associated to running the democratic processes of the council. The review, led by the Borough Solicitor and the Deputy Leader, looked at governance, administrative budgets and staffing costs, at the corporate centre and at a district level. The review covered all the costs associated with supporting the democratic and electoral process including support to elected members.

**Background to the proposed savings applied to District Executives**

In May 2012 at Annual Council the Building A Co-operative Future – Devolution to Districts was approved. This set out a fundamental shift by devolving services, budgets and decision making to a local district level.

A Local Leaders programme was also put in place, which set out to enhance members' skills in leading and championing local causes and working with communities towards a Co-operative borough - where everyone does their bit and everyone benefits.

In addition a small core team was also established in each district to support the District Executives, manage services and coordinate partnership activity and community engagement at a local level. The teams also deliver corporate as well as local events and campaigns such as Love Where You Live , Welfare Reform ,Illegal money lending (Loan Shark) campaigns, the teams connect with communities and make campaigns real on the ground

## **Saving Proposals – Total £ 180k**

### **1. Reduction in devolved revenue budgets to District Executives – Saving £180,000**

The current position is that each district has a devolved budget equivalent to £25,000 per ward. Total budget across all 20 wards is £500,000. In addition, each Councillor receives £3,000 as an individual budget to support local ward priorities. Total for all Councillors is £180,000

Current overall total of devolved ward and individual budgets = £680,000

This proposal is to reduce the devolved ward budget from £25,000 to £10,000, reducing the Borough total to £200,000. In addition, increase the individual Councillor budget from £3,000 to £5,000 = £300,000

## **Financial Impact**

Local commissioning by District Executives will be reduced and the ability for Districts to pool and commission against agreed priorities could be limited. District priority themes such as Get Oldham Working, where Districts have taken on apprentices and invested in local opportunities will be reduced. The capacity to jointly commissioning across Districts will also diminish such as current joint arrangements between Districts on the provision of welfare rights, environmental and crime reduction schemes. The increase in individual budgets could see a greater number of smaller grants given to groups and individual organisations at a ward level.

## **What impacts might the proposal have in terms of:**

- **The ability of the service to deliver its expected outcomes?**

The reduction in district budgets will impact on the local capacity to commission on a larger scale on district and corporate issues and to enhance service provision such as wider environmental schemes.

Through increased individual budgets Members will have flexibility to target local smaller ward and neighbourhood based projects

- **Communities?**

Communities could see an increase in smaller neighbourhood and local ward based schemes that local people prioritise, funded through the increase in Councillor budgets . Communities will see a decrease in wider commissions tackling District and area based issues such as health inequalities and worklessness.

- **Organisational Impact?**

The reduction in District Executive budgets will see an impact on services such as Children's, Adult Social Care and Environmental Services who have all received funding to add local value to wider service provision.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	Yes /No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	Yes
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	Yes
EIA to be completed by:	Colette Kelly
Date:	January 2015

### Consultation information

Discussions have taken place at the District Chairs and Vice Chairs session with the Executive Portfolio Holder for Co Operatives and Neighbourhoods. Chairs and Vice Chairs are feeding back to the Executive Member on the potential impact locally in their districts. Discussions with ward members in each district are also complete.

# Equality Impact Assessment Tool

## D040 – Review of district arrangements

### Stage 1: Initial screening

Lead Officer:	Colette Kelly
People involved in completing EIA:	
Is this the first time that this project, policy or proposal has had an EIA carried out on it? If no, please state date of original and append to this document for information.	Yes x No  Date of original EIA:

### General Information

1a	Which service does this project, policy, or proposal relate to?	<p><b>D040 – review of district arrangements</b></p> <p>This proposal contains elements which relate to the budgets, devolved to the Borough's six District Executives. The devolution programme to Districts was approved by Council in May 2012 with the introduction of "<i>Building a Co Operative Oldham – Devolution To Districts</i>". This approach to local service delivery and decision making was later enhanced in May 2013 by Council in "<i>Next Steps For District Working</i>" which introduced further support to Councillors through case workers and the Local Leaders training programme.</p> <p><b>Proposal</b></p> <p>The proposal relates to the revenue budgets devolved locally to each District Executive and also the individual budgets which are allocated to each Councillor at a ward level. Both budget areas are used locally to support local district and ward community priorities.</p>
	What is the project, policy or proposal?	<p>The proposal is to :-</p> <ul style="list-style-type: none"> <li>• Reduce the devolved revenue budgets to each District Executive from £25,000 per ward to £10,000 per ward.</li> <li>• Increase the individual budget allocated to each Councillor from £3,000 to £5,000.</li> </ul>
1c	What are the main aims of the project, policy or proposal?	To achieve efficiencies of £180,000 contributing to the Council's overall target.
1d	Who, potentially, could this project, policy or proposal have a	Potential impact has been assessed and is set out below

<p>detrimental effect on, or benefit, and how?</p>	<p><b>Budgets</b></p> <p>At a District Executive level devolved revenue budgets are used to fund and or commission local services and community activity aligned to district priorities. Current local commissioning priorities support Borough wide themes such as Get Oldham Working, Get Active and wider Health and Well Being agendas.</p> <p>A reduction in the devolved revenue budget will mean a reduction in funded and commissioned services and activity across all the districts. <b>The proposed reduction should not disproportionately impact upon any one particular group as this will apply to all commissioned services and activity across all the districts.</b></p> <p>Individual budgets are allocated to each Councillor and usually support smaller ward and local neighbourhood priorities. These ward priorities are usually raised directly with councillors by local groups and residents. In some areas Councillors pool their individual budgets to fund broader issues which effect communities across the ward or across more than one ward. An example is a Community Festival or crime reduction initiatives, youth activities or environmental improvements.</p> <p>An increase in the individual budgets allocated to Councillors, should not disproportionately benefit any one particular group over another – no more so than the current grants awarded by Councillors locally. This is because the increase is applied equally across all 60 Councillors, to be spent locally in each ward across the borough.</p>
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1e. Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups? If so, is the impact positive or negative?				
	None	Positive	Negative	Not sure
Disabled people	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Particular ethnic groups	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Men or women (include impacts due to pregnancy / maternity)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People of particular sexual orientation/s	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



People on low incomes	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
People in particular age groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Groups with particular faiths and beliefs	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
New arrivals to the borough and those residents who do not know how to access services.		<input type="checkbox"/>	<input checked="" type="checkbox"/>	

1f. What do you think that the overall NEGATIVE impact on groups and communities will be?	<b>None / Minimal</b>	<b>Significant</b>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
1h	How have you come to this decision?	The reduction in revenue budgets is equally applied across all 6 Districts and the increase in individual councillor budgets across all 60 Councillors so therefore no disproportionate impact.

<b>Stage 5: Signature</b>	
<b>Lead Officer:</b> Colette Kelly	<b>Date:</b> 13.1.15
<b>Approver signature:</b> Elaine McLean	<b>Date:</b> 13.1.15
<b>EIA review date:</b> January 2016	

**REFERENCE: C045 (Children's Services Redesign)**

**TOTAL SAVING: 2015/16 £1,261k; 2016/17 £1,261k**

**FTE IMPACT (2015/16): 14**

**Savings through transformation**

**What service area/s does this proposal relate to?**

There are a number of options within this proposal that relate to the council's statutory duties to protect and safeguard children and young people including looking after those for whom the council assumes parental responsibility (LAC), however the council is fully committed to protecting the most vulnerable, it is more about doing things differently and more efficiently.

The proposal also covers the council's support to children and young people with special education needs and disabilities (SEND).

The service areas covered include social care assessment and care management, provider services (residential care, fostering and adoption, after care, short breaks) and safeguarding activities (Independent Reviewing Officers, Local Safeguarding Children's Board)

Organisationally the services sit within the Commissioning Directorate.

**What is the proposal?**

There are a number of proposals designed to offer up a total of £2.522 million equally split over 2015/16 and 16/17

Within the context of rising demand including increasing Looked After Children numbers we aim to deliver efficiencies across the range of spend areas by:

- delaying the entry/accelerating the exit of children and young people into/out of the social care system,
- reducing the cost of children and young people being supported by the social care system and reducing the cost of the system itself
- within the context of the SEND reforms, revise the offer and funding

arrangements for children with disabilities and special educational needs.

## **1. Reduce the spend on Looked After Children, After Care Support and Short Break provision**

Two key givens in our approach are that we will continually seek to increase the number of adoptive placements we can make and we will continue to maintain and grow a strong in house foster care service at the core of our placement strategy.

**1a (Foster Care)** We are seeking to further reduce placement costs by proposing to recruit a number of 'specialist' foster carers in a direct attempt to reduce the number of residential beds we need whether these are within our own children's homes or external provision. There are a number of therapeutic 'step down' models of foster care on offer across the country but currently Oldham has no such provision. We also propose to review the cost effectiveness of the council's in house and commissioned children's homes and maximise their potential to deal with some of the more challenging/complex young people who are currently placed in external placements. In a similar vein to our intentions around foster care, we need to look at the wider support offer including education, and therapeutic intervention.

There are 19 young people who currently reside in out of borough residential placements, through growth of our intensive fostering scheme we aim to reduce that number to a maximum of 10 placements by 2017.

**1b. (Foster Care)** It is also proposed to review the current accommodation and community support arrangements for care leavers and whilst the council will retain it's statutory responsibilities and commitment to support these young people into adulthood, the ongoing case for this to be delivered in house will be explored. The After Care Team also provide a response service to 16/17 year olds presenting as 'in need' and alternative ways of delivering this within the preventative approach will be actively considered. Expansion of such services as supported lodgings for older young people would improve the range of placement options.

### **Proposal 1a and 1b (Foster Care) will deliver savings of £1.4 million**

**1c (Short Breaks)** We will need to consider the current level of spend on short breaks for SEND children including the service provided at Netherhey Street. It is thought that by collaborating with other local authorities with similar service demands we can reduce costs. There is a level of funded short break activity which is accessed without the need for an assessment and we plan to develop community delivered parent led alternatives. We will also revisit the eligibility criteria for those receiving Carers Grant in the form of Direct Payments/Personal Budgets. Due to the time needed to establish viable collaborative arrangements. We intend to use Transitional Investment Grant monies to spread the savings over two financial years whilst meeting the Council's savings requirement in 2015/16

### **Proposal 1c (Short Breaks) will deliver savings of £344,000**

## **2. Reorganisation of Assessment and Care Management**

As the majority of the budget is spent on staff, the approach here is mainly based on

the key question – how can we redesign the delivery of the function in order to reduce costs either by reducing staff numbers and/or overall staffing costs?

Given previous budget savings requirements there has already been a significant degree of rationalisation of management, senior practitioner and family support posts (25 staff in all) making further options within the current service construct difficult. Case loads are on the increase and the LAC population, in line with most other North West authorities, has seen a rise.

Our approach therefore is based on an acknowledgement that a radical service redesign is needed which incorporates the intention to reduce demand (front door business) and the establishing of a model where some children in need cases could be 'stepped down' into other support services therefore reducing their time in the social care system.

The current model where the assessment and care management function is delivered across several teams including the specialist Children with Disabilities and After Care teams is unsustainable if we are looking at ways to reduce overall social worker and senior practitioner numbers. The bringing together of the resources under a single management and delivery structure is therefore envisaged. In addition, the current grades within the service are unsustainable if we need to reduce overall costs. We will need to limit the number of higher grade posts on each team instead of allowing automatic progression of staff through the grades i.e. they will be allowed to undertake professional qualifications but will have to apply for higher grade posts as they come available.

**Proposal 2 will deliver savings of £483,000**

### **3. Savings against the Safeguarding and Workforce Development budgets**

This service area covers several functions including the operation of the Local Safeguarding Children Board, the statutory Independent Review Team and the adult safeguarding team.

It is our intention to review partner contributions to the multi-agency safeguarding agendas covered by the Safeguarding service and review the contribution to workforce development by bringing together different funding streams.

**Proposal 3 will deliver savings of £150,000.**

### **4. Reprofiting the DSG High Needs Block**

We will look at the current DSG (Dedicated Schools Grant) and base budget spend on hearing impairment and visual impairment and plan to restructure the teams including combining management roles. We also intend to increase the extent to which the Quality and Effectiveness Service is traded to schools. These proposals aim to create capacity to absorb the base budget spend on other SEND services.

**Proposal 4 will deliver savings of £145,000.**

There are some property implications relating to these proposals which at this stage are not confirmed. They include -

1. Children with Disabilities and safeguarding teams will merge into an integrated service which will be co-located at Southlink offices. The teams are currently deployed across Royton Town Hall and Werneth Health Centre.
2. There is the potential to use housing stock or new build to meet the needs of care leavers and support family placements for either respite or long term care. We are working with colleagues to scope demand and potential solutions in this regard.

- **Financial Impact**

The total savings offered across the three areas in this template amount to £ 2.521 million which equates to just over 11.5% of the combined 2014/15 budgets across the service areas. This figure currently falls short of the 15 – 40% scenarios but represents options perceived as ‘doable’ at this point in time given the demand led nature of much of the business and the on-going need to ensure services which protect the most vulnerable are not compromised. Even at this level of savings, considerable redesign would be necessary.

Initiatives such as the recruitment and training of specialist foster carers and development of improved local support services may not happen in time to deliver the total savings in 2015/16 and it would be prudent to assume that of the £2.521 million identified, an equal apportionment across 2015/16 and 2016/17 should be made.

## What impacts might the proposal have in terms of:

- **The ability of the service to deliver its expected outcomes?**

For those children and young people who become looked after the council and partners have a duty to act as a 'good parent' and ensure the ongoing safety and wellbeing of LAC, working to mitigate the impact of being in care on their journey to adulthood and future life chances. In seeking to reduce costs we need to ensure that the quality of the whole range of provision and such factors as placement stability are not compromised. A number of our young people continue to live chaotic, risky lives even after entering the care system and we need to ensure that a drive to reduce costs does not increase the level of risk. As we develop options further we will give due regard to these considerations and involve young people themselves in determining the impact of our proposals.

The resourcing of short break provision for SEND children and young people is one of keen interest to parents who see such support as key to care packages. Although statutory duties can be sustained, services user's (and staff) expectations regarding levels of support will have to be challenged and 'recalibrated'. Undoubtedly this will come with a high level of challenge and some level of risk and creates a risk of escalation of need, leading to higher costs resulting from crisis intervention.

Inevitably the need to create savings in assessment and care management will lead to a direct impact on social worker and family support worker numbers and pay grades. The ability of the service to meet statutory requirements often directed by the courts and to provide an effective child protection response would remain a priority but issues such as caseload numbers, worker morale and retention rates would obviously be factors which could have a detrimental effect.

There are risks that in overly reducing the staff numbers we compromise effective care management which could lead to poorer more costly outcomes for children and young people.

There is also the possibility of the specialist nature of part of the function would be compromised by team mergers and a more generic response. In respect of SEND children, the reforms contained in the Children and Families Act will mean that across the 0 – 25 agenda there should be a more integrated young person centered approach irrespective of whether or not the social workers are deployed in a specialist or generic team.

Following consultation with staff and parents/carers it is proposed to offer some reassurances around the continuation of a specialist offer by adopting a 'team within a team' approach to the disability social workers with continuing senior practitioner oversight.

- **Communities**

Due to the specialist nature of the services covered within this template the impact on the wider community in terms of access to services will not be affected. There will be an increased role for Oldham residents to consider whether they wish to be involved in becoming adoptive parents, foster carers, supported lodgings placements etc.

The proposals will inevitably result in a reduction of the quality and availability of the support available. There are examples in some cases as to how this may benefit some service users, but there will certainly be a reduced offering. This may be mitigated through development of community-led services and peer support, but this will not entirely replace the reduction in service levels. Some clients at lower levels of need may no longer have access to services as the council will be forced to prioritise the most vulnerable, although the preventative agenda and district working may negate some of the impact.

- **Workforce**

The current number of FTE's across services to vulnerable children including those in the all age disability is approximately 300. It is inevitable that this will be reduced in order to contribute to deliver the saving. The current identified number of staff reductions is approximately 14.

In respect of staff grading there is the potential to lose experienced social workers to other authorities who have not implemented a capping system on numbers of social workers at each level. Level 3 social workers are still in demand by other authorities and to lose them when we have invested in them to get them to that level is a loss to the authority. Although newly qualified are cheaper they demand more time and supervision from the team manager and have a capped case load in the first year.

Some staff may find themselves working for different organisations such as schools.

- **Organisational Impact**

The impact on the organisation will be significant in that the delivery of these budget savings will put increasing pressure on those services which protect and safeguard children and those which support children with disabilities and their families. These services have offered up savings year on year against a backdrop of major statutory change and tougher inspectorial regimes. There is the opportunity to transform some of our approaches but particularly in child neglect and child protection cases it is extremely difficult to see how parents 'do their bit' in any constructive way.

The link with developing preventative approaches and their effectiveness is of paramount importance.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	Yes
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	Yes
People in particular age groups	Yes
Groups with particular faiths/beliefs	No

EIA required:	Yes
EIA to be completed by:	Kim Scragg
Date:	12 <sup>th</sup> January 2015

### Consultation information

Consultation has taken place with staff and parents/carers in particular around various aspects of this proposal. There have been a number of meetings and in respect of the proposals around children with disabilities we have worked with POINT the main local parent/carer representative group.

The findings of the consultation have informed the writing of the Equality Impact Assessments but key messages are summarised below.

- In respect of Looked After Children there are some young people who are likely to remain in care for some time. Not all of these young people want to be cared for in a 'family' environment i.e. foster care and therefore for some their active choice will be to remain in children's homes.
- In respect of children with disabilities there are concerns about the proposed reduction in the short breaks budget and although the idea of sharing services with neighbouring local authorities has been reasonably well received there is a fear that if this doesn't come off then will the impact be a greater reduction on available support. There is also concern about the proposed bringing together of social work and family support functions and whether this will diminish the offer of a 'specialist' service to families where the child/children have disabilities. The assumptions of how the proposal might be implemented have been altered to give more reassurance in this regard and an undertaking to keep this under review in the light of SEND reforms.



# Equality Impact Assessment Tool

## C045: Childrens' Services Redesign: Proposal 1a and 1b (Foster Care)

Stage 1: Initial screening	
Lead Officer:	Ed Francis
People involved in completing EIA:	Glynis Williams, Ed Francis
Is this the first time that this project, policy or proposal has had an EIA carried out on it? If no, please state date of original and append to this document for information.	Yes x No  Date of original EIA: n/a

### General Information

1a	Which service does this project, policy, or proposal relate to?	<p>This proposal relates to:</p> <ul style="list-style-type: none"> <li><b>Budget template CO 45 – Children's Services Redesign</b></li> </ul> <p>The current savings target against the overall template amounts to £2.52 million and the work is split into several elements each with their own EIA.</p> <p><b>This EIA relates to proposals 1a and 1b.</b></p> <p>This particular element is in relation to the way in which the Council intends to reduce the number of Looked After Children in residential care by expanding the family placement options on offer and beginning to explore a more outreach based model which keeps young people at home. We are also looking at improving the accommodation options for care leavers and older young people (16/17 year olds) with whom we get involved.</p> <p>The savings requirement against this element is £139,000 in 2015/16 and £1.26 million in 2016/17.</p>
1b	What is the project, policy or proposal?	<p>There are three elements to this proposal.</p> <p>The main element of the proposal is to recruit, train and maintain a number (14) of foster carers who can offer placements to young people who require intensive support including in some cases ongoing therapeutic intervention.</p> <p>The children and young people identified as</p>

	<p>potentially suitable for a specialist fostering service will have additional complex needs and will have experienced multiple placement breakdowns. Therapeutic foster care is a service where a child or young person who has undergone significant neglect or trauma and would benefit greatly from therapeutic care. This type of fostering provides a young person with a supportive family where they can build a trusting relationship with a foster carer whilst they receive therapy to help them to overcome traumatic experiences.</p> <p>It involves a team of professionals including the foster carers to work out how to best support and nurture that young person, to ensure that their emotional, psychological and social development are enhanced and good outcomes achieved. As things currently stand these young people would be placed in residential provision, often out of borough and at high cost to the Council with generally poorer outcomes than those achieved in family placements within the borough.</p> <p>Various options have been considered by the project team including the purchasing of therapeutic foster care placements on a spot or framework basis. It has been identified however that the least risky and most cost effective option is to develop an in house model building on our existing highly regarded in house fostering service.</p> <p>The anticipated weekly placement costs of £925 for this new type of placement compares extremely favourably with the range of residential costs across in house and external provision of £1,760 – £2,300.</p> <p>The second element of the proposal is begin to consider the current overarching demand for residential beds and explore whether we are in a position to convert some of our resources to a more outreach based model of providing intensive support to maintain young people at home with access to respite provision as required.</p> <p>The third element is to increase the range of options available to older Looked After Children and others in order to more effectively move them on from residential provision and prevent unsuitable accommodation arrangements being made (such as Bed and Breakfasts).</p>
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1c	What are the main aims of the project, policy or proposal?	<ul style="list-style-type: none"> <li>• Better outcomes for young people more of whom should be placed in supportive family environments as opposed to residential care homes.</li> <li>• Partner agencies (schools, health colleagues) will ensure that the services they offer are responsive to the needs of the young people in these placements who may present additional challenges.</li> <li>• Better accommodation options for older teenagers.</li> <li>• Financial benefits to the local authority with a reduction in placement costs.</li> </ul>
1d	Who, potentially, could this project, policy or proposal have a detrimental effect on, or benefit, and how?	<p>In the main, the project should produce beneficial outcomes for young people. We have already identified 4 young people who are currently in long term out of borough placements and face the prospect of several more years in these settings. If we are successful in recruiting 'specialist' foster carers our plan would be to establish family placements for these young people.</p> <p>The proposal could also present a meaningful occupational choice for individuals and couples.</p> <p>It is vital that partner agencies play their part in order to ensure 'wraparound' support to the child and the placement is maintained. We are engaging health and education partners to look at current provision and identify whether the current offer needs to improve.</p> <p>Through our engagement work with Looked After Children we are aware that some young people actively choose not to be placed in family placements for a variety of reasons and some are in residential provision following family placement breakdown making them less willing to consider another placement. With these young people we respect their right to choose and accept that there will be an ongoing need for residential provision as a valid option for some.</p>

1e. Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups? If so, is the impact positive or negative?				
	None	Positive	Negative	Not sure

Disabled people	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Particular ethnic groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Men or women (include impacts due to pregnancy / maternity)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People of particular sexual orientation/s	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People on low incomes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People in particular age groups	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Groups with particular faiths and beliefs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
<i>E.g. vulnerable residents, individuals at risk of loneliness, carers or serving and ex-serving members of the armed forces</i>		<input type="checkbox"/>	<input type="checkbox"/>	

1f. What do you think that the overall NEGATIVE impact on groups and communities will be?	<b>None / Minimal</b>	<b>Significant</b>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
1h	How have you come to this decision?	<p>The courses of action outlined above represent an enhancement to the current offer which increases options and should result in better outcomes. Clearly however there is a huge financial driver. The financial savings should be realised through the reduction in high cost solutions such as out of borough placements and other costly alternatives, which don't always provide the outcomes needed for the young people or the value for money that we need to ensure we can balance our budgets effectively.</p> <p>Every placement is an individual matter and should be in the best interests of the child/young person. There are various safeguards in place including an independent Children's Rights and Advocacy service which should ensure that the best decision for the</p>

	individual is made.
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**Stage 5: Signature**

**Lead Officer: Ed Francis      Date: 20.10.2014**

**Approver signature: Paul Cassidy      Date: 24.11.2014**

**EIA review date: January 2016**

# Equality Impact Assessment Tool

## CO45: Children's Services Redesign: Proposal 1c (Short Breaks)

Lead Officer:	Gary McBrien
People involved in completing EIA:	Gary McBrien, Julie Hawkins, Ed Francis
Date:	12/01/2015
Is this the first time that this project, policy or proposal has had an EIA carried out on it? If no, please state date of original and append to this document for information.	Yes

### General Information

1a	Which service does this project, policy, or proposal relate to?	This proposal relates to the children with disabilities service area within the All Age Disability service. It is part of the <b>Children's Services Redesign template CO45</b> which has several underpinning workstreams. <b>This EIA relates to proposal 1 c</b>
1b	What is the project, policy or proposal?	A range of measures to achieve the proposed savings of <b>£349,000</b> through sharing short breaks residential services with neighbouring local authorities and by reducing the funding level of preventative short breaks which form part of the 'Local Offer'.
1c	What are the main aims of the project, policy or proposal?	<p>Paragraph 6 of Schedule 2 to the Children Act 1989 requires local authorities to provide a short breaks service designed to assist individuals who provide care for disabled children. This duty and the Breaks for Carers of Disabled Children Regulations 2011 came into force on 1 April 2011.</p> <p>The Council currently delivers residential short breaks through Netherhey Street children's home and our approach is based on the following -</p> <ul style="list-style-type: none"> <li>• A short break residential unit in each small authority will never achieve full capacity due to local disability population levels; however the ability to share residential resources across authority populations could support up to 90% plus capacity.</li> <li>• Partnership with other LA's could free up short break residential units that will leave spare units available for other use. We would consider the option to use spare units for children with high</li> </ul>

levels of behaviours that challenge who have previously needed to go out of borough to high cost provision. This would mean a significant saving for the council and would also mean that the child would be closer to their families and maintain contacts with their local area.

- Alongside the above we would also look at the need to develop a long term intensive support outreach service in conjunction with schools and health. The service could prevent the need for greater cost service and would be aimed at supporting families to better support their children with highly complex challenging needs.
- As part of this option we are considering the potential to revise the structure of the staff team based at Netherhey St. This will give more flexibility in the team to increase capacity to support more children and would also lead to a small cost saving.
- Sharing residential short breaks across bordering local authorities can ensure that a good level of service continues to be provided across local authority boundaries whilst also contributing towards achieving budgetary and efficiency savings.

This approach will not produce the total savings required meaning that a reduction in the budget allocation for the 'Local Offer' will still be needed.

The short breaks provided via the offer are intended to be easy-to-access services for children and young people with additional needs. These may be linked to a particular school or target a particular community and may charge a small fee, e.g. Ability Youth Groups and other Integrated Youth Service activities, Wheels for All, Special School Holiday Schemes, etc. It is intended that some activities may be decommissioned entirely whilst others may have their funding reduced.

The savings requirement breaks down as £250,000 against residential short breaks and £100,000 from the preventative 'Local Offer'. Although the full amount of £349,000 has been offered for 2015/16, it is intended to use transitional funds to ensure sufficient lead in time for the changes to take effect and so the financial impact in actual terms will be £174,000 in 2015/16 and the full requirement thereafter. This proposed course of action is to ensure services are not jeopardised whilst the proposals are enacted.

		<p>The total spend on respite and short breaks is approximately £1.2 million and therefore the proposed savings would mean a reduction of 16% in 2015/16 and an additional 16% in 2016/17.</p> <p>It should be noted that there are a number of additional short break options which are offered in a more 'targeted' way to families with higher levels of need. It is not intended to reduce the investment in these services as part of this proposal.</p>
1d	<p>Who, potentially, could this project, policy or proposal have a detrimental effect on, or benefit, and how?</p>	<p>All the services impacted by these proposals are aimed at children with additional and complex needs and their families and are therefore likely to impact on them. There is likely to be some negative impact through the reduction in funding for short breaks, which will lead to reductions in service levels.</p> <p>Reductions in the preventative 'Local Offer' self-referral short breaks could lead to an increase in request for social work assessments for higher cost targeted short breaks for which some will be eligible for.</p> <p>Balanced against this, the negative impact of the reductions will be offset by the enhanced level of choice and control for families eligible for targeted short breaks provided by Personal Budgets. These are being introduced as part of the same process and it is intended that this will lead to a higher degree of personalisation than is currently possible within block contracts and therefore more effective services and a higher degree of customer satisfaction. Personal budgets are not provided via additional monies but are a conversion of existing resource spend and link with the development of personal health and education budgets as part of the Government's SEND (Special Education Needs and Disability) Reforms.</p>

<p>1e. Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups? If so, is the impact positive or negative?</p>				
	None	Positive	Negative	Not sure
Disabled people	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Particular ethnic groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Men or women	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



(include impacts due to pregnancy / maternity)				
People of particular sexual orientation/s	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People on low incomes	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
People in particular age groups	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Groups with particular faiths and beliefs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
Carers		<input type="checkbox"/>	<input checked="" type="checkbox"/>	

1f. What do you think that the overall NEGATIVE impact on groups and communities will be?		None / Minimal	Significant
		<input type="checkbox"/>	<input checked="" type="checkbox"/>
			Potentially significant – requires further investigation.
1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
1h	How have you come to this decision?	The extent to which the impact of funding reductions will be mitigated by the increased level of choice and control open to families eligible for targeted short breaks needs to be explored further by continuing a full and open dialogue and consultation with stakeholders to take place during November / December 2014. This will be conducted through focus groups with service users (parents, carers and young people), and through consultation with service providers.	

<b>Stage 2: What do you know?</b>
What do you know already?
These services support vulnerable families of children with disabilities and provide a preventative role in respect of providing support readily, as well as contributing to more complex packages of care (e.g. as a component of packages of targeted provision for children with complex needs).

Short Breaks Local Offer services are a key part of the approach to early intervention and prevention. There is the risk that further reductions may affect our ability to manage demand and could potentially result in more costly packages of care over time.

Having said this, access to Short Breaks 'local offer' services are accessed through self-referral. Demand for more targeted services at a higher level of need are struggling to fulfil the demand for their services and there is a need to review and rebalance provision to ensure the most vulnerable families receive an appropriate level of support.

Detailed consultation with providers and with service users and their families will need to be undertaken along with modelling of the likely impacts of the proposals in order to undertake a comprehensive EIA. Oldham Council is working to a principle of co-production with service users and believes that the challenge as to how to target resources most effectively can be best answered in partnership with service users and their parents.

Some of the most vulnerable people in Oldham would be affected by these proposals, as the services are for children and young people with additional and complex needs.

Detrimental effects could be that:

- Some families may not have access to the level of support they need
- Some people may opt out of services that they need due to affordability issues and due to reductions in availability of services available through self-referral. This may have a particular impact on those with low incomes.
- Reductions in Short Breaks funding combined with self-funders potentially unable to afford increased charges, could destabilise the mix of service provision and potentially put some services at risk
- Additional pressures could potentially be put on the Council and potentially on Health partners such as increased numbers of people admitted to residential respite care and potentially even hospital.

It is intended that the wider roll out of Personal Budgets provides the best means to mitigate these risks as it enabled service users eligible for targeted short breaks support to find effective and personalised responses to addressing their needs. We require urgent dialogue with service users and service providers to assess the risks that these proposals present and weigh these against the benefits.

There are currently 732 children accessing short breaks made up as follows:

Accessing targeted support	<b>187</b> children
Access only the local offer support	545 children
Total children accessing short breaks	<b>732</b> children

As part of the response to previous budget savings, we have worked with parents to establish a Short Break Steering Group which aims to further develop parent and community led short break options. This will enhance the Local Offer and potentially partially mitigate a reduction in Council investment. Parents are deeply concerned however at the level of proposed funding reduction and we will need to provide assurance that we are still providing a statutory compliant service offer which is responsive to local need. It is crucial that we try and manage these challenges in partnership with parents and young people.

### What don't you know?

Despite the mitigation in place there is the potential for the reduction in accessible local offer services to lead to an increase in demand for assessment and intervention at a higher level of need. This will be monitored closely.

### Further data collection

We are collating data on:

- Service users and service providers views of the proposals
- Alternative approaches and proposals that may be identified through this consultation and discussion
- Specific confirmation as to the appetite for neighbouring local authorities to establish a shared provision arrangement.

The outcome of this process will be a clear understanding of the impact of these proposals and a refined and developed understanding of whether there are better ways to deliver these budget reductions. This will be reflected in a complete EIA and a final set of proposals agreed in January 2015 for implementation in 2015/16.

## Stage 3: What do we think the potential impact might be?

### Consultation information

3a. Who have you consulted with?

Consultation with short breaks providers and service users commenced in early September 2014 regarding the broader consultation process. The more detailed short breaks savings consultation began in October until December 2014, although some of the proposals with implications for providers and parent/carers had been shared with providers and the Parent/Carer Short Breaks Steering Group for some months.

3b How did you consult?

Broad details of the approach to be taken were included as part of the public consultation on Adult, Children and Public Health savings which was put on the Council's website and circulated to key partners and parent/carer representatives.

A consultation document was prepared outlining the savings options was prepared and circulated to POINT and parents. This document has formed the basis of consultation meetings held on a number of evening, weekend and daytime meetings with parents, parent / carer groups at a variety of locations around Oldham including the Special Schools and with Barrier Breakers the representative group of young people who use our services.

### 3c. What do you know?

**Overall feedback from the broader consultation meetings**

- Parents expressed concerned regarding the level of savings expected from the Short Breaks budget especially following the savings achieved in 2013/14.
- Families concerned about the impact any further reduction in the 'local offer' would have on their ability to support their children.
- Some expressed concern that they currently don't seek social work support as they are able to self-support through the 'local offer' but this is already under pressure and any reduction would lead to them seeking assessment for targeted services.
- Parents concerned about the prospect of not having the same level of access to overnight short breaks as they feel this is a lifeline to enable them to maintain family life.

**Netherhey St Consultation Meetings**

- Families in general understood the rationale behind the proposals to work with Tameside and then Rochdale in order to share the residential short breaks resources.
- Parents did express concerns about the potential impact on the support their children receive and a potential reduction in the service.
- Parents would be happier if the service continued to be provided by Netherhey St.
- Parents raised concerns regarding how the quality of the service may be impacted on by sharing resources that may not be at the same standard.

**3d. What don't you know?**

The plan is to implement the savings plan in October 2015 to achieve half year savings of potentially 125K in 2015/16 – this would leave 54K to be identified from within the non-targeted section of the Local Offer. At this stage we haven't been able to confirm that we will be able to realise the full 125K through sharing residential short break services with Tameside / Rochdale in 2015/16 – the level of savings achievable in 2015/16 will be established by the end of March 2015.

In January / February 2015 we are going to further consult with parents / Parents Steering Group on how the 54K savings from the Local Offer would be best achieved. At that time we would also highlight that more savings from the Local Offer might be required if the full 125K can't be achieved.

**3e. What might the potential impact on individuals or groups be?**

Generic (impact across all groups)	N/A
Men or women (include impacts due to pregnancy / maternity)	N/A
People of particular sexual orientation/s	N/A
Disabled people	The reductions in availability of the Short Breaks 'local offer'

	<p>could leave families currently at lower levels of need without support, which again could lead to issues escalating leading to family crisis.</p> <p>Introduction of Personal Budgets will provide benefits for many families, but implementation needs to be carefully managed to maximise the benefits and ensure that families are adequately supported to take up this offer.</p>
Particular ethnic groups	There is a significant representation of families from black and minority ethnic communities with some families having a number of children with disabilities.
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N/A
People on low incomes	Many families with children who have disabilities are on low incomes in the main due to the high level of caring requirements that can limit work opportunities. The 'local offer' provides low cost accessible activities that are suitable for their children's needs, as above any reduction in this could lead to family crisis.
People in particular age groups	All service users are children or young people with additional needs – but this is addressed above.
Groups with particular faiths and beliefs	N/A
Other excluded individuals and groups (e.g. <i>vulnerable residents, individuals at risk of loneliness, carers or serving and ex-serving members of the armed forces</i> )	N/A

#### Stage 4: Reducing / mitigating the impact

##### 4a. Where you have identified an impact, what can be done to reduce or mitigate the impact?

Risk that reducing short breaks local offer services would actually lead to escalation of crisis situations and increase demand for targeted services	<ul style="list-style-type: none"> <li>Any reductions in service will be accompanied by proactive support to individuals and communities to provide support to develop peer-support groups and community support groups.</li> <li>Services capping will be explored to ensure families are still able to access some level of service, albeit reduced.</li> </ul>
Risk of reduction in overnight	<ul style="list-style-type: none"> <li>Involving parents in the development of a shared short</li> </ul>

<p>short breaks packages offered to families</p>	<p>breaks residential unit will support their understanding and will enable them to be a part of the decision making process.</p> <ul style="list-style-type: none"> <li>Any reductions in service will be accompanied by proactive support to individuals and the option to explore alternative support with the use of a personal budget.</li> </ul>
<p>The reduction in the short break offer to young people and their families particularly at lower levels of need where the preventative approach serves to avoid the need for costlier more intensive intervention</p>	<ul style="list-style-type: none"> <li>This will be partially mitigated by working with parents to establish parent and community led alternatives which is something we have already begun</li> <li>We are using some transition monies to create enough time for collaborative work with partners to happen.</li> </ul>
<p>Risk that the quality of the service will reduce</p>	<ul style="list-style-type: none"> <li>Netherhey St continues to be the prime option for the location of the shared residential short breaks unit and for Tameside also. This will reduce the impact regarding quality as Oldham families are already familiar with the staff team and the environment and recognise the high quality standards in place.</li> <li>Creating a new staff team and structure will be managed to ensure that the same high standards can be maintained for a higher throughput of children.</li> </ul>
<p>Risk that the collaboration work with Tameside will not produce the level of savings required in the short breaks residential service.</p>	<ul style="list-style-type: none"> <li>Accelerate discussions with Rochdale to ensure that any spare capacity in the new shared resource is fully utilised ensuring that savings targets are met within timescales.</li> </ul>
<p>Risk that the collaboration works with Tameside, Rochdale or both is not successful.</p>	<ul style="list-style-type: none"> <li>This would mean that the majority of the savings would need to found from the 'local offer' which in real term would mean that this would no longer exist.</li> <li>Work in place to assess the current thresholds for access to targeted support via a social work assessment. If the 'local offer' is removed completely the thresholds would likely need to be increased significantly to limit demand on these services.</li> <li>Work with education and health to develop a long term intensive support outreach 1c will be actively explored to support greater resilience within families.</li> </ul>

4b. Have you done, or will you do, anything differently as a result of the EIA?  
N/A

**4c. How will the impact of the project, policy or proposal and any changes made to reduce the impact be monitored?**

There is a comprehensive monitoring of the uptake and usage of the Short Breaks Offer and close relationships with Service Providers. This, in conjunction with monitoring of the level of referrals to the Children With Disabilities Team is adequate to monitor the impact of these proposals

Project management arrangements will need to be finalised between authorities to ensure that the work to develop the shared resource will be kept to timescales and deliver the level of savings required.

Involving parents and staff in the development of the shared resource will ensure that there is a shared ownership and commitment to achieving the best outcome within timescales.

**Conclusion**

Through achieving 349K Short Breaks savings during 2015/17 this will be a reduction of 32% of the overall budget available. The proposals will mean that there will be a reduction in the Local Offer available for children and families. Through establishing a shared arrangement to providing residential short breaks we will be able to meet these needs more cost effectively and reduce the funding needed to meet these needs therefore meaning that 72% of the 349K short breaks saving needed will be met through this approach.

There is also the potential that the introduction of Personal Budgets will mean that some families will meet their needs in a more cost effective way through identifying more innovative approaches with their families, friends and communities. Alongside this parent led community based short break approaches could also potentially provide a more cost effective way of meeting a range of needs.

All of the above is being co-produced and managed with parents and staff where appropriate.

**Stage 5: Signature**

**Lead Officer: Gary McBrien**

**Date: 12.01.2015**

**Approver signature: Maggie Kufeldt**

**Date: 12.01.2015**

**EIA review date: January 2016**

**APPENDIX 1: Action Plan and Risk Table**  
**Action Plan**

*Once you have decided on the course of action to be taken in order to reduce or mitigate the impact, please complete the action plan below (An example is provided in order to help you)*

Number	Action	Required outcomes	By who?	By when?	Review date
1	Any reductions in service will be accompanied by proactive support to individuals and communities to provide support to develop peer-support groups and community support groups	Empower parents/carers to take control of their own support and to develop their own network of support system with other parents in similar situations.	Julie Hawkins	April 2015	September 2015
2	Services capping will be explored to ensure families are still able to access some level of service, albeit reduced.	Families feel that there are still some services available to them.	Julie Hawkins	April 2015	September 2015
3	Involving parents in the development of a shared short breaks residential unit will support their understanding and will enable them to be a part of the decision making process	Parents feel they are working with us and that they are able to help shape how the service will look in the future.	Julie Hawkins Mark Hatton	February 2015	September 2015
4	Any reductions in overnight residential service will be accompanied by proactive support to individuals and the option to explore alternative support with the use of a personal budget.	Empowers parents and offers them the opportunity to have more choice and control over their children support with the use of a personal budget.	Julie Hawkins Mark Hatton Melanie Oldham	February 2015	September 2015
5	This will be partially mitigated by working with parents to establish	Enables parent groups such as POINT and OSCA to build on the	Julie Hawkins	April 2015	September 2015



	parent and community led alternatives which is something we have already begun	services and activities that they already deliver. This would parents who cannot the local offer other alternatives for support.			
6	We are using some transition monies to create enough time for collaborative work with partners to happen.	Parents feel that they have been given the time to be fully engaged in co-producing the new shape and look of the short breaks programme.	Ed Francis	February 2015	September 2015
7	Netherhey St continues to be the prime option for the location of the shared residential short breaks unit and for Tameside also. This will reduce the impact regarding quality as Oldham families are already familiar with the staff team and the environment and recognise the high quality standards in place.	Parents will feel secure that the quality will be maintained for their children's support.	Gary McBrien	April 2015	September 2015
8	Creating a new staff team and structure will be managed to ensure that the same high standards can be maintained for a higher throughput of children.	<ul style="list-style-type: none"> <li>As above in 7</li> <li>Any risks in creating a flexible workforce and increased staff levels will be considered including HR issues regarding staff terms and conditions</li> </ul>	Gary McBrien / Mark Hatton	August 2015	December 2015
9	Accelerate discussions with Rochdale to ensure that any spare capacity in the new shared resource is fully utilised ensuring that savings targets are met within timescales.	Ensuring that the unit is at full capacity and utilised by both local LA's at the earliest possible point, will realise the full savings required to limit the amount required from the	Gary McBrien	January 2015	July 2015

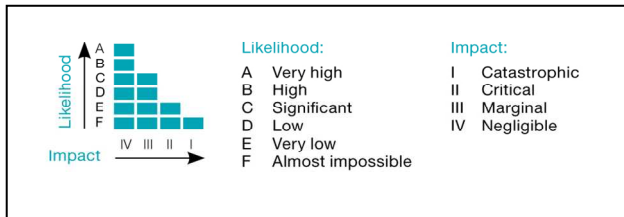
		'local offer' budget.			
10	Work in place to assess the current thresholds for access to targeted support via a social work assessment. If the 'local offer' is removed completely the thresholds would likely need to be increased significantly to limit demand on these services.	This would limit the option for many of the families currently accessing the 'local offer' to access more costly targeted support.	Gary McBrien / Julie Hawkins	February 2015	July 2015
11	<ul style="list-style-type: none"> <li>If the shared residential option did not succeed this would mean that the majority of the savings would need to be found from the 'local offer' which in real terms would mean that this would no longer exist.</li> <li>Work with education and health to develop a long term intensive support outreach 1c will be actively explored to support greater resilience within families.</li> </ul>	<ul style="list-style-type: none"> <li>Risk that many families who had been accessing the 'local offer' could face family crisis without the support in place.</li> <li>Creating an approach of this nature could prevent the need for greater cost services for families and would be aimed at supporting families to better support their children with highly complex challenging needs.</li> </ul>	Gary McBrien / Julie Hawkins  Gary McBrien / Julie Hawkins	March 2015  July 2015	August 2015  October 2015

**Risk table**

*Record any risks to the implementation of the project, policy or proposal and record any actions that you have put in place to reduce the likelihood of this happening.*

Ref.	Risk	Impact	Actions in Place to mitigate the risk	Current Risk Score	Further Actions to be developed
R1.1	Shared residential work does not succeed meaning that all the savings will have to be made from the 'local offer' or only partial savings achieved or are delayed	Risk that many families who had been accessing the 'local offer could face family crisis without the support in place.	<p>Political approval for discussions and implications have been agreed Parents in Oldham / Tameside have been consulted and are in general agreement.</p> <p>Memorandum of Understanding being developed between Tameside / Oldham and potentially Rochdale</p> <p>Joint project management arrangements being put into place</p>	<b>C1</b>	

R1.2	Creating a new flexible staff structure in Netherhey St	<ul style="list-style-type: none"> <li>Staff terms and conditions will be affected and could lead to a loss in quality staff.</li> <li>More staff on flexible working patterns creates more challenges for management.</li> </ul>	<p>Staff at Netherhey St are already aware of the forthcoming move to a shared resource. Full consultation with staff team and unions to be undertaken in the near future.</p> <p>In creating the new structure the different complexities will be considered in how the management team will be constructed.</p>	<b>C1</b>	
R1.3	Parents are not happy with the proposals to achieve the remaining savings needed from the Local Offer	<ul style="list-style-type: none"> <li>This would mean a delay in agreeing which services were cut or reduced</li> <li>This could limit all the savings being made in 2015/15</li> </ul>	Consultation / involvement of parents underway – further consultation about proposals underway	<b>C1</b>	



# Equality Impact Assessment Tool

## C045: Childrens' Services Redesign - Proposal Two (Reorganisation of Assessment and Care Management)

Stage 1: Initial screening	
Lead Officer:	Kim Scragg
People involved in completing EIA:	Kim Scragg
Is this the first time that this project, policy or proposal has had an EIA carried out on it? If no, please state date of original and append to this document for information.	Yes x No  Date of original EIA: N/A

### General Information

1a	Which service does this project, policy, or proposal relate to?	This EIA relates to <b>Proposal Two</b> within C045: Children Services Redesign which looks at the proposed <b>Re-organisation of Assessment and Care Management Functions</b> .
1b	What is the project, policy or proposal?	Reorganising Assessment ,Care Management and Family Support functions in Children's services.
1c	What are the main aims of the project, policy or proposal?	<p>To bring together the Assessment and Care management functions for children and young people (0-25 years) with Disabilities and Children's Safeguarding services. The Field work Assessment teams' main function is one of Safeguarding/ Child Protection working within the three categories of Child in Need, Child in Need of Protection and Looked After Children whereas Children with Disabilities team primarily work with Child in Need under the auspices of being a supportive service to the families.</p> <p>The second element of the proposal is to bring together the Family Support resources in a similar way and create a single team.</p> <p>The financial savings will be realised by deleting the post of Team Manager (Children with Disabilities Team) and two currently vacant substantive posts on the team. There will also be a reduction of two posts from the combined Family Support resources from 35 to 33.</p>
1d	Who, potentially, could this project, policy or proposal have a detrimental effect on, or benefit,	<b>This could potentially have a detrimental effect on children, young people with disabilities and their families and carers.</b>

<p>and how?</p>	<p>The negative disproportionate impact of this proposal is that families that use the services of Children with disabilities (CWD) team regard the service as being supportive and may find the change to case responsibility being held within a team whose primary function is safeguarding as being stigmatising.</p> <p>By reducing the number of permanent posts (social worker and family support worker) specifically working with disability cases, there is the possibility that capacity to offer a specialist service in the future will be compromised.</p> <p>One of the positive impacts is the sharing of skills for staff among a wider network of colleagues and the added advantage of having the expertise of a manager well versed in child protection policies and procedures to ensure all safeguarding aspects are adhered to. This is essential for children with disabilities to ensure that they grow up in circumstances consistent with the provision of safe and effective care to help them reach their potential. These aspects of safeguarding and promotion of welfare are cumulative and all contribute to positive outcomes for children and young people. The transition to adulthood can be particularly difficult for disabled young people and with that in mind we will ensure processes are streamlined as much as possible and that particular needs relating to health, social care and education are in tune with the young person's aspirations.</p> <p>The post holders that transfer from the Children with Disabilities team to the Safeguarding teams will be ring fenced to work with disabled young people , their siblings and families to provide assessments and interventions which promote personal development and choice. By providing a wider family approach there will be a greater level of efficiency, less duplication and better join up between the services.</p> <p>A further positive impact is that children with a low/ moderate degree of disability are currently held within mainstream provision. This new offer will improve the access of social worker access to their colleagues with disability expertise on a daily basis to ensure that the addressed appropriately.</p>
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1e. Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups? If so, is the impact positive or negative?				
	None	Positive	Negative	Not sure
Disabled people	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Particular ethnic groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Men or women (include impacts due to pregnancy / maternity)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People of particular sexual orientation/s	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People on low incomes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People in particular age groups	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Groups with particular faiths and beliefs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
<i>E.g. vulnerable residents, individuals at risk of loneliness, carers or serving and ex-serving members of the armed forces</i>		<input type="checkbox"/>	<input type="checkbox"/>	

1f. What do you think that the overall NEGATIVE impact on groups and communities will be?	None / Minimal	Significant
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
1h	How have you come to this decision?	It is anticipated that bringing the two services together may potentially be perceived by parents and families of disabled children and young people as a concern due to the proposal to transfer case responsibility to the Safeguarding Team rather than remain in a Children with Disability team who are seen as being a support service. Families may perceive this negatively although their case will be still held by a social worker with a disability expertise.

	<p>There is also the possibility of the specialist nature of the Children with disability team or part of the function would be compromised by team mergers and a more generic response. I.e. social workers, accustomed to working with children who have suffered significant harm, where the local authority may have had to assume parental responsibility, will have to remind themselves of the fundamentally different relationships that they have with families of disabled children and that the guiding principle of real partnership / consultation with parents is key. In respect of Special Educational Needs and Disabilities children, the reforms contained in the Children and Families Act will mean that across the 0-25 agenda there should be a more integrated young person approach irrespective of whether or not social workers are deployed in a specialist or generic team.</p> <p>The proposal to integrate the Family Support Worker resources potentially poses the same issue in respect of a specialist v generic resource consideration.</p> <p>Although the service, in essence will remain the same, i.e. .Disabled children and young people will receive the same level of service from social workers with an expertise in disability, parent/carer perception and concerns on this will be significant.</p>
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<b>Stage 2: What do you know?</b>
<b>What do you know already?</b>
<p>There are currently 6 mainstream safeguarding teams, comprising of 8/ 9 social workers, a Senior Practitioner and Team Manager. Both the Senior practitioner and the Team Manager are available for support and advice to the team. Their case load is weighted according to a set model but would average between 18 and 26 children, dependent on complexity.</p> <p>The CWD team which comprises of 8 workers will be integrated into the service but remain a distinct team with a dedicated senior practitioner. This will result in 2 social work posts not currently filled on a permanent basis being deleted. The case loads of this team will be restricted to ensure they are working only with children with disabilities. The caseload will be equally shared out between the 6 remaining team members. This will bring their caseloads in line with all other social workers within Children’s Services. This will average 22 children per worker and is seen as an appropriate and manageable case load by Ofsted.</p>



The Senior Practitioner (SP) post within the CWD service will be retained to give expert advice on disability issues to the social work team will undertake joint supervision with team managers who will have overall responsibility for these cases. In addition to being co-located with the Safeguarding Team and the Senior Practitioner, which means they will be able to converse about issues on a daily basis, the SP will bring the six previous CWD social workers together as a team on a regular basis so that they can maintain the professional focus on disability issues and ensure that the SEND Reform agenda (Education , Health and Care plans, transition, personalisation) is evidenced in practice.

This proposal will also see the Resource Panel which allocates resources to children with disabilities and all of its functions, be replaced by a Provider Panel which oversees all children’s social care resources to ensure an equitable service.

**What don’t you know?**

Although we cannot predict future caseloads our referrals have stayed fairly consistent although the nature/ complexity of the work have increased.

It is planned to undertake a review of the Family Support worker caseload in respect of both the numbers of families supported but also the nature of the support. This will enable the options regarding the number of dedicated specialist posts to be best informed.

**Further data collection**

In order to ensure that those current cases that require ‘conversion’ to EHC plans are identified and actioned, a joint project approach across the Council and Clinical Commissioning Group will monitor progress and additional time limited resource has been identified to ensure with statutory timescales.

**Summary (to be completed following analysis of the evidence above)**

Does the project, policy or proposal have the potential to have a <u>disproportionate</u> impact on any of the following groups? If so, is the impact positive or negative?	None	Positive	Negative	Not sure
Disabled people	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Particular ethnic groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Men or women (include impacts due to pregnancy / maternity)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People of particular sexual orientation/s	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People on low incomes	<input checked="" type="checkbox"/>			<input type="checkbox"/>
People in particular age groups	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Groups with particular faiths and beliefs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Are there any other groups that you think that this proposal may affect negatively or positively?				
<i>E.g. vulnerable residents, individuals at risk of loneliness, carers or serving and ex-serving members of the armed forces</i>	NO	<input type="checkbox"/>	<input type="checkbox"/>	

**Stage 3: What do we think the potential impact might be?**

<b>Consultation information</b>	
3a. Who have you consulted with?	<ul style="list-style-type: none"> <li>Members of the public and key partner agencies via the Council's budget consultation process</li> <li>CWD team members and managers.</li> <li>Cabinet Lead Member</li> <li>Internal management groups.</li> <li>The National Deaf Children's Society</li> <li>Parent and Carers via POINT (Parents of Oldham in Touch).</li> </ul>
3b. How did you consult? (inc meeting dates, activity undertaken & groups consulted)	<p><u>Internal</u></p> <p>Formal staff consultation process 6<sup>th</sup> November 2014 until 22 December 2015.  Lead Member with AED Children and Safeguarding on 4/9/14  Departmental Managers Group on 3/9/14, 8/10/14  Commissioning Directorate Departmental Management Team 2/9/14</p> <p><u>External</u></p> <p>Parent /Carer consultation process November 23<sup>rd</sup> 2014 until January 13<sup>th</sup> 2015.</p> <ul style="list-style-type: none"> <li>4 open meetings (23/11/2014; 6/01/2015; 8/01/2015; 11/01/2015). Total approx. attendance 25 parent/carers.</li> <li>E mail 'drop box' for comments/queries. 5 representations made including letter from the National Deaf Children's Society.</li> </ul>

<b>3c. What do you know?</b>
There is concern from both staff and parents/carers about loss of specialism and future capacity. Concerns from parents appear to be greater around the Family Support service – a more 'hands on' role than the proposals around the social work team.

Due consideration has been given to these concerns and as such the proposal has evolved from the original one in that as far as the social work team is concerned, the original plan was to disperse the team members amongst the other teams whereas it is now proposed to keep them as a 'team within a team' with continuing dedicated senior practitioner support.

It is also now proposed to review the Family Support workers caseloads before determining how many of the three specialist posts should remain as such instead of the original proposal to go from 3 to 1.

We still feel that we can reduce the number of specialist social work posts from 8 to 6 and have the capacity to respond to current and future demand. The Council has received additional funding from government in respect of implementation of the SEND reforms and we are putting short term resources in to meet with statutory requirements around converting current care plans to Education Health and Care plans.

### 3d. What don't you know?

Demand across social care is difficult to predict and in respect of children with disabilities we know that there are more cases where children with extremely complex needs are living longer. The level of demand for services and the capacity of the social work and family support teams to respond accordingly will be kept under review and the data can be considered six months following implementation of the proposals.

The progress of social care services in implementing the SEND reforms will be monitored via the SEND Programme Board.

### 3e. What might the potential impact on individuals or groups be?

Generic (impact across all groups)	N/A
Men or women (include impacts due to pregnancy / maternity)	N/A
People of particular sexual orientation/s	N/A
Disabled people	<p>The amended proposals give a level of reassurance that there will be sufficient social work and family support resources to maintain a specialist service. There is a risk however that by reducing the overall level of resource with the subsequent impact on caseload numbers, demand may exceed available resource at any one time or over an extended period. Those meeting the criteria will always get an appropriate assessment and we intend to meet our statutory requirements.</p> <p>Fears about the move from young people oriented to adult services (transition) have long been on the agenda for parents/carers and their children. We need to pay particular attention to ensuring that the transition process continually</p>

	improves irrespective of organisational arrangements.
Particular ethnic groups	We need to ensure that services for those for whom English is not the primary language receive support in accordance with their needs. In particular when we review the work of the Family Support workers we will consider this element of the support offered.
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N/A
People on low incomes	N/A
People in particular age groups	The SEND reforms introduce a requirement across agencies to adopt a 0 – 25 focus. If Oldham successfully implements the reforms fully then we will see an improvement in ‘transition’ and progress for young people to achieve their goals. Currently the ‘mainstream’ social care services do not have a 0 – 25 focus.
Groups with particular faiths and beliefs	N/A
Other excluded individuals and groups (e.g. <i>vulnerable residents, individuals at risk of loneliness, carers or serving and ex-serving members of the armed forces</i> )	N/A

Stage 4: Reducing / mitigating the impact	
4a. Where you have identified an impact, what can be done to reduce or mitigate the impact?	
Loss of specialist response	<ul style="list-style-type: none"> <li>• Keep disability team together as ‘team within a team’</li> <li>• Retain dedicated Senior Practitioner post</li> <li>• Work within the spirit and expectations of the SEND reforms</li> <li>• Deploy Family Support resource in accordance with service demand</li> </ul>
BME families not receiving support due to language barriers	<ul style="list-style-type: none"> <li>• Review of Family Support worker caseload to ascertain demand for translation/interpreting support - identify alternatives where appropriate</li> </ul>

Transition processes from young people's to adult services is compromised by the proposal	<ul style="list-style-type: none"> <li>• Oldham's SEND implementation programme will oversee the full local roll out of the reforms and every service across education, health and social care should see improvement in their approaches to transition.</li> </ul>
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<b>4b. Have you done, or will you do, anything differently as a result of the EIA?</b>
Proposals have evolved since consultation started and although the overarching intention remains the same a greater level of retention of specialist provision is now envisaged.

<b>4c. How will the impact of the project, policy or proposal and any changes made to reduce the impact be monitored?</b>
<p>Social care activity and performance data will demonstrate levels of demand and appropriateness of response. The proportion of disability cases at the 'higher end' of intervention and in looked after children numbers will be monitored. Progress around conversion of care plans to EHC plans and the issuing of new plans will be overseen by the SEND Programme Board.</p> <p>A line of communication has now been established between the Director of Safeguarding and POINT and the parent voice will be fed into the intended review of this proposal six months following implementation.</p>

<b>Conclusion</b>
<p><b>1. Assessment and Care Management</b></p> <p>Integration of the social work team for children with disabilities into the wider children's social care service. Deletion of Team Manager post and reduction of posts from 8 to 6 although two posts are currently vacant. The team currently supports approx. 200 children and their families.</p> <ul style="list-style-type: none"> <li>• As a result of the proposal, no one currently meeting the criteria will lose their entitlement to social work support. The social workers will be deployed as a 'team within a team' and still retain the support and oversight of a dedicated senior practitioner. The main impact is likely to be the ability to respond to future demand which may rise either due to demographic trends or the requirements of the SEND Reforms. Service demand will be kept under close review and the issue wouldn't be fact that families wouldn't get a service but whether it would be from the specialist team. As there are a not insignificant number of disability cases on wider social work caseloads anyway (for example child protection, children in care) there is a wider degree of experience and expertise to be drawn on.</li> <li>• Transition processes from young people's to adult services has traditionally been an area of concern (nationally, not just in Oldham). We are anticipating that if we get the SEND reform implementation including the 0 – 25 approach (Children and Families Act 2014) right in Oldham, transition processes and outcomes should improve.</li> </ul> <p><b>2. Family Support</b></p> <p>Integration of the 3 Family Support workers with the wider Family Support Team resource. Potential reduction in the number of 'specialist' posts from 3 to 1 enabling two posts within the wider service to be deleted.</p>

- The proposal has been amended to guarantee no changes to the current position in respect of staff numbers until a review of caseloads is undertaken in the first three months of the financial year i.e. by end June 2015. Although the overall staffing numbers for family support will reduce this will not necessarily mean that the 'specialist' posts will. Part of the rationale for the review is to get a greater level of understanding as to the nature of the work being undertaken and how important this is in supporting families. Reduction in overall capacity clearly impacts on the number of families that can be supported at any one time. The investment by the Council in the new 'early help' offer including the Family Focus teams mean that there will hopefully be less demand on social care family support services.

<b>Stage 5: Signature</b>		
<b>Lead Officer:</b>	<b>K. Scragg</b>	<b>Date: 12<sup>th</sup> January 2015</b>
<b>Approver signature:</b>	<b>Maggie Kufeldt</b>	<b>Date: 12<sup>th</sup> January 2015</b>
<b>EIA review date: 31<sup>st</sup> October 2015.</b>		

**APPENDIX 1: Action Plan and Risk Table**  
**Action Plan**

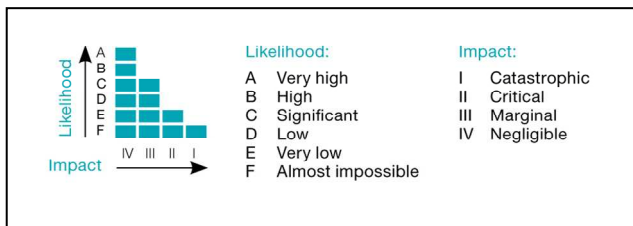
*Once you have decided on the course of action to be taken in order to reduce or mitigate the impact, please complete the action plan below (An example is provided in order to help you)*

Number	Action	Required outcomes	By who?	By when?	Review date
1.	Review caseload of disability service Family Support workers	<ul style="list-style-type: none"> <li>Understanding of full range of workers roles and responsibilities</li> <li>Identification of number of families requiring support with interpreting/language</li> </ul>	Saul Ainsworth Head of Service	June 30 <sup>th</sup> 2015	31 <sup>st</sup> October 2015
2.	Monitor effectiveness of intervention of SEND reforms including progress regarding Education, Health and Care plans and transition processes	<ul style="list-style-type: none"> <li>The success of ensuring a 0-25 approach is embedded within social care</li> <li>The expectations around the social care element of the EHC process are met</li> </ul>	Steve Edwards Interim AAD Learning and Attainment	Monthly	31 <sup>st</sup> October 2015
3.	Meet parents/carers following implementation of proposals	<ul style="list-style-type: none"> <li>Parents /Carers and their representatives (POINT) have the opportunity to feedback on their experience of services following the changes to the Director of Safeguarding</li> </ul>	Kim Scragg Director of Safeguarding	30 <sup>th</sup> September 2015	31 <sup>st</sup> October 2015

**Risk table**

*Record any risks to the implementation of the project, policy or proposal and record any actions that you have put in place to reduce the likelihood of this happening.*

Ref.	Risk	Impact	Actions in Place to mitigate the risk	Current Risk Score	Further Actions to be developed
R1.1	<b>Demands across mainstream services compromise the ability to maintain a specialist offer to children with disabilities and their families.</b>	<b>Statutory obligations would still be met, quality of care planning and family support would be compromised.</b>	<b>'Team within a Team' approach in respect of the social work response incorporating 'ringfenced' caseload.  Review of Family Support caseloads before decision on resource reductions.</b>	<b>D II</b>	<b>Effectiveness of 0-25 approach on improving transition to be investigated.</b>





# Equality Impact Assessment Tool

## C045: Childrens' Services Redesign - Proposal 4 Re-profiling the DSG High Needs Block (All Age Disability Service)

Stage 1: Initial screening	
Lead Officer:	Gary McBrien
People involved in completing EIA:	Gary McBrien, Kay Wrench, Debbie Jayet Laraffe, Ed Francis
Is this the first time that this project, policy or proposal has had an EIA carried out on it? If no, please state date of original and append to this document for information.	Yes x

### General Information

1a	Which service does this project, policy, or proposal relate to?	<p>All Age Disability Service, team for hearing, visual and physical impairment</p> <p>This proposal relates to:</p> <ul style="list-style-type: none"> <li><b>Budget template CO45 – Children's Services Redesign</b></li> </ul> <p>The current savings target against the overall template amounts to £2.52 million and the work is split into several elements each with their own EIA.</p> <p><b>This EIA relates to proposal 4.</b></p>
1b	What is the project, policy or proposal?	A range of measures to achieve the proposed savings of £145,000
1c	What are the main aims of the project, policy or proposal?	<ol style="list-style-type: none"> <li>To achieve a budget saving of £70,000 by service redesign and deletion of vacant/temporary posts as capacity is built in schools to deliver these services.</li> <li>To generate income of £75,000 by increasing the level of trading the Quality Effectiveness and Support Team (QEST) service to schools.</li> </ol>
1d	Who, potentially, could this project, policy or proposal have a detrimental effect on, or benefit,	This proposal is unlikely to have a significant effect upon service delivery as the reductions have been achieved through the development of capacity and skills

<p>and how?</p>	<p>by the current teams in schools and a change in the type of specialist input required in these areas to meet outcomes for children with sensory and physical impairment.</p> <p>Our aim is to do this by having a minimal impact on teaching, support and front line services, taking into account changes in circumstance and need for the work we do.</p> <p>Our proposal to create a head of sensory and physical impairment brings us in line with many services across the country and allows for streamlining of managerial responsibility and processes. Whilst we already work closely together it will further offer opportunity for collaboration whilst acknowledging the strengths of the highly specialist staff we have. There is no desire to create generic team members.</p> <p>We will also be in a better position should we move to any kind of regional approach to or trading of service delivery in the future.</p> <p>The realignment of responsibilities in the VI/PI team offers the potential to remove a post based on evidence from the team of a decrease in demand for services as schools build and develop capacity around children with physical disability and the use of ICT to effectively improve outcomes. Whilst these services will still be offered they will be targeted to the children and young people with the most complex needs and who require the greatest levels of highly specialist input.</p> <p>Similarly the building of capacity in mainstream schools allows for the reconfiguration of teaching assistant posts within the central HI team.</p> <p>It is essential that skilled staff are not eroded from the VI team as qualified and experienced staff retire. It is essential to build and strengthen this offer.</p> <p>The creation of an HI coordinator post offers a reduction in management and an increase in front line support, offering increased capacity for children to benefit from input from a qualified teacher of the deaf.</p> <p>In respect of the QEST team it is currently funded by a combination of Dedicated Schools Grant funding and traded income from schools. The plan to increase traded income and reduce the DSG commitment will depend on the degree to which schools will want to purchase the service (approx £300k in 2013/14). If this</p>
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	is not forthcoming than the costs of the team will be reduced to enable the saving to be made.
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1e. Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups? If so, is the impact positive or negative?				
	None	Positive	Negative	Not sure
Disabled people	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Particular ethnic groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Men or women (include impacts due to pregnancy / maternity)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People of particular sexual orientation/s	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People on low incomes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People in particular age groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Groups with particular faiths and beliefs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
<i>E.g. vulnerable residents, individuals at risk of loneliness, carers or serving and ex-serving members of the armed forces</i>		<input type="checkbox"/>	<input type="checkbox"/>	

1f. What do you think that the overall NEGATIVE impact on groups and communities will be?	None / Minimal	Significant
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
1h	How have you come to this decision?	The proposal is in line with direction of travel in respect of building capacity in schools and development of traded services. Front line support will increase.

**Stage 5: Signature**

**Lead Officer:**  
**Ed Francis**

**Date: 24/11/2014**

**Approver signature:**  
**Paul Cassidy**

**Date: 24/11/2014**

**EIA review date: January 2016**



## **REFERENCE: C046 (Adult Social Services - Redesign)**

**TOTAL SAVING: 2015/16 £6,197k; 2016/17 £5,132k**

**FTE IMPACT (2015/16): 7**

### **Savings through transformation**

#### **What service area/s does this proposal relate to?**

This proposal relates to social care and support services for adults with care and support needs, aged 18 and over, and is grouped under three main themes:

##### Prevention and independence

- Development and implementation of a prevention strategy
- Implementation of web-based information hub
- Support to people of all ages at the earliest point, to negate the need for more targeted services

##### Better Commissioning

- Income generation
- Alternatives to residential care
- Review of contractual arrangements

##### Integration

- Reablement and intermediate care
- Shared governance
- Long term care – quality care home offer
- Integrated Health and Social Care Assessment Teams expansion
- Care management redesign including resource allocation and management
- Dementia
- Carers
- Learning Disability
- Mental Health

The overall vision for adult care in Oldham is to ensure as many people as possible are enabled to stay healthy and actively involved in their communities for longer and delay or avoid the need for targeted services. In order to achieve this and manage the expected future demands, there is a need to move away from traditional “social” and “health” care, and focus on prevention, integration and a more person centred model of holistic care. The proposals contained within this paper will help to deliver this vision.

## What is the proposal?

The proposal consists of a number of projects relating to adults with care and support needs, that aim to address:

- An improved universal offer
- Early intervention and prevention
- More help to live independently
- Focus on reablement and recovery
- Reduced reliance on residential care
- Safe, good quality long term care
- Protection of Vulnerable Adults and safeguarding
- Targeted integration of services with NHS

### Prevention and Independence

The proposal is to work with stakeholders and across sectors to develop sustainable alternatives to traditional social care and support that use prevention and early intervention to help people retain the highest levels of independence for as long as they can. This proposal aims to:

- Reduce overall demand for services through an improved universal offer and timely information provision
- Improve access to innovative prevention and early interventions to help people retain the highest levels of independence for as long as they can
- Increase opportunities for people of all ages to regain abilities or at least prevent deterioration wherever possible
- Ensure that vulnerable people are supported to remain safe at home, giving them choice and control over services to meet their unique personal needs
- Maximise opportunities to work with partners, in particular NHS colleagues where integrating and joining up services adds demonstrable value and improved outcomes
- Reduce the reliance on the council's (and partners) financial resources
- Support providers to deliver high performance and quality

To support this there will be a Prevention Strategy refresh. The strategy will be made up of two key parts:

1. A short document that outlines the directorate's vision for prevention in Oldham and how this ties in with the rest of the corporate priorities, such as the cooperative agenda and get Oldham working. The document will also have some clear and engaging visual descriptions of how prevention will be embedded throughout the Oldham offer.
2. A set of enabling actions that will help the strategy come to life and support the programme to achieve key strategic objectives. There will be three of these; the first will be the web-based information service; the second will be a practical implementation plan to ensure support is available at the earliest point, and the third will be around developing a 'prevention hub' in order to have a physical base for prevention activities in Oldham.

The strategy is now ready to be signed off and published.

### Better Commissioning

The proposal is to maximise the benefit of commissioned activity by considering all potential commercial options and driving innovation and creativity in the provider market, and amongst our own staff.

- Income generation – this proposal will look at a number of opportunities to generate income including:
  - ensuring an agreed percentage of community care spend is brought back into the council through the effective implementation of Fairer Charging and residential care charging policies
  - bringing in income from Helpline charges
  - producing a range of actions to reduce deferred, but especially non-deferred, social care debt
  - increasing income at the Link Centre for use of facilities, and looking at ways to bring other resources into Oldham to reduce demand on the community care budget.
- Alternatives to residential care – this proposal will look at a number of alternatives to long term residential care including:
- alternative housing options – increasing the offer of housing with support, developing alternate housing options for older people with dementia and younger adults with autism :
- ongoing reablement – this proposal will focus on incentivising providers of home care to continue to support people to regain their independence as part of longer term packages of care, through a gain share model via an outcomes framework, focusing efforts on those people where a positive impact is most likely to be achieved. We will learn from good practice elsewhere, then develop a local scheme in consultation with service users, partners and providers.
- end of life home care – this proposal is to identify those providers in the home care market with specialist skills that will reduce admissions to residential and nursing care, or hospital at the end of someone’s life, and develop a distinct offer to enable people to die with dignity in the place of their choice. Research into existing specifications for this service is already underway. The development of a local scheme in consultation with users, partners and providers will then commence.
- alternatives to respite care – this proposal will focus on developing community based alternatives to residential respite care, such as temporarily increased care hours, day or night sitting services, expansion of shared lives scheme, utilisation of vacant extra care housing units. Research into alternative options is already under way. The development of options in

consultation with users, carers, partners and providers will then commence. It is envisaged alternative options will be available during 2015.

- Review of contractual arrangements – this proposal will seek reductions in the cost of a number of services across a range of our externally commissioned arrangements, including:
  - supporting people services for socially excluded groups and older people
  - reablement and response services
  - alternative arrangements for medication and meal calls
  - a review of all day services to identify opportunities for rationalisation or consolidation.

### Integration

This proposal builds on the integration of services across Primary Care, Community Health Care and social care, and is a major priority for partners in Oldham. A significant amount of integration work has already commenced and the Better Care Fund (BCF) provides opportunities to further work already under way. The vision for health and social care services in Oldham will see a radically new system, which will combine improvements in people's experiences, better health outcomes and better use of the available resources across the health and social care economy. This programme of work will focus on;

- Reablement and intermediate care – this proposal will review the pathway from intermediate care to reablement and consider the extent of the opportunities for integration to provide a fully joined up and efficient rehab offer for Oldham. The integration of intermediate care and reablement is important in both helping reduce demand on residential care and repeat hospital admissions, and also reducing the overall cost of the service through integration. Implementation plans developed by October 2014.
- Shared processes and decision making– this proposal will promote integration by agreeing areas of commonality, a shared governance and understanding, thereby improving decision making and processes
- Long term care – quality care home offer – this proposal is focussed on the provision of health care support to care homes to enable people to remain out of hospital wherever possible, and the redesign of the Oldham Care Home Quality Standard. A range of practical support to care homes will be implemented throughout 2014. Revised, integrated quality standards will also be agreed and in place by the end of 2014.
- Integrated Health and Social Care Assessment Teams (IHSCAT) expansion – a review of the effectiveness of the integrated teams and proposals for expansion. Achieving this aim will necessitate reviewing other integrated teams (particularly the integrated care team, the hospital social work team and the end of life team) and stand-alone teams to ensure that a more strategic approach is taken to integrating health and social care services.



This brings distinct advantages for Health agencies and the local authority; reducing demand for complex and costly interventions will allow resources to be directed to increase capacity for early intervention and prevention, which in turn will help to improve outcomes for local people, manage demand for intensive treatment and support and manage associated costs. Implementation by March 2016

- Dementia - this proposal will develop the concept of Oldham as a “dementia friendly town” and enable people with dementia to receive an early and accurate diagnosis, to receive the information and support they need to make decisions about their life and to lead as full and active life as possible and for their carers to feel well supported. People with dementia will have their individual needs assessed and receive coordinated services, throughout the dementia care pathway, from well trained and skilled practitioners who treat them with dignity and respect.
- Carers – this proposal will review the role of the Link Centre and the Carers Centre contract for the provision of support to carers. Approximately 11% (over 24,000) of people in Oldham are carers. Nationally it is estimated that carers save the economy £119 billion a year. Applying this methodology to Oldham indicates that carers save the local economy approximately £462 million per annum. Improving the range and quality of services for carers makes good financial and economic sense and is a key priority of the Oldham Health and Wellbeing Strategy. The Care Act, which comes into force in April 2015 extends local government duties towards carer's. We will continue to develop our offer for carers throughout 2014/15 which will help us to meet our new duties and reduce admissions and readmissions to residential care and hospital. (partial BCF)
- Care management redesign – We will involve staff, managers, our strategic and operational partner organisations and people who use our services in redesigning care management, assessment and related services, including Integrated Health and Social Care Assessment Teams This will ensure we maximise opportunities for integration to develop cost effective and efficient structures that focus more on early intervention and prevention to control expenditure on more costly, intensive interventions by helping people to live as independently as possible for as long as possible. New structures will be implemented in April 2015.
- The development of a revised approach to the allocation of resources to people to fund their care needs (Resource Allocation System), a review of the panel processes currently in place to approve these allocations, and the roll-out of pre-paid cards (or an alternative solution) to all individuals with Direct Payments.
- Learning Disability – this proposal focuses on redesigning learning disability services. During the course of 2014 we will engage with staff, our Health partners and other stakeholders to develop options for the future delivery of services to learning disabled people. These will include, but not be limited to

- Further integration of health and social care provision
- Disaggregating elements of provision from specialist services where these can be provided more efficiently and cost effectively in other ways
- Commissioning specialist, high cost, low demand services in partnership with other Greater Manchester local authorities
- Reviewing and redesigning our arrangements for supported living

Options for the provision of learning disability services will be finalised and appraised late in 2014 allowing sufficient time to seek formal approval to proceed and prepare for implementation in 2015.

- Mental Health – this proposal will seek to develop a single provider arrangement with Pennine Care to build on their already well established relationship with the council and Oldham CCG for the delivery of a range of community health services. If implemented this proposal would see Pennine Care being responsible for arranging and delivering all mental health provision across the health and social care economy, with incentives to focus on preventative action to support a reduction in higher cost reactive support. This proposal would include the transfer of council staff into Pennine Care.

### Financial Impact

In 14/15 the council is budgeting to spend £22 million (net) on discharging its statutory duty to assess and meet the social care needs of older people, and £23 million (net) on younger adults excluding recharges and corporate support costs. This expenditure can be broken down as follows:

Function/Service	2014/15 Gross Budget
Permanent residential or nursing care for older people	£8 million
Care at home for older people, including home care, respite breaks, day services and direct payments	£5 million
Prevention including reablement services through the trading company	£4 million
Supporting People support to Older People	£1.1 million
Supporting People – socially excluded groups	£1.8 million
Carers Services	£0.9 million
Social Work, Care Management, Care Arrangers and Financial Assessment	£3 million
Mental Health	£5.6 million
Adults with Learning Disabilities	£10.5 million

Whilst we must reduce community care expenditure we must also make sure we are able to discharge our statutory duties in respect of vulnerable adults, a proportion of whom will need intensive and /or long term care and support.

Maintaining safe services whilst delivering a complex programme to transform services, reduce costs and improve longer term outcomes will be challenging, not least because as our resources reduce local need and demand for social care are projected to increase and the introduction of the Care Act in 2015 presents additional duties for local government.

The savings proposed are as follows:

<b>Prevention and Early Intervention</b>	
Prevention Strategy and practical implementation	
Web based information hub	Invest to save
Early help and intervention	
<b>Better Commissioning</b>	
Income generation	£51,000
Alternatives to residential care	£377,070
Review of contractual arrangements	£2,009,930
<b>Total</b>	<b>£2,438,000</b>
<b>Integration</b>	
Reablement and Intermediate Care	Better Care Fund
Shared governance	Better Care Fund
Long term care – quality care home offer	Better Care Fund
Integrated Health and Social Care Assessment Team Expansion	Better Care Fund
Dementia	Better Care Fund
Carers	Better Care Fund plus £207,000
Better Care Fund	£5.9 million
Care Management Redesign including resource allocation and management	£100,000
Reducing and managing demand for social care across adult client groups (older people, physical disability and learning disability)	£500,000
Learning Disability	£1,341,970
Mental Health	£842,746
<b>Total</b>	<b>£8,891,716</b>

What impacts might the proposal have in terms of:

- The ability of the service to deliver its expected outcomes?

The approach to manage the expected demand within reduced resources will be one that:

- Intends to lessen demand;
- Is focussed on outcomes;
- Promotes delivery models that can deliver savings;
- Supports people to avoid using residential care services, but where they do reduces the length of stay and delays the point of admission; and
- Invests in preventative services.

The potential risks and benefits of implementing the proposals in the context of an ageing society, projected increases in need for social care and emerging national policy are:

<b>Risks</b>	<b>Benefits</b>
Longer waiting times for assessment and review if fewer care management staff are employed	Transforming the care management workforce to focus on prevention, demand reduction and improved outcomes
Market destabilization resulting from significant reductions over a relatively short period of time of people in residential and nursing homes or in receipt of home care. Such destabilization could lead to a shift in the balance of supply and demand, increased unemployment and increased empty properties.	Incentivizing new delivery models and market development
Insufficient resources to make the necessary investment in prevention and early intervention, resulting in an acceleration of demand for social care	Opportunities for innovation and partnership working with the voluntary sector to stimulate the market for preventative services
A reduction in the quality of service provision	An opportunity to review our approach to defining and assessing quality, in partnership with service users and carers, providers and key partners
The additional responsibilities imposed by the Care Act will need to be absorbed, and may have an impact on the achievement of our strategic aims and objectives	An opportunity to embed the requirements of the Care Act in our approach
Supporting people services for socially excluded groups help prevent repeat homelessness as well as addressing issues around worklessness, substance misuse and offending behaviour. Without adequate provision of these	Opportunities to ensure our approach to early help and prevention includes support for socially excluded groups

services the likelihood would be greater demands on statutory services, plus a range of negative consequences for individuals and the wider community.	
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- **Communities?**

<b>Risks</b>	<b>Benefits</b>
Additional pressure on families and carers, as well as service users to continue to cope under stress	The proposals will have a positive impact on communities in that as many people as possible are enabled to stay healthy and actively involved for longer by delaying or avoiding the need for targeted services. The planning and design of services to support carers will be carer led to ensure these are of most benefit to enable carers to continue in their roles.
Additional risk to health, wellbeing and safety where vulnerable adults receive less support than they would in the past	People will experience an improved, joined up customer journey
Additional pressure on voluntary and community organisations as they try to fill gaps in provision	
Possible objections from other residents of housing schemes if greater use of these schemes for those with complex care and support needs is encouraged.	
Potential increases in street homelessness and unsafe 'sofa-surfing', increases in crime and a reduction in the health and wellbeing of a significant group of Oldham residents	

- **Workforce?**

The proposals create an opportunity to work in a more integrated way with partners, and to develop our workforce to focus more on demand management, prevention and outcomes.
A reduction in the workforce and a refocussing of the role of care management may

have a negative impact on the capacity of the workforce to shift culture and behaviour at the required pace, and staff members' ability to undertake their roles in a creative and innovative way.

There may be staffing implications for commissioned services, in that contract reductions may require a reduction in staff numbers. The options around mental health and learning disabilities may result in the TUPE transfer of staff.

In all cases, the impact of fte reductions, including the impact on the remaining workforce must be assessed as the detail of the proposals is developed.

Detailed workforce planning and assessment learning and development required to support staff to deliver new roles and activities will need to be worked up.

- **Organisational Impact?**

The success of the transformation programme depends heavily on the engagement of all parts of the organisation and our key partners to establish a joined up approach. To support this we have established a fortnightly Transforming Adult Services group.

The creation of the prevention strategy and its successful implementation depends on the buy-in and embedding of its principles across the council and the borough as a whole. This will mean a fundamental change, not just to the way individual need is assessed and care delivered, but in the way that everyone with a presence in a community sees prevention as part of their responsibility.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	Yes / No
Disabled people	Yes
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	Yes
People in particular age groups	Yes
Groups with particular faiths/beliefs	No

EIA required:	Yes
EIA to be completed by:	Helen Ramsden
Date:	Nov 2014 & Jan 2015

## Consultation information

Consultation has taken place with service users, staff, trade unions and providers about future models of delivery focusing on early intervention and prevention and a move away from long term residential care options except in exceptional circumstances.

Consultation has taken place with partners around the integration options linked to the Better Care Fund

Further consultation will be required with all affected staff, service users, carers, providers and partners, once the proposals are more fully developed

## Executive Summary

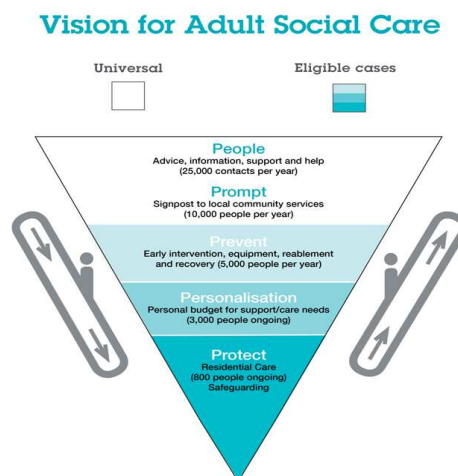
### What does this proposal relate to?

This proposal relates to social care and support services for adults with care and support needs, aged 18 and over.

The proposal captures activity under the Better Care Fund and the management fee reductions for Oldham Care and Support for 15/16 and 16/17.

### What is the vision of transformation?

The overall vision for adult care in Oldham is to ensure as many people as possible are enabled to stay health and actively involved in their communities for longer and delay or avoid the need for targeted services. In order to achieve this and manage the expected future demands, there is a need to move away from traditional “social” and “health” care, and focus on prevention, integration and a more person centred model of holistic care. The proposals contained within this paper will help to deliver this vision.



### What are the challenges to achieving the vision?

There are a number of challenges to achieving the transformation within reduced budgets, in particular:

- Increasing demographic pressures – a growing and ageing population with increased prevalence of long term conditions such as dementia
- Impact of new legislation – new responsibilities to assess, arrange and fund care for more people
- Rising demand and assessed need for services

### How do we intend to address the challenges and achieve the vision?

At a strategic level we will plan and commission services to improve outcomes and reduce demand, working with partners to reform the current public service offer recognising the connectivity and interdependencies across agencies and sectors. We will work to achieve best value with public money and manage and develop provider markets to meet current and future need.

This will be delivered through the Adult Programme, organised around three main areas of work:

#### 1. Prevention and Independence – Aims and Objectives

To work with stakeholders and across sectors to develop sustainable alternatives to traditional social care and support that use prevention and early intervention to help people retain the highest levels of independence for as long as they can. The project will

- reduce overall demand for services through an improved universal offer and timely information provision;
- improve access to innovative prevention and early intervention projects to help people to retain the highest levels of independence for as long as they can;
- increase opportunities for people of all ages to regain abilities or at least prevent deterioration wherever possible;
- ensure that vulnerable people are supported to remain safe at home, giving them choice and control over services to meet their unique personal needs;
- maximise opportunities to work with partners, in particular NHS colleagues where integrating and joining up services adds demonstrable value and improves outcomes;
- reduce the reliance on the council's (and partner agencies') financial resources; improve the quality of providers in the market by reducing reliance on providers of poor quality.

#### Prevention and Independence Projects

Prevention Strategy and practical implementation	
Web based information hub	Invest to save
Early help and intervention	



## 2. Better Commissioning - Aims and Objectives

The key objective is to maximise the benefit the Council obtains from its supply base by adding value through moving away from more traditional commissioning models, focussing on outcomes, challenging the “status quo”, considering all potential commercial options, and driving innovation and creativity amongst Council staff and suppliers.

### Better Commissioning Projects

Income generation	£51,000
Alternatives to residential care	£377,070
Review of contractual arrangements	£2,009,930
<b>Total</b>	<b>£2,438,000</b>

## 3. Integration – Aims and Objectives

The integration of services across Primary Care, Community Care and Social Care is a major priority for partners in Oldham. A significant amount of integration work has already commenced within the urgent care partnership, and the Better Care Fund provides opportunities to further work already under way. The vision for health and social care services in Oldham will see a radically new system which will combine improvements in people’s experiences, better health and social outcomes, and better use of available resources.

### Integration – Projects

Reablement and Intermediate Care	Better Care Fund
Shared governance	Better Care Fund
Long term care – quality care home offer	Better Care Fund
Integrated Health and Social Care Assessment Team Expansion	Better Care Fund
Dementia	Better Care Fund
Carers	Better Care Fund plus £207,000
Better Care Fund	£5.9 million
Care Management Redesign including resource allocation and management	£100,000
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Learning Disability	£1,341,970
Mental Health	£842,746
<b>Total</b>	<b>£8,891,716</b>

**Overall Total**  
**£11,329,716**

## What are the main risks and mitigations?

Risk	Mitigation
<p><b>The Better Care Fund</b> does not in itself address the immediate financial challenges, but acts as a catalyst to improve services and value for money. The council and the CCG will, therefore, have to redirect funds from existing activities to shared programmes that deliver better outcomes for individuals by adopting a shared approach to delivering services and setting priorities, through the Health and Wellbeing Board in order to shape sustainable health and care for the foreseeable future. There may be risks nationally to the drivers to integration through the Better Care Fund.</p>	<p>The development of this fund is part of an initial phase of health and social care integration in Oldham – partners have expressed an ambition to apply a similar approach to a second phase of wider health and social care integration that will go much further beyond the delivery plans and schemes outlined in this submission. Partners in Oldham believe that the fund is just the start of Oldham’s transformational journey, and much more work will be needed to deliver the longer term ambitions for public services and people in Oldham. A strong local partnership and the brokering of a secure local agreement will be necessary in order to achieve integration in the absence of the Better Care Fund.</p>
<p><b>Implications of the Care Act</b> – The introduction of the Care Act will result in a significant increase in the cost of care provision from April 2016 onwards that is not fully quantifiable at the moment and will impact the sustainability of current social care funding and plans.</p>	<p>A Task and Finish Group has been established to understand and map the possible impacts of the introduction of the Care Act on Oldham residents and the business of the Council, including the financial implications the changes will bring. The Task and Finish Group will ensure that the council and its residents are fully prepared for the changes introduced by the legislation. The Group will also ensure that the activity related to implementing the Care Act is linked back to and joined up with Better Care Fund projects and schemes.</p>
<p>The outcome of <b>consultation</b> renders some proposals untenable</p>	<p>Any proposals taken forward to full consultation include a comprehensive consultation and communication strategy. Time limited pilot schemes are considered to determine the outcomes and better articulate the benefits as part of the consultation</p>
<p><b>Destabilising and de-motivating current provision and providers in 2014/15</b></p>	<p>Early discussions and engagement with current providers to see if they can reconfigure to operate new ways of working within the new funding envelope. Each proposal will include a provider impact assessment to understand the key risks associated with specific providers</p>

## Governance

The Adult Transformation Programme will be managed through the three themes of Prevention and Independence, Better Commissioning and Integration, with identified project leads. Progress will be overseen by the Commissioning Portfolio Change Board with support from the Project Management Office. Integration projects will also report to the Integrated.

# Equality Impact Assessment Tool

## C046: EIA 1: Adult Social Care Redesign (Prevention elements)

### Stage 1: Initial screening

Lead Officer:	Hayley Summers
People involved in completing EIA:	Hayley Summers
Is this the first time that this project, policy or proposal has had an EIA carried out on it? If no, please state date of original and append to this document for information.	Yes

### General Information

1a	Which service does this project, policy, or proposal relate to?	<p>Oldham' prevention agenda and the recently created Adults Prevention Strategy relating to budget proposal C046 Adult Social Care.</p> <p>Oldham Council like other Local Authorities and partner agencies currently faces the increasing challenge of reduced funding against a back drop of increased demand. One of the ways of dealing with this challenge is to reduce reliance on Council and health services; in order to do this we need to encourage and support Individuals to help themselves. A further way we can deal with the challenge is to prevent individuals entering the social and health care system at the more costly crisis point and instead work with individuals to identify and understand their needs at a much earlier stage.</p> <p>By doing this we can support people by matching them up with lower level and more preventative services. There are some individuals who we are unfortunately unable to prevent reaching the crisis point however we may be able to slow down their journey which is likely to be better for the individual. Not only do preventative services tend to be less costly than the more expensive reactive services but it is much better for an individual to receive a preventative measure and not reach the point of crisis.</p> <p>The proposal does not have any specific savings attached to it; however the schemes under the prevention project will likely bring about cost avoidance and also help reduce or delay the demand on health and social services in Oldham. A high proportion of</p>
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		<p>preventative services are provided by voluntary sector and service users with lived experiences who want to help others in a similar position and therefore there is little cost to provide most preventative services at the Link Centre.</p> <p>Members are asked to support the move towards a more preventative model of working.</p>
1b	<p>What is the project, policy or proposal?</p>	<p>There are three parts to the project as follows:</p> <p><u>1.Link Centre to become hub of preventative services, activities and support</u></p> <p>The Link Centre is a diverse resource provided by Oldham Council which offers a large number of support groups, services and signposting facilities for a range of people. The Link Centre is also the Centre for Independent Living which supports and works with people of any age with a disability, vulnerability or any additional need. The Link Centre currently has 68 groups (service user and volunteer led) which offer a range of support from confidence building, activity based learning, job clubs, meditation and IT support through to peer and social support.</p> <p>The Centres 38 services include a newly developed Women’s Centre and Carers Centre. Alongside this there are a number of drop-in/signposting services and counselling facilities. The services and groups which the Link Centre offers are lower level preventative services and so ideal for those individuals who are not deemed Fair Access to Care Services (FACs) eligible for other support. However we would not stop those who are FACs eligible using the building as the services are just as much for those who are in receipt of other services or who have already reached the point of crisis.</p> <p>Therefore it has been recommended that the Link Centre should become the hub of preventative services and activities for vulnerable people in Oldham. This will be the focus as a key project as part of the overall prevention strand of the Adults Transformation Programme – Prevention agenda.</p> <p><u>2. Volunteering for All</u></p> <p>Volunteering carries many benefits including, connecting the volunteer with others, boosting social skills and networks. Volunteering can help individuals give something back to their community and make</p>

where they live a better place. This fits with the Councils campaigns and strategies around 'love where you live' and the place agenda. Considering a person's time as money would ensure we were maximising the 'Oldham Pound' as significant time would be given to support Oldham's people and communities.

Other benefits to volunteering include, increasing self-confidence, self-esteem and self-satisfaction; volunteering has been shown to combat depression and can reduce loneliness and social isolation. Research has shown those who volunteer have a lower mortality rate than those who do not. Volunteering can also create the 'happiness effect' and it is likely helping others kindle happiness. Volunteering can be fun and fulfilling and provide an arena to explore and share hobbies, interests and passions. There are a number of skill development benefits from volunteering whether basic skills like teamwork, communication, problem solving, task management or organisation through to creating an opportunity to learn new work related assets and attributes which may lead to a career development or even a change in career. This supports the Council's agenda to 'Get Oldham Working' through creating 1500 work opportunities by 2015. Increasing individual's skills and abilities will likely raise resident's aspirations.

The concept is for the Link Centre to be the hub of volunteer development and support, for groups helping; facilitating or assisting individuals with social or health care needs and in particular looking to reduce their reliance on health and social care services. The scheme has been produced with consultation and support of Voluntary Action Oldham who will be leading on the training of the schemes volunteers and will be working very closely with the schemes volunteer coordinator.

The Link Centre will work closely with the District Partnerships in Oldham in order to look at local need in relevant communities. As not all voluntary activities would be based in the Link Centre but delivered in the various communities. This may also be a way of gaining a higher number of volunteers as people may be more likely to volunteer if their local community directly benefits. By working with volunteers in the district areas it could be possible to devolve some powers and decision making around volunteers in the local areas therefore giving the people back more responsibility and encouraging 'helping themselves'. This is a great way of

integrating communities and people within those communities. It is suggested that the scheme works closely with one District Partnership to begin with as a pilot and this could be Chadderton.

Volunteering is incredibly diverse in terms of breadth and scope; no one should feel they cannot take part in some form of volunteering. For those on benefits they can volunteer without it impacting on their benefits. People with disabilities should not be deterred from volunteering as in the Link Centre, due to its accessibility, individuals with a range of complex needs and disabilities can access the building. The scheme will work in three ways either:

- 1) An individual is willing and able to volunteer themselves
- 2) An individual needs the assistance of a peer volunteer who will support them to access a volunteering opportunity. With the intention that over time the individual will not need the help of the peer volunteer.
- 3) An individual is not able or willing to be a volunteer but could benefit from accessing the services or support provided by a volunteer.

There are a range of volunteering opportunities which have been devised and will not only provide an excellent opportunity or service for individuals but also help support health and social care services.

### 3. Link Centre Champions

The third Project is developing and supporting a group of Link Centre service users and volunteers called the 'Link Centre Champions'. The group help organise events relevant to users of the building; signpost people to services and support; and answer questions visitors have about the Link Centre and its offer. The group help influence and shape decisions made about the Link Centre and are involved in the development and delivery of various training such as disability awareness training. They featured at the Oldham Safeguarding Conference by performing a powerful piece on Safeguarding through the eyes of a service user, this is something the Chair of the Safeguarding Board would like them to roll out across professionals, schools and private sector across Oldham to raise awareness of adult safeguarding issues. The Link Centre Champions also support the Oldham Disability Information Point

		<p>which is an area where any professional, service user or carer can gain access to information about relevant services across Oldham either electronically or in paper format for disabled and vulnerable people. Alongside this provision there are a number of groups, services and drop ins in the Link Centre on a range of topics, themes and support which the Link Centre Champions signpost people to. For further information please visit the Link Centre website, directory of services <a href="http://www.oldham.gov.uk/directory/103/link_centre_services">http://www.oldham.gov.uk/directory/103/link_centre_services</a>.</p> <p>The group have also been involved in sense checking documents before they are used in the public domain. By working in co-production with the group it can be assured that the direction of the Link Centre incorporates the needs of the relevant client groups. This is also in line with the recent care bill and personalisation agenda which highlights the importance of service users being involved in decisions about their own personal care.</p>
1c	What are the main aims of the project, policy or proposal?	<p>The various three elements of the project aim to bring about:</p> <p>Preventative Hub:</p> <ul style="list-style-type: none"> <li>• There will be an informative web page as part of the Oldham Council website clearly outlining the groups and services available at the Link Centre.</li> <li>• A menu of services will be devised outlining the groups and services available along with any prerequisites of attending. This document will be supported with smaller documents without the full detail of the group but will include dates and times of group meetings.</li> <li>• A number of promotional materials, campaigns and calendar of events will be generated and used to promote the Link Centre as a prevention hub.</li> <li>• There will be a communication plan put in place to ensure that all professionals, partners and relevant services users are aware of the information available to them.</li> <li>• Working with the Districts there will be champions and volunteers identified in the district areas to support signposting of people to the service the Link Centre provides.</li> </ul> <p>Volunteering For All:</p> <ul style="list-style-type: none"> <li>• There will be a Volunteer Coordinator in place to</li> </ul>



		<p>coordinate the scheme, driving the ambitions forward and supporting the volunteers.</p> <ul style="list-style-type: none"> <li>• There will be a database of readily available and trained volunteers and peer volunteers to take up opportunities as they arise.</li> <li>• There will be a clear pathway for people to transition through the scheme from volunteering with a peer volunteering, to volunteering alone and or accessing a service provided by a volunteer.</li> <li>• There will be a clear referral pathway for primary care workers in particular GP's and hospital admissions teams to refer/ direct clients through to the Link Centre.</li> <li>• Training and support for volunteers are in place.</li> <li>• Clear process for programme in place and documented.</li> </ul> <p>Link Centre Champions:</p> <ul style="list-style-type: none"> <li>• A number of training initiatives, for example disability awareness, train the Personal Assistant (PA) from the service users eyes and perspective</li> <li>• Organising events which are integral to vulnerable people of Oldham</li> <li>• Supporting the Safeguarding agenda through delivering workshops</li> <li>• Assisting in direction of Link centre offer; groups and services available by inputting to decisions</li> <li>• Expanding the number of Link Centre Champions.</li> <li>• Successful promotion and profile raising of the Link Centre and the Link Centre Champions</li> </ul>
1d	Who, potentially, could this project, policy or proposal have a detrimental effect on, or benefit, and how?	These three projects will bring about an increased and targeted offer focused on prevention and therefore the effects are solely positive for the people of Oldham in particular those who are carers, disabled, vulnerable people or those with any form of additional or complex needs.

1e. Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups? If so, is the impact positive or negative?				
	None	Positive	Negative	Not sure
Disabled people	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Particular ethnic groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Men or women (include impacts due to pregnancy / maternity)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

People of particular sexual orientation/s	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People on low incomes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People in particular age groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Groups with particular faiths and beliefs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
Carers		<input checked="" type="checkbox"/>	<input type="checkbox"/>	

1f. What do you think that the overall NEGATIVE impact on groups and communities will be?	<b>None / Minimal</b>	<b>Significant</b>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	As the proposal bring about a new increased offer there will be no negative impacts.	

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
1h	How have you come to this decision?	As the projects will expand the current preventative offer for Oldham residents then there are only positive impacts from these projects and therefore a full EIA is not required.

<b>Stage 5: Signature</b>	
<b>Lead Officer: Hayley Summers</b>	<b>Date: 30.10.2014</b>
<b>Approver signature: Paul Cassidy</b>	<b>Date: 24.11.2014</b>
<b>EIA review date: January 2016</b>	

# Equality Impact Assessment Tool

## C046: EIA 2: Adult Social Care Redesign (Care Management and Assessment Services)

Lead Officer:	Colin Elliott
People involved in completing EIA:	Colin Elliott
Is this the first time that this project, policy or proposal has had an EIA carried out on it? If no, please state date of original and append to this document for information.	Yes <input checked="" type="checkbox"/> No

### General Information

1a	Which service does this project, policy, or proposal relate to?	<p><b>Redesigning Care Management and Assessment Services. Budget Reference Number: C046</b></p> <p>This Equality Impact Assessment relates to the redesign of Adult Community Care Management, Assessment and related services provided by Oldham Council.</p>
1b	What is the project, policy or proposal?	<p>The proposal is to redesign and where necessary restructure Adult Community Care Management, Assessment and related services provided by Oldham Council to ensure the services are efficient, cost effective and fit for purpose in the future.</p> <p>We will take a phased approach to this work. We will:</p> <ul style="list-style-type: none"> <li>• Redesign our management structure at Head of Service level and above</li> <li>• Redesign our arrangements for assessing the needs of people to make sure they are discharged from hospital with appropriate social support</li> <li>• Redesign our care management and related management and staffing arrangements (across client groups) to make sure we have the right capacity in the right places</li> <li>• Agree sustainable and efficient care management and assessment arrangements with Pennine Care Mental Health Trust</li> </ul> <p>Whilst the functions delivered by the services will not change as a result of the redesign process we will make better use of existing capacity by targeting our staffing and other resources more effectively within localities.</p>

		<p>This is necessary to ensure that we are able to deliver additional duties under the Care Act 2014 when the legislation comes into force in April 2015 and to improve our response to Oldham residents.</p> <p>In practice this will entail:</p> <ul style="list-style-type: none"> <li>• Examining the potential to move resources out of specialist services into locality teams where there is evidence that this approach will add value and improve outcomes.</li> <li>• Further the integration of health and social care teams and functions where it is cost effective to do so and where integration will improve customer experience and health and well-being outcomes.</li> </ul> <p>The target for reducing operating costs by redesigning Adult Services is £100,000. (£50,000 to be achieved in 2015/16, £50,000 to be achieved in 2016/17).</p> <p>At this stage we anticipate that the required level of savings will be delivered by a reduction in management costs. There may also be scope for further efficiencies. That will become clearer as we develop our plans in more detail.</p>
1c	What are the main aims of the project, policy or proposal?	<p>The main aims of the project include:</p> <ul style="list-style-type: none"> <li>• To ensure that Oldham Council is able to discharge its duties under the Care Act (2014) when it comes into force in April 2015.</li> <li>• To ensure that Oldham Council is able to respond effectively to adults in need of social care assessment and support and their carers in light of projected increases in demand, reducing resources and new statutory duties.</li> <li>• To improve our capacity to work with Oldham residents who are, or appear to be in need of support to promote their independence, prevent, reduce and delay need for support and to help local residents to achieve the best outcomes.</li> <li>• To improve our ability to respond to social care need within localities, as well as the needs of particular groups, including those with characteristics protected under equality legislation. This may entail</li> </ul>

		<p>moving elements of what we do out of specialist services so that we can work more effectively to respond to the needs of local communities.</p> <ul style="list-style-type: none"> <li>To improve our capacity and ability to work with carers and to take other approaches that will help us to prevent, reduce, and delay demand for traditional social care services by intervening earlier and helping people to live as independently as possible in the community for as long as possible.</li> </ul> <p>We are currently analysing data on local need and demand for social care and support to develop the detailed evidence base required to inform decisions about how we should target resources in future. Our aim is to improve the quality and value of Assessment and Care Management so we can help Oldham residents to achieve the best outcomes possible.</p>
1d	Who, potentially, could this project, policy or proposal have a detrimental effect on, or benefit, and how?	<p>We do not anticipate that this proposal will have a detrimental impact on any section of the community. It is our intention that targeting our resources more effectively will improve our responses to groups with characteristics protected under equality legislation and to the community as a whole.</p> <p>We anticipate that redesigning our services will have a positive impact upon people with disabilities of all ages, carers and upon older people in need of care or support.</p>

1e. Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups? If so, is the impact positive or negative?				
	None	Positive	Negative	Not sure
Disabled people		X		
Particular ethnic groups	X			
Men or women (include impacts due to pregnancy / maternity)	X			
People of particular sexual orientation/s	X			
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	X			
People on low incomes	X			
People in particular age groups		X		
Groups with particular faiths and beliefs	X			

Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
Vulnerable residents and carers.		X		

1f. What do you think that the overall NEGATIVE impact on groups and communities will be?	None / Minimal	Significant
		X
	<p>The services currently being delivered will be re-designed to improve their operational delivery and flexibility to respond to local need for assessment and support.</p> <p>There should not be a negative impact on any section of the community. We will be better equipped to respond to local people, particularly to disabled people, older people and carers.</p> <p>We anticipate that our target for financial savings (£100k) will, primarily, be delivered by reductions in management costs. We do not anticipate a significant reduction in front line staffing.</p> <p>Targeting our resources more effectively will enable us to deliver new duties when the Care Act comes into force, improve our response to local people and the outcomes we achieve.</p>	

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes X No
1h	How have you come to this decision?	We do not anticipate any detrimental impacts as a result of the redesign of adult services. However, given the potential scale of change to management and staffing structures, and the vulnerable nature of the

people in need of social care and support it will be prudent to conduct a full equality impact assessment and to review our findings when the detail of our plans is in place.

We will involve staff, the people that use our services and carers in developing our delivery models, our proposals will be revised in light of comments from those groups. Acting on stakeholder views will help us to ensure we are better able to respond to the needs of individuals, groups with protected characteristics (under equality legislation) and communities in Oldham.

We will improve our capacity to respond to local need by targeting our resources more effectively. There will be not be a substantial change to the way we work with individuals, families and carers in the community but we will be more able to work with people to prevent, reduce and delay need for care and support by making better use of existing staffing and other resources.

Where it will add value and improve outcomes we will look to further integrate our services with local Health services. Such judgements will be evidence based and negotiated with NHS agencies to ensure that together we are able to deliver a better service and outcomes for Oldham residents.

We will review potential equality impacts in September 2015.

## Stage 2: What do you know?

### What do you know already?

Adult social care tends to be provided to people who have characteristics protected by equality legislation. Therefore any substantial change to services provided, or the way in which they are delivered might have positive or detrimental impacts upon individuals or groups with protected characteristics.

This is illustrated by the following information which provides an overview of social care and support provided to Oldham residents.

## Demographic Information

A summary of people supported by Oldham Council in residential settings and in their own homes during 2013-2014 (following an assessment of need) is provided below:

**Table 1: Numbers supported by Social Services during 2013-14**

	<b>Total Clients</b>	<b>Community Based Services</b>
Physical Disability - 18 to 64	493	480
Mental Health - 18 to 64	200	169
Learning Disability - 18 to 64	431	419
Other - 18 to 64	10	10
Older People - 65 and Over	2726	1908
<b>Total</b>	<b>3860</b>	<b>2986</b>

**Table 2: Numbers helped to live at home during 2013-14**

	<b>Total Clients</b>	<b>Home Care</b>
Physical Disability - 18 to 64	480	156
Mental Health - 18 to 64	169	31
Learning Disability - 18 to 64	419	34
Other - 18 to 64	10	0
Older People - 65 and Over	1908	1367
<b>Total</b>	<b>2986</b>	<b>1588</b>

Oldham, in common with many local authorities across the country faces projected increases in demand for health and social care in coming years as a result of a number of factors. These include:

- An ageing population
- People living longer with complex and multiple health conditions
- Children with learning and physical disabilities surviving into adult hood as a result of better medical treatment and care.

In coming years demographic growth is projected across all sections of the local population that are likely to require some form of social care and support in future. Some examples are provided below:



**Table 3: Projecting Adult Need and Service Information Data\***

	<b>2014</b>	<b>2015</b>	<b>2020</b>	<b>2025</b>	<b>2030</b>
<b>Total population aged 18 and over predicted to have a moderate or severe learning disability **</b>	851	856	867	881	895
<b>People aged 18-64 predicted to have a moderate or serious physical disability</b>	13,395	13,482	13,813	13,992	13,852
<b>People aged 75 and over predicted to have registerable eye conditions</b>	998	1,024	1158	1389	1530
<b>People aged 18-64 predicted to have <u>psychotic</u> disorder</b>	851	856	867	881	895
<b>People aged 18-64 predicted to have two or more <u>psychiatric</u> disorders</b>	9709	9736	9798	9838	9791
<b>Total population aged 65 and over predicted to have dementia</b>	2357	2416	2717	3143	3672
<b>People aged 65 and over with a limiting long-term illness, by age, projected to 2030</b>	4882	4978	5146	5146	5724
<b>Total population aged 65 and over predicted to be admitted to hospital as a result of falls</b>	718	728	820	949	1046
<b>People aged 65 and over providing unpaid care to a partner, family member or other person, by age, projected to 2030</b>	4927	5014	5314	5724	6283

\* The above information (relating to Oldham) is taken from a national dataset produced in 2013.

\*\* Information relating to people with moderate and severe learning disabilities is included to illustrate the sections of the learning disabled population most likely to require social care and support. The total learning disabled population in Oldham is projected to increase from a current baseline of 4,003 to 4143 by 2020. (Oldham Joint Strategic Needs Assessment for Adults with Learning Disabilities 2014)

### **What don't you know?**

Whilst we understand overall demand and need for the services we commission and provide across different client groups (including assessment and case management) we do not yet have the detailed evidence base that will be needed to target our resources more effectively across localities.

We are analysing available data to gain a better understanding of the nature, complexity and geographical distribution of future demand across client groups. This includes analysing the composition of demand for social care and support that arises from managing risk as people (often frail, older people) are discharged from hospital, and how that demand is distributed across the borough when people return home or to other settings (such as extra care housing, residential and nursing homes).

We are establishing the stronger, more sophisticated evidence base that will help us to make informed decisions about the number and type of staff that will be needed to operate within localities and to meet the complex needs of particular groups, such as people with multiple needs, sensory impairments or individuals who are nearing the end of their life.

### Further data collection

Extensive discussions have been held with Adult Services' managers and staff to develop options for improving our response to local residents, and to position services to deliver additional duties that will come into force when the Care Act is implemented in April 2015. Discussions with staff at all levels indicates that we can make better use of existing capacity, and if we achieve that by redesigning services the outcome will be a positive impact on people with characteristics protected by equality legislation.

We are now working with partner agencies to develop more detailed plans that will be put to consultation with people who are, or may in future be in need of social care and support and their carers.

### Summary (to be completed following analysis of the evidence above)

Does the project, policy or proposal have the potential to have a <u>disproportionate</u> impact on any of the following groups? If so, is the impact positive or negative?	None	Positive	Negative	Not sure
Disabled people		X		
Particular ethnic groups	X			
Men or women (include impacts due to pregnancy / maternity)	X			
People of particular sexual orientation/s	X			
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	X			
People on low incomes	X			
People in particular age groups		X		
Groups with particular faiths and beliefs	X			
Are there any other groups that you think that this proposal may affect negatively or positively?				
Vulnerable residents and carers.		X		

### Stage 3: What do we think the potential impact might be?

#### Consultation information

<p>3a. Who have you consulted with?</p>	<p>The Adult Services Transformation Programme has been included in three public consultation events and discussed with representatives of the voluntary sector and providers of residential and homecare in Oldham.</p> <p>Four briefings for staff and trade unions on the Adult and Children’s Social Care budget proposals were held in August 2014.</p> <p>Numerous workshops have since been held with managers and staff across Adult Services to involve them in considering what currently works well, what can be improved and how we can redesign services to get better outcomes and deliver new statutory duties.</p>
<p>3b. How did you consult? (inc meeting dates, activity undertaken &amp; groups consulted)</p>	<p>Workshops were held with managers and staff on the following dates:              August: 28th              September: 5<sup>th</sup>/12<sup>th</sup>/15<sup>th</sup>/22<sup>nd</sup>/30<sup>th</sup>              October: 6<sup>th</sup>/15<sup>th</sup>/23<sup>rd</sup></p> <p>The redesign of adult services has also routinely been discussed at meetings with service and team managers.</p> <p>We are now engaging our NHS and other partners in developing more detailed proposals which we will consult upon with people who use our services, their families, carers and others with an interest (such as local voluntary sector agencies and providers of social care services).</p>

#### 3c. What do you know?

At this stage we do not anticipate any adverse or negative impact on people in need of social care assessment, case management and support. We believe that by redesigning the way we work to deliver new duties under the Care Act (2014) we will improve the service that we offer to local people, including disabled people, older people and carers. However further work is required to develop the evidence base needed to finalise our plans.

**(1) Potential impact of the proposal will be on the groups that have been identified.**

As previously stated, we do not anticipate any adverse or negative impact on people in need of social care assessment, case management and support. We believe that by redesigning the way we work to deliver new duties under the Care Act we will improve the service that we offer to local people, including carers. However further work is required to develop the evidence base needed to finalise our plans.

Potential impacts will be reassessed following consultation with a broader range of stakeholders, including our statutory and other partner agencies, people in need of social care and support, their families and carers.

**(2) What we are planning to do to mitigate potential negative impacts.**

Careful management of the transition to new working arrangements (when detail is finalised) will minimise disruption to people who use our services, families, carers and partner agencies. We will assess and put in place plans to mitigate identified risks as our proposals are finalised and we will review potential equality impacts prior to implementation.

**3d. What don't you know?**

N/A

**3e. What might the potential impact on individuals or groups be?**

<p>Generic (impact across all groups)</p>	<p>Redesigning our services will improve our capacity and ability to identify people in the community who may benefit from information, advice or support and to intervene earlier to prevent, reduce, and delay demand for traditional social care services by helping people to live as independently as possible in the community for as long as possible. We do not anticipate that redesigning services will have a negative impact upon any section of the community. Making better use of our existing capacity and targeting our resources more effectively is likely to have a positive effect and improve our response to local residents.</p>
<p>Men or women (include impacts due to pregnancy / maternity)</p>	<p>We do not anticipate that redesigning our services will have any differential impact upon men or women. The Care Act requires that we are more proactive in identifying and responding to people who may not be in need of traditional social care and support. By redesigning the way we work to provide better information to the local population on their rights, entitlements and options available to them, all sections of community will be better informed about the full range of universal, community and social support available to them and those they care for.</p>
<p>People of particular sexual orientation/s</p>	<p>We do not anticipate that redesigning our services will have a differential impact upon people of particular sexual orientations. However changing the way we work, to be more responsive to local people and to provide better information is likely to have a generally positive impact across all sections of the community.</p>
<p>Disabled people</p>	<p>Targeting our resources more effectively to intervene at an earlier stage to prevent, reduce or delay individuals' need for traditional social care and support is likely to have a positive impact upon disabled people. Our aim is to make sure we have the capacity we need to help people to live as independently as possible in the community for as long as possible.</p>
<p>Particular ethnic groups</p>	<p>We do not anticipate that redesigning our services will have a differential impact upon people of particular ethnic groups. However changing the way we work, to be more responsive to</p>

	local people and to provide better information is likely to have a generally positive impact across all sections of the community.
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	We do not anticipate that redesigning our services will have a differential impact upon people who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment. However changing the way we work, to be more responsive to local people and to provide better information is likely to have a generally positive impact across all sections of the community.
People on low incomes	We do not anticipate that redesigning our services will have a differential impact upon people on low incomes. However changing the way we work, to be more responsive to local people and to provide better information is likely to have a generally positive impact across all sections of the community.
People in particular age groups	The majority of people who receive social care assessments, case management and other services are over 64 years of age. Taking a more proactive approach, intervening earlier and helping people to live as independently as possible in the community for longer will be of benefit to older people by promoting quality of life in old age and delaying the necessity for individuals to be placed in residential care.
Groups with particular faiths and beliefs	We do not anticipate that redesigning our services will have a differential impact upon groups with particular faiths or beliefs. However changing the way we work, to be more responsive to local people and to provide better information is likely to have a generally positive impact across all sections of the community.
Other excluded individuals and groups (e.g. <i>vulnerable residents, individuals at risk of loneliness, carers or serving and ex-serving members of the armed forces</i> )	We must redesign our services so we have the capacity we will need to work more proactively with carers and to help people who might otherwise require social care and support to be as independent as possible and achieve their potential. Targeting our staffing and other resources more efficiently to achieve these aims will improve our response to carers and other vulnerable and excluded groups.

**Stage 4: Reducing / mitigating the impact**

**4a. Where you have identified an impact, what can be done to reduce or mitigate the impact?**

Impact:	We do not anticipate that the redesign of the services will have a detrimental impact on any groups with characteristics protected under equality legislation, or other excluded individuals or groups.
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**4b. Have you done, or will you do anything differently as a result of the EIA?**

As previously stated we do not anticipate that the redesign of the services will have a detrimental impact on any groups with characteristics protected under equality legislation, or other excluded individuals or groups. We will consult with stakeholders on more detailed proposals when these are in place and we will review the equality impact assessment and our

proposals, amending them as may be required by September 2015. If there should be any significant emerging issues or changes to our proposals as the detail is developed or following consultation we will report them and our proposed response to elected members via established overview, scrutiny and cabinet mechanisms.

**4c. How will the impact of the project, policy or proposal and any changes made to reduce the impact be monitored?**

As stated above we will review and where necessary revise more detailed proposals by September 2015 and will keep revised arrangements, the outcomes they achieve and potential equality impacts under close review once new structures are in place.

**Conclusion**

Redesigning our care management and assessment services will enhance our ability to:

- Ensure that Oldham Council is able to discharge its duties under the Care Act (2014) when it comes into force in April 2015.
- Ensure that Oldham Council is able to respond effectively to adults in need of social care assessment and support and their carers in light of projected increases in demand, reducing resources and new statutory duties.
- Improve our capacity to work with Oldham residents who are, or appear to be in need of support to promote their independence, prevent, reduce and delay need for support and to help local residents to achieve the best outcomes.
- Improve our ability to respond to social care need within localities, as well as the needs of particular groups, including those with characteristics protected under equality legislation. This may entail moving elements of what we do out of specialist services so that we can work more effectively to respond to the needs of local communities.
- Improve our capacity and ability to work with carers and to take other approaches that will help us to prevent, reduce, and delay demand for traditional social care services by intervening earlier and helping people to live as independently as possible in the community for as long as possible.

At this stage there is no reason to believe that redesigning the services will have a negative impact upon any section of the population or upon groups with characteristics protected under equality legislation and we anticipate that there will be a positive impact arising from greater capacity to promote independence and wellbeing by intervening earlier with people who might otherwise require more intensive social care.

We will consult with stakeholders on more detailed proposals when these are in place and we will review the equality impact assessment and our proposals, amending them as may be required by September 2015 and reporting any changes to relevant council committees and cabinet.

## Stage 5: Signature

**Lead Officer:** Colin Elliott, Assistant Director, Adult Services

**Date:** 8.1.2015

**Approver signature:** Maggie Kufeldt

**Date:** 12.1.15

**EIA review date:** September 2015



# Equality Impact Assessment Tool

## C046: EIA 3: Adult Social Care Redesign (Alternatives to residential care)

### Stage 1: Initial screening

Lead Officer:	Jonathan Sutton
People involved in completing EIA:	Jonathan Sutton
Is this the first time that this project, policy or proposal has had an EIA carried out on it? If no, please state date of original and append to this document for information.	Yes  Date of original EIA:

### General Information

1a	Which service does this project, policy, or proposal relate to?	<p>The project, Alternatives to Residential Care, relates to services for older people.</p> <p>The project is part of the 'Savings Through Transformation Programme – Budget Code CO46 – Adult Social Services and is included in the 'Better Commissioning' strand of the programme.</p> <p>The key objective of 'Better Commissioning' is to maximise the benefit the Council obtains from its supply base by adding value through moving away from more traditional commissioning models, challenging the "status quo", considering all potential commercial options, and driving innovation and creativity amongst Council staff and suppliers.</p> <p>The project aim is to save £377k in a full financial year. This saving will be made out of the total residential care budget of £11.9m.</p>
1b	What is the project, policy or proposal?	<p>The emphasis of the Alternative to Residential Care project is about ensuring that, wherever possible, service users are given the option of remaining in their own homes instead of going into a care home on a short-term basis. This approach would potentially generate savings for the Council and provide choice and better outcomes for service users and their carers.</p> <p>There are three streams in the Alternatives to Residential Care Project;</p> <ul style="list-style-type: none"> <li>- 1. Extended Reablement/Gain Share Model</li> </ul>



		<ul style="list-style-type: none"> <li>- 2. End of Life Care</li> <li>- 3. Alternatives to Respite Care – Shared Lives Scheme</li> </ul> <p>1. The extended reablement stream seeks to maintain, and enhance, the reablement work carried out by the Oldham Care and Support Reablement Service after the service user has left their service. The way in which this will work is by commissioning a new reablement service from care at home providers instead of the traditional care at home service currently provided. Currently care at home providers have no financial incentive to adopt a reablement approach and are actually more likely to benefit financially if service users become more dependent and require more services. The extended reablement stream will have the potential to reduce short-term admissions to residential care if service users, also supported by their carers, are more independent.</p> <p>The extended reablement stream will be based on giving care at home providers a financial incentive to maintain or reduce care; the Council in effect will be willing to share the savings achieved by the reduction in care with the care at home provider.</p> <p>2. The End of Life Stream seeks to offer a new service for people on the end of life care pathway. The new service will be an enhanced care at home service, which works in partnership with other providers of end of life care.</p> <p>It is anticipated that by offering an enhanced care at home service for people on the end of life care pathway that fewer people will need to be admitted to care homes for the final stages of their lives. The research relating to end of life care suggests that many people would chose to die in their own homes if they believe that they, and their carers, would be supported by appropriate services.</p> <p>3. The alternatives to respite care stream of the project focuses on widening the scope of the existing shared lives scheme, which currently focuses on working age people, to encompass older people. By broadening the shared lives scheme to include older people there will be a reduced need for short-term respite placements in care homes.</p>
1c	What are the main aims of the	<ul style="list-style-type: none"> <li>• To ensure older people are provided with</li> </ul>

	project, policy or proposal?	<p>the best possible services and widest choice when they need enhanced support to live independently at home.</p> <ul style="list-style-type: none"> <li>• To ensure the mix and availability of alternatives to short-term residential care meets current and future needs across Oldham.</li> <li>• To improve value for money and to deliver enhanced services within the available budget, ensuring the Star Chamber savings targets for 2015/16 and 2016/17 can be achieved.</li> </ul>
1d	Who, potentially, could this project, policy or proposal have a detrimental effect on, or benefit, and how?	<p>Older people, their carers and families.</p> <p>The project will benefit older people, their carers and families by offering a wider range of choice of services at critical times in their lives.</p> <p>The palliative care pathway will be enhanced by greater service provision which will allow people to die at home if they chose.</p> <p>The extended reablement offer will mean that older people's level of independence is either enhanced or maintained for longer which will result in less people needing a residential care service.</p> <p>The alternatives to respite stream of the project will increase the choice of respite care options for older people and their carers.</p> <p>There should not be any detrimental effect on older people and their carers because the range of services and options available to them will be increased. However the option of receiving a care home service will be maintained.</p> <p>The risks associated with the project will be managed through the risk register for the project. The overall performance of the project will be subject to monitoring through the Star Chamber process.</p>

1e. Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups? If so, is the impact positive or negative?				
	<b>None</b>	<b>Positive</b>	<b>Negative</b>	<b>Not sure</b>
Disabled people	x	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Particular ethnic groups	x	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Men or women (include impacts due to pregnancy / maternity)	<b>x</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People of particular sexual orientation/s	<b>x</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	<b>x</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People on low incomes	<b>x</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People in particular age groups	<input type="checkbox"/>	<b>x</b>	<input type="checkbox"/>	<input type="checkbox"/>
Groups with particular faiths and beliefs	<b>x</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
<i>Carers</i>		<b>x</b>	<input type="checkbox"/>	

1f. What do you think that the overall NEGATIVE impact on groups and communities will be?	<b>None / Minimal</b>	<b>Significant</b>
	<input type="checkbox"/>	<input type="checkbox"/>

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes <input type="checkbox"/> No <b>x</b>
1h	How have you come to this decision?	This project seeks to reduce the reliance that older people sometimes have on a residential care home service by providing an enhanced range of alternative services. However the option of using a residential care home service is not being removed and will be available if it best meets the needs of an older person and their carers.

<b>Stage 5: Signature</b>	
<b>Lead Officer:</b> Jonathan Sutton	<b>Date:</b> 31.10.14
<b>Approver signature:</b> Paul Cassidy	<b>Date:</b> 24.11.14
<b>EIA review date:</b> January 2016	

# Equality Impact Assessment Tool

## C046: EIA 4: Adult Social Care Redesign (Adults with Learning Disabilities – Supported Living Provision)

Lead Officer:	Michelle Hope
People involved in completing EIA:	Michelle Hope
Is this the first time that this project, policy or proposal has had an EIA carried out on it? If no, please state date of original and append to this document for information.	Yes

### General Information

1a	<p>Which service does this project, policy, or proposal relate to?</p>	<p><b>Services for Adults with Learning Disabilities – Supported Living Provision</b>            Budget Reference Number: <b>C046</b> (Adults with learning disabilities – Supported Living)</p> <p>This EIA relates to the Supported Living element of the budget proposals for adults with learning disabilities.</p> <p>The council spends £6m per annum on supported living as part of its contractual arrangements with Oldham Care and Support. The council also spends £2.5m per annum on externally provided supported living provision. In total, the council spends £8.5m per annum on supported living provision.</p> <p>As part of our proposals to re-design this area of provision, we are aiming to achieve a reduction in spend as follows;</p> <p>External provision:</p> <ul style="list-style-type: none"> <li>• 2015/16: £86,083</li> <li>• 2016/17: £86,083</li> <li>• Total: £172,166</li> </ul> <p>Oldham Care and Support provision:</p> <ul style="list-style-type: none"> <li>• 2016/17: £240,658</li> </ul> <p>The plans outlined in this document have the potential to realise more savings than the figures outlined above. Specifically how much more will become clearer as the commissioning framework is developed and implemented. Savings beyond the figures outlined above will contribute to wider plans and savings targets relating to the re-design of provision for adults with learning disabilities.</p>
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1b	What is the project, policy or proposal?	<p><b>A project to improve supported living provision for adults with learning disabilities in Oldham.</b></p> <p>‘Supported Living’ is a term which refers to a form of arrangements where social care and support is provided to adults with learning disabilities in their own homes. Supported living services are for people who need extra help to live in their own homes, whether as tenants or owner occupiers, living alone or with others. Support can mean 24-hour care or simply a few hours a week to help with every-day tasks. Supported living aims to ensure that people have choice and control in their lives, and can live as independently as possible.</p> <p>Over the last 12 months, an audit process has been carried out to review the way people with learning disabilities are cared for in supported living environments in Oldham. Supported living placements are secured from a range of service providers across Oldham. This review has enabled the council to develop much needed intelligence on the numbers of people living in supported living accommodation, where they are, and who provides services to them.</p> <p>In addition to this, the recent Learning Disabilities Self-Assessment Framework, and Joint Commissioning Strategy for Learning Disabilities currently being developed, has highlighted the need for a more consistent approach to the way supported living is organised and managed.</p> <p>The project has a number of specific work streams which aim to improve the way in which supported living is provided to adults with a learning disability in Oldham. The major element of the project is to implement a commissioning framework for supported living, which will culminate in a tender process for providers, and aims to ensure that better outcomes for people, and better value for money from supported living can be achieved in Oldham.</p> <p>The commissioning framework will include new contracts for providers and a self-assessment framework for providers to complete. This will ensure robust quality and monitoring processes are put in place, and that provider standards are consistent and of the highest quality. The framework will also include a pricing structure which will apply to all providers of</p>

		<p>supported living services, and will ensure the council can achieve better value for money in this area. The framework will be applied in two phases. During 2015/16, all external supported living provision will be tendered against the framework, and during 2016/17, all Oldham Care and Support supported living provision will be tendered against the framework.</p> <p>The work-streams of the project are as follows;</p> <p><b>Commissioning / Procurement</b></p> <ol style="list-style-type: none"> <li>1. Supported living audit, reviews and re-alignment of individual budgets</li> <li>2. Market mapping / Market Position Statement for supported accommodation for people with learning disabilities</li> <li>3. Re-design (procurement) of supported living care provision – phase 1 (non OCS provision)</li> <li>4. Re-design (procurement) of supported living care provision – phase 2 (OCS provision)</li> </ol> <p><b>Contracts</b></p> <ol style="list-style-type: none"> <li>5. Developing clear mechanisms for payment systems</li> <li>6. SLA's between housing providers, care providers and the Council</li> </ol> <p><b>Internal Controls</b></p> <ol style="list-style-type: none"> <li>7. Vacancy Management Panel transition from OCS to the Council</li> </ol>
1c	What are the main aims of the project, policy or proposal?	<p><b>Key objectives of the project:</b></p> <ul style="list-style-type: none"> <li>• To ensure people with learning disabilities and complex needs are provided with the best possible service with regards to their living and accommodation needs, and that they are fully supported to live their lives as independently as possible.</li> <li>• To implement a commissioning framework and delivery model for supported living in Oldham.</li> <li>• To ensure the mix and availability of supported accommodation meets current and future supported living needs across the Borough.</li> </ul>

		<ul style="list-style-type: none"> <li>• To ensure specific problems and issues brought to light from the supported living review can be resolved for all parties involved.</li> <li>• To ensure risks and safeguarding are managed in a clear way using a defined process.</li> <li>• To improve value for money and to deliver supported living provision within the available budget, ensuring we can meet the requirements of the savings targets for 15/16 and 16/17.</li> </ul>
1d	<p>Who, potentially, could this project, policy or proposal have a detrimental effect on, or benefit, and how?</p>	<p>Adults with learning disabilities, and parents, families and carers of adults with learning disabilities.</p> <p>The project and its associated work streams will, in the long term, have a positive effect on people with learning disabilities living in supported living environments, as a new framework for service provision will be implemented, including new standards, monitoring, and performance indicators that providers must deliver as part of their contract with the local authority.</p> <p>However, it may have possible negative impacts on some individuals in the short term, as the service is re-developed and plans put in place through developing the commissioning framework and implementing the procurement exercise. Some people with learning disabilities may change their care provider, or may even move into a new home which is more suitable for their needs. Any new care package or living environment would improve a person's outcomes in the longer term, as the framework would introduce a new set of service standards and improvements to the way services are delivered. However, people whose circumstances do change might experience a short period of instability.</p> <p>Any changes to a persons living environment or care provision would involve consultation, discussion and agreement with the person in question and their parents, families and carers, to ensure people retain choice and control over their lives.</p>

1e. Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups? If so, is the impact positive or negative?				
	None	Positive	Negative	Not sure
Disabled people	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Particular ethnic groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Men or women (include impacts due to pregnancy / maternity)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People of particular sexual orientation/s	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People on low incomes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People in particular age groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Groups with particular faiths and beliefs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
Families, parents and carers of people with learning disabilities		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

1f. What do you think that the overall NEGATIVE impact on groups and communities will be?	None / Minimal	Significant
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
1h	How have you come to this decision?	The project aims to improve service provision for adults with learning disabilities; however, due to the complexity and monetary values associated with the project, and also the particular vulnerability of the client group, a Full EIA is considered best practice in this instance.



## Stage 2: What do you know?

### What do you know already?

#### Demographics

The following data has been taken from the recent Joint Strategic Needs Assessment for Adults with Learning Disabilities in Oldham, which was published earlier in 2014. It provides a summary of population numbers, and predicted future changes to the demography of adults with learning disabilities in Oldham:

- It is estimated that 1.8% of the Oldham population will have some level of learning disability.

Overall, number of people with a learning disability is expected to increase by 3.5% from 4003 to 4143 by 2020.

- The largest expected increase will be in the 65+ age group which will steadily increase from 712 to 813, which will impact on service provision.
- The increase in expected rates is partly due to longer life expectancy (especially those with Down's syndrome), with more children and young people with complex and multiple disabilities surviving into adulthood, the rise in the reported number of school aged children 27 with autistic spectrum disorders and the greater prevalence of learning disability in some minority ethnic groups.
- Those adults with a moderate learning disability are expected to increase from 837 to 867 by 2020, with the largest increase in the 55 – 64 age group.
- The identification of people with a learning disability by GPs has steadily increased from 613 (2007/08) to 857 (2011/12).
- The numbers of people with a learning disability known to the local authority (4.5 per 1000) is above the England average (4.27 per 1000).

**Table 5: Numbers predicted to have a learning disability in Oldham projected to 2020**

	2012	2013	2014	2015	2016	2018	2020	% change
18-24	553	545	539	541	533	519	510	-7.7
25-34	740	757	769	772	782	792	794	+7.3
35-44	735	716	704	702	693	694	714	-2.9
45-54	705	715	723	728	731	724	698	-1
55-64	558	549	554	559	568	587	612	+9.7
65-74	415	428	432	441	446	454	455	+9.6
75-84	216	220	228	231	233	247	260	+20.4
85+	81	82	84	84	88	92	98	+21
total	4003	4012	4033	4058	4074	4109	4141	+3.5

Projecting Adult Needs and services Information (PANSI) and the Projecting Older People Population Information (POPPI) (2012)

**Table 8: Known Adults 18 – 65+ with learning disability 2013**

	Predicted Number	GP Practices (All ages)	Local Authority	Number Not Known to GP Practices	Number Not Known to Local Authority Services
Oldham	1013	818	595	195	418

Table 8 above, shows the predicted number of adults with a 'moderate to severe' and severe learning disability against adults known to Oldham Council and GP Practices as of the 31st March 2013. Although, a direct comparison cannot be made with the ASCOF and NHS IC QOF data set because of the difference in definitions it gives some indication of unmet need, because of the gap in predicted numbers and those known to services. The numbers of adults being identified by GPs has steadily been increasing since 2007/08 from 3.43 per 1000 to 4.69 per 1000 in 2011/12, which is above the England average of 4.54 per 1000.

***How many adults with learning disabilities use Supported Living Services in Oldham? How many Care providers? Housing Providers?***

A strategic review of supported living accommodation and the needs of people with learning disabilities in Oldham is currently being carried out, and is due to be completed over the next 6 months.

This review has enabled the council to develop much needed intelligence on the numbers of people living in supported living accommodation, where they are, and who provides services to them. The following provides an overview of information collected from this process;

Numbers of adults with a learning disability in supported living accommodation in Oldham: 168, plus 10 clients in rehabilitation services, 20 clients with very low support in the form of social care 'pop-ins' and 65 clients resident in properties where the Council no longer retains nomination rights and/or clients purchase their own support via a cash IB (individual budget).

Numbers of supported living care providers: 12, providers as follows;

- Oldham Care and Support
- Imagine, Act, Succeed
- Mencap
- Seva Support
- Able Care
- Care Uk
- Future Directions
- North West Initiatives
- Select Support Partnerships
- Heathbank Support (Scope)
- Prime Time
- Oxygen

Number of Supported Living properties known to the council: 63

Number of Landlords (property owners of supported living establishments): 8. Landlords are as follows;

- Great Places
- Places for People
- Regenda
- Partners
- Contour Housing
- Aksa
- FCHO
- Guinness Northern Counties

Interim contracts have been put in place with the major care providers of supported living services in Oldham. These were implemented on the 1<sup>st</sup> July 2014. This is enabling the council to collect better monitoring information from care providers, and to ensure robust, more formal contract monitoring can take place, until a new commissioning framework and tender process for providers can be finalised.

#### What don't you know?

- Further information and analysis is needed on the current performance of providers – information is being gathered from the interim contracts recently put in place.
- Further analysis on specific locations of supported living properties is also currently being developed.
- A market position statement and more detailed analysis of current and future needs of people with learning disabilities is also being finalised, which will help develop further intelligence for this project.

#### Further data collection

We have carried out a number of consultation events to discuss these proposals with people with learning disabilities, and their parents, families and carers. We are also holding ongoing forums for supported living care providers.

#### Summary (to be completed following analysis of the evidence above)

Does the project, policy or proposal have the potential to have a <u>disproportionate</u> impact on any of the following groups? If so, is the impact positive or negative?	None	Positive	Negative	Not sure
Disabled people	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Particular ethnic groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Men or women (include impacts due to pregnancy / maternity)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People of particular sexual orientation/s	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People on low incomes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People in particular age groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Groups with particular faiths and beliefs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there any other groups that you think that this proposal may affect negatively or positively?				
Families, parents and carers of people with learning disabilities		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

### Stage 3: What do we think the potential impact might be?

#### Consultation information

3a. Who have you consulted with?	<p>Two main groups have been consulted on these proposals;</p> <ul style="list-style-type: none"> <li>• Adults with learning disabilities, and their parents, families and carers</li> <li>• Providers of Supported Living Services</li> </ul>
3b. How did you consult? (inc meeting dates, activity undertaken & groups consulted)	<p>People with learning disabilities can often have communication difficulties. In developing the approach to this consultation, it was recognised that a specialist, bespoke approach was necessary, using people who understand ways to effectively communicate with people with learning disabilities.</p> <p>To ensure people's voices were heard clearly, and to ensure the consultation was done in a robust and meaningful way, OPAL, (Oldham Personal Advocacy Ltd – who provide advocacy and day care services to people with learning disabilities) were commissioned to carry out the consultation with people with learning disabilities and their parents, families and carers.</p> <p>Three events were held:</p> <ul style="list-style-type: none"> <li>• Weds 8<sup>th</sup> October 2014 – 1pm – 4pm at the Link Centre</li> <li>• Weds 15<sup>th</sup> October 2014 – 9.30am – 12pm at the Link Centre</li> <li>• Thurs 16<sup>th</sup> October 2014 – 4.30pm – 7pm at OPAL</li> </ul> <p>In addition to these events, OPAL have also been carrying out a number of 1:1 consultation meetings with individuals who might not be comfortable attending larger events, or may have not been</p>

free to attend.

As part of the consultation, questions and discussions focussed on key areas such as;

- What is important to you to make sure you are feeling settled, safe and well at home.
- How you have choice and control over where you live and who you live with
- What works well
- How things could be done differently

A provider forum has also been set up to ensure an ongoing mechanism for consulting with providers of supported living services. The first forum was held on 15<sup>th</sup> October 2014, where our commissioning intentions were discussed with all the main providers of supported living services in Oldham. As we develop the commissioning framework over the coming months, these meetings will continue to be held on an ongoing (two monthly) basis – to ensure providers are engaged and understand the implications throughout and beyond the process.

### 3c. What do you know?

We are currently developing a market map and market position statement for services and support for people with learning disabilities – and this will include a strategic analysis of need over time using the demographic data developed from the Learning Disabilities Needs Assessment, and the information presented in Stage 2 of this document. This will help to develop a clear picture of the availability and mix of supported living provision and other housing options for people with learning disabilities, and will inform the development of the commissioning framework and wider Learning Disabilities Joint Commissioning Strategy also being developed. This will ensure the council and its partners are clearer on how we will need to respond to the demographic changes over time as set out in stage 2. This will also ensure the council sets out its strategic direction and focus going forward for the provider market in terms of the mix and availability of supported housing options for people with learning disabilities more broadly.

Information and feedback collected from the public consultation exercise described in section 3b will be used to directly shape the detail within the commissioning framework and our broader Joint Commissioning Strategy for people with learning disabilities.

The **overarching themes** which emerged from the consultation are as follows;

- **Choice**
- **Staff**
- **Planning**
- **Information**
- **Looking to the future**

The following provides a **summary of the main points raised in the consultation** under each of the above themes;

## **CHOICE**

- **It is important that people have choice about the other people they live with -** Where the matching process had worked well in the past, people were happy and felt secure, settled and safe, however sometimes people had experienced problems getting on with the people they live with.
- **It is important that people have choice about where they live/ the location they live** - People talked about the importance of being close to family members and in communities they knew and were known. People talked about feeling safe to go out and confident in familiar areas and unsafe and vulnerable if they were near schools and groups of rowdy people.
- **It is important that people have choice over the service provider that provides them with care** - a number of service providers were responsible for the provision of supported living services many of which were working well.
- **It is important that people have choice about how they spend their time** - The importance of doing a range of activities both at home and in the community or town was important to many people. Fulfilling days covered a wide range of topics including doing more cooking, visiting family, having a job/volunteering, getting away and going on holiday. Many people talked about not wanting to feel lonely and isolated and stuck in the house without friends.

## **STAFF**

- **It is important that the staff who provide care to individuals are of a high quality -** Well trained professional staff was a key feature of discussions in all groups.
- **It is important that people have consistency of staff** - The consistency of staff providing care was seen as critical by all groups- they possess detailed knowledge of the person they are caring for, which is important for being able to quickly notice and act on changes of behaviour spotting signs of illness at an early stage, for recognising what is important to the people they care for and use that knowledge to provide exceptional support. This was seen as important with care managers and social workers who had time to get to know the individuals on their case load and therefore could work more effectively when planning care and advising on supported living options and conduct a matching process based on detailed knowledge of the individuals.

## **PLANNING**

- **We need to ensure a long term approach when placing people in supported living arrangements.** Most groups talked about the need for a longer term approach to supported living arrangements to take account of people's changing needs as they grew older.
- **People need enough time to make important decisions about where they live.** Having trial periods and being introduced to a new living environment slowly is important for a smoother transition.

## INFORMATION

- **Better awareness of the options available to people is needed** - there was little understanding of the range of supported living options open to people.
- **Better information about the process is also needed** - in terms of what happens when and who does what.

## LOOKING TO THE FUTURE

- **Learn** from other areas where good practice exists and research what works well – for example look at management models which are values based and combine economies of scale and avoid institutionalisation.
- **Look at how we can utilise existing resources more** - are there any old buildings in the borough which could be updated and utilised?
- **People's transport needs also need to be** an integral part of the planning process so that people know how they can access activities within the wider community.

### 3d. What don't you know?

Following the conclusion of the public consultation, we now have a good idea about the how we need to re-shape supported living services in the borough. However, we will need to continue to gather specific feedback on the detail of the commissioning framework as this is now currently being developed. The commissioning framework will be directly shaped using the feedback from the consultation, however further consultation will be undertaken on an ongoing basis with the current providers of services, health partners, and with people with learning disabilities and their families, parents and carers.

When the framework has been developed, further consultation with people with learning disabilities and their families, parents and carers will be undertaken through the Learning Disability Partnership Board, and current providers of supported living services will continue to be consulted through the recently established Supported Living Provider forum. Consultation and discussion with health partners will be conducted both informally and through the Integrated Commissioning Partnership Forum.

### 3e. What might the potential impact on individuals or groups be?

Generic (impact across all groups)	n/a
Men or women (include impacts due to pregnancy / maternity)	n/a
People of particular sexual orientation/s	n/a



Disabled people	<p>As previously mentioned in this document, the project and its associated work streams will, in the long term, have a positive effect on people with learning disabilities living in supported living environments, as a new framework for service provision will be implemented, including new standards, monitoring, and performance indicators that providers must deliver as part of their contract with the local authority.</p> <p>However, it may have possible negative impacts on some individuals in the short term, as the service is re-developed and plans put in place through developing the commissioning framework and implementing the procurement exercise. Some people with learning disabilities may change their care provider, or may even move into a new home which is more suitable for their needs. Any new care package or living environment would improve a person's outcomes in the longer term, as the framework would introduce a new set of service standards and improvements to the way services are delivered. However, people whose circumstances do change might experience a short period of instability. Any changes to a person's living environment or care provision would involve consultation, discussion and agreement with the person in question and their parents, families and carers, to ensure people retain choice and control over their lives.</p> <p>In addition to ensuring people are supported properly with any transition period, the points raised through the consultation will also need to be addressed to ensure any risks to providers, individuals and parent / family carers are addressed and mitigated. The detail of this is set out in stage 4a and the action plan at appendix 1.</p>
Particular ethnic groups	n/a
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	n/a
People on low incomes	n/a
People in particular age groups	n/a
Groups with particular faiths and beliefs	n/a
Other excluded individuals and groups (e.g. <i>vulnerable residents, individuals at risk</i> )	Similarly with the families, parents and carers of people with learning disabilities, they may also be negatively impacted in the short term if their relative goes through a period of change, either



<i>of loneliness, carers or serving and ex-serving members of the armed forces)</i>	<p>with a change in care provider, or if they move to a more suitable living environment. However, as already highlighted, the impact of these changes in the long term will support a better outcome for their relative, and will support a more consistently higher quality of service.</p> <p>Mitigating actions to ensure transitions are smooth for the individual concerned are set out in stage 4a and the action plan at appendix 1.</p>
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**Stage 4: Reducing / mitigating the impact**

**4a. Where you have identified an impact, what can be done to reduce or mitigate the impact?**

<p><b>Impact 1: Change</b></p> <ul style="list-style-type: none"> <li>• A person or family member who experiences a short term period of change – for example a change in care provider or change in living environment.</li> </ul>	<p>Any changes to a persons living environment or care provision would involve consultation, discussion and agreement with the person in question and their parents, families and carers, to ensure people retain choice and control over their lives. This will be documented and managed through the care planning process.</p>
<p><b>Impact 2: Choice</b></p> <ul style="list-style-type: none"> <li>• about the other people they live with</li> <li>• where they live/ the location they live</li> <li>• choice over the service provider that provides them with care</li> <li>• choice about how they spend their time</li> </ul>	<p>We will ensure that people who move to a new property are properly engaged in the decision making process – which will also include the desires of parents and family members – however it will remain most important to understand the views of the person themselves. Choice about where they live, who they live with, who provides their care, and what their package of care looks like will take a person-centred approach, and this will be specified and delivered through the care planning process. Daytime activities and ensuring people have choice and variety of daytime activities will also be specified through care planning.</p>
<p><b>Impact 3: Staff</b></p> <ul style="list-style-type: none"> <li>• High quality staff</li> <li>• Consistency of staff</li> </ul>	<p>The commissioning framework and service specification will specify training and other requirements of provider staff to ensure good quality provision and approach to staff management, and will also include performance indicators for providers to support and encourage continuity of staffing.</p>
<p><b>Impact 4: Planning</b></p> <ul style="list-style-type: none"> <li>• Long term approach to planning placements</li> <li>• Ensuring enough time for decision making</li> </ul>	<p>We will ensure that the care planning process includes clear requirements with regards to reasonable implementation timescales and that there is a stepped approach to decision making on any changes to a person’s accommodation – to ensure any changes are implemented in a way that is comfortable for the individual concerned, and that they make use of approaches such as informal visits and trial periods.</p>

<p><b>Impact 5: Information</b></p> <ul style="list-style-type: none"> <li>• Better awareness of the options available</li> <li>• Better information about the process</li> </ul>	<p>As part of developing and publishing the Market Position Statement and Market Mapping outlined in this document, a suite of information about the housing options that are available, and the process of moving will be made available on the council's website. This information will be aimed at people with learning disabilities and parents / family carers, and will also be available in Easy Read format.</p>
<p><b>Impact 6: Looking to the future</b></p> <ul style="list-style-type: none"> <li>• Learning from other areas / research</li> <li>• utilise existing resources</li> <li>• transport needs</li> </ul>	<p>As part of developing the commissioning framework, best practice from other areas and an analysis of existing resources will be undertaken to inform the process. Transport needs of the individual will be taken into consideration as part of the care planning process, and the accommodation decision making.</p>
<p><b>Impact 7: Change impacts on providers</b></p>	<p>To mitigate any potential impacts on the provider market, a regular provider forum has been established to ensure open lines of communication are present and that providers understand and are engaged with the development of plans in a fair and timely manner.</p>

**4b. Have you done, or will you do, anything differently as a result of the EIA?**

Yes, following the feedback from the consultation outlined in section 3c, actions will be put in place as set out in **Appendix 1 – action plan and risk table**.

**4c. How will the impact of the project, policy or proposal and any changes made to reduce the impact be monitored?**

The impact of the new framework and changes described in this document will be monitored and measured via contract monitoring procedures which will be put in place as part of the framework and following the implementation of the tender process. Key performance indicators will be set out in the service specification. This quality monitoring will ensure a consistent level of quality, ensure safeguarding and other risks are picked up quickly, and will include qualitative feedback information gathered from service users.

We will also monitor the ongoing experience and outcomes of service users through the social work review process, which will monitor whether people's needs are being met and whether specified personal outcomes are being achieved.

**Conclusion**

The project and its associated work streams will, in the long term, have a positive effect on people with learning disabilities living in supported living environments, as a new framework for service provision will be implemented, including new standards, monitoring, and performance indicators that providers must deliver as part of their contract with the local authority.

However, it may have possible negative impacts on some individuals in the short term, as the service is re-developed and plans put in place through developing the commissioning framework

and implementing the procurement exercise. Some people with learning disabilities may change their care provider, or may even move into a new home which is more suitable for their needs. Any new care package or living environment would improve a person's outcomes in the longer term, as the framework would introduce a new set of service standards and improvements to the way services are delivered. However, people whose circumstances do change might experience a short period of instability.

Any changes to a person's living environment or care provision would involve consultation, discussion and agreement with the person in question and their parents, families and carers, to ensure people retain choice and control over their lives.

All feedback from the consultation will be used to inform the commissioning framework going forward, and further consultation will be undertaken on an ongoing basis with the current providers of services, health partners, and with people with learning disabilities and their families, parents and carers.

### **Summary of proposal**

- 'Supported Living' is a term which refers to a form of arrangements where social care and support is provided to adults with learning disabilities in their own homes.
- The major element of the project is to implement a commissioning framework for supported living, which will culminate in a tender process for providers, and aims to ensure that better outcomes for people, and better value for money from supported living can be achieved in Oldham.
- The commissioning framework will include new contracts for providers and a self-assessment framework to ensure robust quality and monitoring processes. The framework will also include a pricing structure to achieve better value for money.
- The framework will be applied in two phases. During 2015/16, all external supported living provision will be tendered against the framework, and during 2016/17, all Oldham Care and Support supported living provision will be tendered against the framework.

### **Potential Impact on groups identified**

- In the long term, the project will have a positive effect on people with learning disabilities living in supported living environments, as a new framework for service provision will be implemented, including new standards, monitoring, and performance indicators that providers must deliver as part of their contract with the local authority.
- Possible negative impacts on some individuals may be felt in the short term, as some people may change their care provider, or may even move into a new home which is more suitable for their needs.
- Some providers might also be impacted as they go through a period of instability and change whilst the framework and tender process is implemented.

### **Mitigating the potential impact**

- To mitigate any potential impacts on individuals during implementation, we would ensure that any changes to a persons living environment or care provision would involve meaningful and timely consultation, discussion and agreement with the person in question and their parents, families and carers, to ensure people retain choice and control over their lives.
- To mitigate any potential impacts on the provider market, a regular provider forum has been established to ensure open lines of communication are present and that providers understand and are engaged with the development of plans in a fair and timely manner.

<b>Stage 5: Signature</b>	
<b>Lead Officer:</b> Michelle Hope, Planning and Commissioning Manager <b>Date:</b> 4 November 2014	
<b>Approver signature:</b> P. Cassidy	<b>Date:</b> 24.11.14
<b>EIA review date:</b> January 2016	

## APPENDIX 1: Action Plan and Risk Table

<i>Once you have decided on the course of action to be taken in order to reduce or mitigate the impact, please complete the action plan below (An example is provided in order to help you)</i>					
Number	Action	Required outcomes	By who?	By when?	Review date
<b>Impact 1: Change</b>	Ensure consultation, discussion and agreement with the person in question and their parents, families and carers, is documented and managed through the care planning process.	Ensure people retain choice and control over their lives	Care Management	Ongoing process	Annual review
<b>Impact 2: Choice</b>	Ensure choice about where they live, who they live with, who provides their care is included in care packages and person centred plans and that this is delivered through the care planning process and commissioning framework.	Ensure people retain choice and control over their lives	Care Management	Ongoing process	Annual review
<b>Impact 3: Staff</b>	Ensure these considerations are incorporated into the commissioning framework.	Ensure people receive a good quality and consistent service from provider staff	Michelle Hope	April 2015	n/a
<b>Impact 4: Planning</b>	Ensure that the care planning process includes clear requirements with regards to reasonable implementation timescales and that there is a stepped approach to decision making on any changes to a person's accommodation	People feel comfortable with any changes	Care Management	Ongoing process	Annual review
<b>Impact 5: Information</b>	Develop information package on supported accommodation options for people with learning disabilities on the council website.	People are better informed of the options and support available to them	Michelle Hope	April 2015	Annual review
<b>Impact 6: Looking to the future</b>	Ensure best practice from other areas and an analysis of existing resources will be undertaken to inform the process. Transport needs of the individual will be taken into consideration as part of the care planning process,	Best practice and current resources taken into account when developing the	Michelle Hope	April 2015	n/a

	and the accommodation decision making.	approach			
<b>Impact 7: Change impacts on providers</b>	Ensure provider forum continues as a formal communication mechanism with providers.	Providers are informed and are able to shape their business according to need	Michelle Hope	Ongoing	n/a

### Action Plan

### Risk table

*Record any risks to the implementation of the project, policy or proposal and record any actions that you have put in place to reduce the likelihood of this happening.*

Ref.	Risk	Impact	Actions in Place to mitigate the risk	Current Risk Score	Further Actions to be developed
1	Rationalisation of provision for some service providers may lead to destabilization and de-motivation	Destabilisation of provider	Regular provider forums have been established to ensure provider concerns are heard and providers are communicated with in a timely manner.	D III	n/a
2	Implications of the Care Act - The introduction of the Act will result in a significant increase in the cost of care provision from April 2016 onwards that is not fully quantifiable at the moment and will impact the sustainability of current social care funding and plans.	Impact on resources	A programme management approach has been set up to ensure social care activity is Care Act compliant, and that the future implications are clearly understood, including the impact on people with learning disabilities.	C II	n/a
3	Operational pressures may restrict the ability of the workforce to deliver the proposals	Non-delivery of the project	A robust project management framework is put in place to ensure implementation timescales are met.	D III	n/a

4	Risk of individual projects and work streams not meeting required timescales	Non-delivery of the project	A robust project management framework is put in place to ensure implementation timescales are met.	D III	n/a
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# Equality Impact Assessment Tool

## C046: EIA 5: Adult Social Care Redesign (Carers Services)

### Stage 1: Initial screening

Lead Officer:	Hayley Summers
People involved in completing EIA:	Hayley Summers
Is this the first time that this project, policy or proposal has had an EIA carried out on it? If no, please state date of original and append to this document for information.	Yes

### General Information

1a	Which service does this project, policy, or proposal relate to?	<p>This EIA relates to the Carers Service element of <b>Budget Proposal C046: Adult Social Care Redesign</b>.</p> <p>Oldham Carers Services, which supports those Carers known to us in Oldham. (Although the service is available to any carer in Oldham who would like to utilise the services or support available)</p>
1b	What is the project, policy or proposal?	<p>There are three parts to the project as follows:</p> <p><u>Carers Self-Assessment and new assessment forms</u>            The carer's assessment process is currently under review nationally and it is recommended that there is a move towards enabling a carer's self- assessment which could be undertaken online. As well as potentially reducing costs and time self-assessment enables carers more empowerment as they are completing the forms themselves and supports the co-operative agenda as it encourages self-help and reduces reliance on the carer's service. For those carers who may not have access to a computer or who haven't got an understanding of how to use a computer they would be able to complete a self-assessment using the ICT facilities at the Link Centre were there would be volunteers available to assist carers to complete the assessment form and access the computers. Carers will still be able to request a supported assessment to be undertaken by an assessment worker in line with the Care Act.</p>



### Carers Individual Budget (IB) Criteria

Currently the Council and Clinical Commissioning Group (CCG) jointly fund the Carers Individual budgets at £178k each; although the CCG would like to see more evidence of the health impacts of using a carers IB on the carers if they are to continue the funding beyond in year.

If carers are deemed eligible for a Carer's Individual Budget (IB) they will receive a one off payment of up to £300 (Band A £100, Band B £200 & Band C £300); this should be used to provide the carer with a break. Carers do not automatically receive a carers IB the following year but can apply for a review to see if they are again eligible. The proposal is to review the Carers IB criteria and consider reducing the amounts awarded to each of the three bandings. The carers criteria was set up as a pilot and at that time was deemed fit for purpose however there are examples of carers/ cared for receiving a number of services and support and then receiving the highest Carers IB. There is no statutory requirement to offer a Carers IB or dictating the amounts, however bearing in mind the IB is to recognise the work a carer undertakes then it should be a significant amount. If the amounts for each banding are reduced it would enable the carer's service to continue to offer more carers an IB.

### Review current carers centre contract and provision

The Carers Centre is currently delivered by Wired whose contract runs through to May 2015 with an option to extend for 2 years, there is a 3 month notice period to terminate the contract early. This creates an opportunity to look at delivery of the Carers Centre and consider feedback from carers as to what they feel should be offered in line with the Care Act. Whilst we are faced with delivering efficiencies, the review will include looking at ways to continue delivery of much needed carers services whilst also offering value for money and ensuring optimum use of the Oldham pound. Some carers have questioned if it has not been a consideration for the Council to run an in-house carers centre as there is a perception this might cost less than an external provider. Therefore the review will consider and consult with carers to find out if there is an appetite for an in-house Carers Centre alongside a 'Carers Cooperative Commission' this is where groups of carers could provide support and services for carers. We know from reviewing the carers groups in Oldham those that seem to be most popular and effective of the

		<p>groups are the ones where they are illness specific and ran by carers. Some of these groups we already support either financially, helping them overcome barriers or just providing them a go to person when they have any ad hoc queries or support requirements Therefore the ask from Cabinet will be to agree a principal model of a 'Carers Cooperative Commission' which could achieve required savings. Although some carers have been consulted with on their thoughts of such a model and it was included in the wider directorate consultation; further consultation will take place in the New Year with carers to work up the detail of the model and how it will best work for carers. Following this consultation the final decision will follow the usual council decision making process in time for the current contracts end date. The alternative option is to retender for an external provider to run our Carers Centre for a reduced value contract to meet savings required.</p>
1c	<p>What are the main aims of the project, policy or proposal?</p>	<p>The various three elements of the project aim to bring about:</p> <ul style="list-style-type: none"> <li>• A revised carer's assessment form.</li> <li>• A choice for carers to undertake an electronic internet based Carers Self-Assessment enabling carers to feel empowered and in control of their assessment.</li> <li>• Supporting carers to undertake the assessment online and therefore potentially increasing skill of carers to utilise ICT skills.</li> <li>• A fairer carer's individual budget process/ criteria where only those carers most in need and or not in receipt of other services will receive the higher amounts.</li> <li>• An increased number of carers than currently will receive a Carers Individual Budget from the same pot of monies.</li> <li>• Review of current carers centre provision with a view to continue much needed carer's services.</li> <li>• Potential to work with more carers and volunteers to help support services and provide a peer support service, support and groups.</li> <li>• Generation of time and budget efficiencies in order to achieve the budget reduction that Oldham Council currently faces.</li> </ul>
1d	<p>Who, potentially, could this project, policy or proposal have a detrimental effect on, or benefit,</p>	<p>Any effect either detrimental or positive would be on the carers of Oldham and or the staff who are currently employed to support the carers of Oldham.</p>

and how?	
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1e. Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups? If so, is the impact positive or negative?				
	None	Positive	Negative	Not sure
Disabled people	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Particular ethnic groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Men or women (include impacts due to pregnancy / maternity)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People of particular sexual orientation/s	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People on low incomes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
People in particular age groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Groups with particular faiths and beliefs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
Carers		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

1f. What do you think that the overall NEGATIVE impact on groups and communities will be?	None / Minimal	Significant
		<input checked="" type="checkbox"/>
	<ul style="list-style-type: none"> <li>• Hope new provider of Carers Centre will continue to deliver the much needed carers services for carers in Oldham.</li> <li>• The new carers assessment forms will be more carers specific and easy to undertake with clear support plan derived for carers in line with the Care Act requirements..</li> <li>• A fairer IB criteria will enable more carers to receive a carers IB from the same pot of</li> </ul>	<ul style="list-style-type: none"> <li>• If a carer receives a lesser amount of Carers IB this may have a detrimental impact. Although it should be noted that a carers IB is not a statutory obligation however Oldham Council and Oldham CCG are committed to delivering Carers IBs in Oldham.</li> </ul>

	monies.	
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1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
1h	How have you come to this decision?	<p>As there is so much unknown in terms of the impact and although I feel the impact is more likely to be none or positive I would like to ensure we have considered all angles and have looked at all mitigating actions to ensure we continue to support carers in Oldham in the best way possible with the budget available.</p> <p>Also although we believe Oldham is already delivering what the Care Act asks of carer's services to deliver and offers higher amount of services to carers in comparison to neighbouring boroughs/ areas. We are not clear on whether the Care Act implementation April 2015 will likely increase the amount of carers registered and therefore how we will meet the demand with a backdrop of reduced resources.</p>

**Stage 2: What do you know?**

**What do you know already?**

According to the 2011 census there are 24,322 carers in the Borough of Oldham, with just under 4500 carers currently registered with the Oldham Carers Centre. The caring role is often very demanding, draining and tiring both physically and mentally; with a high proportion of carers giving up their own work, hobbies and interests to focus on the life and support of the cared for. More often than not support, provision, health care or health checks are aimed at the cared for as they are recognised as needing care. However it is often the carer who is left exhausted and run down and in many cases at crisis point. The role of carers and the support that is provided to them is of critical importance in addressing health and social care needs in Oldham. This is a key theme in Oldham's Health and Wellbeing Strategy and high on the council's agenda also. Without carers giving up their time to take care of loved ones there is an estimated cost to the care system of several billion pounds. Therefore it is essential we support carers in the best way possible to ensure they can continue to carry out their caring role.

The current provision is a Carers Centre which Oldham Council Commission Wired to deliver and this is in contract until May 2015. There is also a small in house Council team who support the delivery of carer's services in Oldham in particular supporting several carers groups. Under the Care Act, from April 2015, all carers will be entitled to a carer's assessment which could lead to a range of services and support being put into place, signposting and information on a range of services. Oldham council Carers Services also offer carers the option to apply for a one off carer's individual budget of up to £300 based on criteria met, a range of drop in facilities with a number of activities, various support groups and services available at the Link entre, emergency

card and short term respite facilities.

**What don't you know?**

We don't know what the impact of the Carers Act 2014 will have on numbers of carers in Oldham known to us and or reregistered with us receiving services and support. Although we believe Oldham is already delivering what the Care Act asks carers services to deliver and offers higher amount of services to carers in comparison to neighbouring boroughs/ areas. We are not clear on whether the Care Act implementation April 2015 will increase the amount of carers registered and therefore how we will meet the demand with a backdrop of reduced resources.

**Further data collection**

Following implementation of the Care Act in April 2015 – will review numbers of carers registered and those who have come forward for an assessment.

**Summary (to be completed following analysis of the evidence above)**

Does the project, policy or proposal have the potential to have a <u>disproportionate</u> impact on any of the following groups? If so, is the impact positive or negative?	None	Positive	Negative	Not sure
Disabled people	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Particular ethnic groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Men or women (include impacts due to pregnancy / maternity)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People of particular sexual orientation/s	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People on low incomes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
People in particular age groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Groups with particular faiths and beliefs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there any other groups that you think that this proposal may affect negatively or positively?				
Carers		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

**Stage 3: What do we think the potential impact might be?**

**Consultation information**

3a. Who have you consulted with?	Consultation with some carers and representative groups has taken place also discussed the options with the current Carers Centre Providers Wired. Also shared with the Carers
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	Commissioning Group and Carers Partnership Group. The options were also included in the wider Directorate consultations. However wider consultation will take place with Carers in order to shape a potential Carers Cooperative Commission model in January – March 2015.
3b. How did you consult? (inc meeting dates, activity undertaken & groups consulted)	Via meetings and updating various representative Carers Groups. We will be writing out to a selection of carers to ask their thoughts on the provider of the carers centre. Also a number of workshops will take place early 2015 inviting Carers views on how a potential alternative model of carers services might look & feel for carers.

### 3c. What do you know?

As of 19<sup>th</sup> August

- Carers have reported that the drop-ins delivered by Wired have not been well attended at late.
- Carers have reported that the drop- ins provided by wired don't include the activities and services that they used to.
- Carers have reported that they leave the carers drop ins early as a session booked after which they cannot stay for and they don't want to leave part way through this and feel that it should be at a different time.
- Carers have reported that the services of Wired have not been what they feel they should have been.
- Carers spoken to acknowledge that the Carers IB might be reduced and are grateful of any help and support.
- Carers spoken to during a Carers IB review acknowledge that new Carers IB criteria will enable more carers to receive a carers IB and feel this is positive.
- Carers spoken to welcome a new carers assessment form if it is more carers centred and have given comment on lay out and what should be included
- Carers at the Carers commissioning Group are happy with the carers centre being ran and managed by the Council rather than an external organisation.

### 3d. What don't you know?

As we haven't yet written out to carers we don't know whether carers will have a preference for an external provider or an in house carer's centre in conjunction with the potential model of a 'Carers Cooperative Commission'.

### 3e. What might the potential impact on individuals or groups be?

Generic (impact across all groups)	NA
Men or women (include impacts due to pregnancy / maternity)	NA
People of particular sexual orientation/s	NA
Disabled people	As Carers mainly care for those who would be deemed as being in disabled groups there may be an indirect impact on disabled

	<p>people.</p> <p>If a carer who cares for a disabled person receives a smaller amount from their Carers Individual Budget or if the carer receives an increase or decrease in a service provided to them; therefore if the carer is impacted on (negative or positive) then this impact may in turn have an impact on the person they care for. For instance if the Cares IB was used to provide a carer with a carers break in the form of a holiday, but that carer cannot afford to take a holiday if the amount is reduced then the carer may be tired and this may affect the person cared for.</p>
Particular ethnic groups	NA
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	NA
People on low incomes	Most carers tend to be in the low income group particularly for those who have had to give up work to care for their loved one as they have no other support. Therefore if there is an impact on carers (positive or negative) then this is an impact on low income groups.
People in particular age groups	NA
Groups with particular faiths and beliefs	NA
Carers	<p>If there is a negative impact on carers it will likely be if they receive a lesser amount of Carers IB due to the new criteria which may have a detrimental impact on them. Although it should be noted that a carers IB is not statutory obligation however Oldham Council and Oldham CCG are committed to delivering Carers IBs in Oldham.</p> <p>Positive Impacts may include:  More groups provided by carers for carers with peer support which we know from meeting with existing groups that are ran/led by carers and supported by the Council appear to be the most successful and highly attended groups in Oldham.</p> <p>Fairer Carers IB criteria will mean an increased number of carers will receive a carers IB.</p> <p>New Assessment forms which will be more carers centred and enable a production of a support plan for the carer.</p> <p>The option for a carer to undertake a carer's self-assessment giving feeling of empowerment in the process and great levels of input. This is in line with the Care Act. Carers will also get support and access to a computer to complete the self-assessment and</p>



	therefore may help develop ICT skills.
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**Stage 4: Reducing / mitigating the impact**

<b>4a. Where you have identified an impact, what can be done to reduce or mitigate the impact?</b>	
Impact 1: New Assessment Forms for Carers Assessments	This will likely bring a positive impact as the forms are more carers specific and focussed. Staff will be trained on the new assessment forms and how these will be entered onto Frameworki. Staff will be able to get a support plan for the carers from the form which will make the process easier and more in line with the Care Act. Staff will also be made aware of the range of services available to carers and not just carers IB.
Impact 2: Carers Self-Assessment	Carers may not be confident at undertaking a self-assessment particularly using IT. Therefore there will be carers and former carers who are trained up and able to support carers undertake a carer's self-assessment. This creates a peer supporting opportunity and one were potential for lasting and supporting relationships, shared experiences and support for one another might be created. For those who really struggle with technology we could still provide a paper form for them to complete and offer the peer support. The Link Centre would be used to utilise the computer facilities there. Carers can still request there is assessment to be undertaken by a carer's assessment worker in line with the Care Act requirements.
Impact 3: Carers IB – New Criteria	Some carers through the new criteria may not get the same amount as previous years. However this enables us to make the same pot of monies go further so that we can support more carers with some monies. As well as a Carers IB, Staff undertaking a Carers IB Assessment, would be made aware of the numerous other services that are available to carers. These include information and signposting as and when they need it, numerous groups and services provided by cares for carers and the facilities at the Link Centre which includes over 70 self-help groups and over 40 services. There may even be an opportunity for carers to set up their own groups if they feel there is a gap.  If a carer is really struggling as they have been awarded a reduced carers IB amount in comparison to other Carers IB payments they have received previously. It may be possible to look at a transitional arrangement were they are given an amount in between the two or alternatively the case could be reviewed to see if there are any alternative services for them.
Impact 4: Proposed model of a 'Carers Cooperative Commission'	As part of the proposed model of a carer's cooperative commission we will support carers to form groups which will in turn support other carers. We know from groups already up and running in Oldham that this works well and carers get a lot of



	<p>support from one another. Therefore this model could be expanded. There would be a carer's strategy service that would support the groups by arranging some form of funding, assisting with signposting and information and also supporting the groups in overcoming challenges and any barriers.</p> <p>There would be a carer's cooperative forum set up where representatives from the carers groups would meet regularly with a carer's strategy team. Information would be shared, updates on carers initiatives or schemes/ themes affecting carers and would also create an arena for carers to share ideas and experiences of what is successful in their groups etc.</p> <p>Carers would not just have the services and facilities of a carers cooperative commission and carers strategy team but a much wider offer through the services and facilities at the Link Centre which is available to all carers and not just the cared for.</p>
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**4b. Have you done, or will you do, anything differently as a result of the EIA?**

There has been a lot more careful consideration given to the potential model of a Carer's Cooperative Commission and how this would work and be supported. There has also been more consultation and planning of the proposals outlined.

**4c. How will the impact of the project, policy or proposal and any changes made to reduce the impact be monitored?**

There will be a detailed action plan which will be generated for each element of the proposal including a detailed high level project plan which will be reviewed and progress monitored by the Adults Transformation Programme and Care Act Implementation group.

**Conclusion**

From undertaking the EIA it has been found that the likelihood will be an overall positive or no impact on carers in Oldham. This is because a new Carers Assessment form will be more carers centred/ focussed which will generate a support plan for carers and enable carers to be aware of the wide range of services available to them. It will also generate the possibility to offer a carer a self-assessment option.

In terms of a Carers IB although it is recognised that some carers may receive a reduced amount of a carers IB than in previous years, it will enable a more fair eligibility criteria attached to the bandings and overall should mean that we can increase the amount of carers receiving a Carers IB than currently. One mitigating action that we are currently undertaking is speaking to carers during the review assessment to consult with them suggesting that the amounts of Carers IB received may vary in following years dependent on new criteria. Carers are reacting positively to this and suggesting it is the recognition that is important and not necessarily the amount received. Carers also seemed happy if this generates a way for more carers to receive a Carers IB. The other mitigating action could be if a carer really struggles with the amount awarded we would look at a transitional amount between the two.

In regards to a Carers Cooperative commission based on the thoughts and feedback from carers to date it is thought that the proposed model of working is an alternative way to deliver carers services whilst empowering carers and carers group to help themselves and support one another whilst also meeting the requirements of a reduced budget. By working the detail up through consultation with Carers in early 2015, will enable a proposed model to meet the needs of carers in Oldham and therefore hopefully enabling us to mitigate any potential negative impacts. Having a Carers Cooperative Commission forum of representative carers and groups will also enable continual review of such a model and enable sharing of ideas, thoughts, updates on current carer's impacts and campaigns whilst also supporting one another and sharing of good practice.

### Stage 5: Signature

**Lead Officer: Hayley Summers**

**Date: 26.11.14**

**Approver signature: Paul Cassidy**

**Date: 26.11.14**

**EIA review date: January 2016**

## APPENDIX 1: Action Plan and Risk Table

### Action Plan

Once you have decided on the course of action to be taken in order to reduce or mitigate the impact, please complete the action plan below (An example is provided in order to help you)					
Number	Action	Required outcomes	By who?	By when?	Review date
1	New Carers Assessment Form	<ul style="list-style-type: none"> <li>➤ Carers are more at the centre/ focus of the assessment forms</li> </ul>	Carers Strategy Team	March 31 <sup>st</sup> 2015	
2	Carers Self-Assessment process mapping and development of Self-Assessment process	<ul style="list-style-type: none"> <li>➤ Review of forms to enable carers to undertake a self-assessment</li> </ul>	Carers Strategy Team	March 31 <sup>st</sup> 2015	
3	Carers Self-Assessment Go Live	<ul style="list-style-type: none"> <li>➤ Alternative option for carers to undertake carers self-assessment</li> <li>➤ Go Live date, carers to be engaged and informed</li> </ul>	Carers Strategy Team	September 30 <sup>th</sup> 2015	
4	Carers IB criteria review	<ul style="list-style-type: none"> <li>➤ Ensure a fairer criteria</li> </ul>	Carers Strategy Team	March 31 <sup>st</sup> 2015	
5	Carers Cooperative Commission	<ul style="list-style-type: none"> <li>➤ Consultation and engagement with Carers to define detail of a potential model</li> <li>➤ Carers cooperative commission and forum set up with clear processes mapped out</li> <li>➤ Engagement with carers, staff and partners</li> </ul>	Carers Strategy Team	June 30 <sup>th</sup> 2015	

# Equality Impact Assessment Tool

## C046: EIA 6: Adult Social Care Redesign: Review of Contractual Arrangements (Supporting People)

### Stage 1: Initial screening

Lead Officer:	Lynda Megram
People involved in completing EIA:	Lynda Megram, Barbara Guest
Is this the first time that this project, policy or proposal has had an EIA carried out on it? If no, please state date of original and append to this document for information.	No  Two previous EIAs completed on the Helpline service, on 22.11.12 and 25.10.13 – the latter is attached at <b>Appendix 1</b> .

### General Information

1a	Which service does this project, policy, or proposal relate to?	<b>Older Peoples services funded via 'Supporting People' funds: specifically Helpline</b> Budget reference number - C046 Adult Social Services – Review of Contractual Arrangements (Supporting People)
1b	What is the project, policy or proposal?	<p>This proposal is an element of the Transforming Adults Services programme, under the Better Commissioning theme - review of contractual arrangements. The review of contractual arrangements seeks reductions in the cost of a number of services, including Supporting People funded provision: there are savings proposals of £125,000 across financial years 2015-17. The proposed reductions are split across service provision for socially excluded groups and for older people: £50,000 of this relates to 2015/16 and is to be found from older peoples services. The Supporting People budget for older people's services in 2014/15 is £728,650, split across 11 service providers.</p> <p>This EIA specifically addresses reductions in the cost of older people's services, for the Oldham Helpline provision: this is an emergency alarm service to enable older, vulnerable or disabled citizens to summon help at the press of a button.</p> <p>The proposal is suggesting that we continue our planned transitional service provision and maintain the positive impacts of this, without detriment to the cost reductions required.</p>

1c	What are the main aims of the project, policy or proposal?	<p>In May 2012 the council agreed a 2-year plan to increase Helpline charges for most customers. Last year's EIA on the Helpline Response Service dated 25.10.13 is attached as an appendix and outlines the work undertaken to analyse the potential impact on the varying Helpline customer groups of this change. This EIA focuses on one of the main customer groups, older people living in sheltered accommodation.</p> <p>Sheltered housing tenants using the Helpline service were offered transitional protection in 2012 so did not see an increase to their weekly charge. This was mainly due to the majority of these older people receiving Housing Benefit (an indicator of low income) and the complexities around the Supporting People subsidy arrangements for these individuals—which meant that changes to Helpline charging arrangements would severely impact on other areas, e.g. the warden / scheme manager charging arrangements, with the potential for multiple increased charges to affect this group.</p> <p>It was agreed that the transitional protection arrangements would be reviewed annually and that we would communicate with customers to confirm future proposals: this proposal seeks to retain transitional protection for the remaining Helpline users. The required savings target of £50,000 would still be met however, as the service is shrinking at a faster than anticipated rate, along with the councils funding commitment.</p> <p>Given the vulnerabilities of the customer group, and that the service and associated Supporting People subsidy is diminishing, it is recommended to continue the transitional protection for this group of older people. The expectation is that OCaS will also continue the roll out of reviews of the remaining customers, to risk assess their vulnerability and need for the service, which contributes to the pace of service decommissioning in a safe and managed way.</p>
1d	Who, potentially, could this project, policy or proposal have a detrimental effect on, or benefit, and how?	<p>If the transitional protection is <i>not</i> extended, there would be a disproportionate impact on those older people currently protected who would face charges for the first time: a very high proportion have low levels of income and are affected by a range of health problems or disabling conditions.</p> <p>Ceasing the transitional protection could also mean that</p>

		individual tenants may opt out of Helpline provision, potentially putting themselves at risk and having an impact on family/carers that may need to provide extra support: the review process that OCaS is undertaking is to manage individual risk and service decommissioning in a planned way whilst fulfilling the cost reductions required.
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1e. Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups? If so, is the impact positive or negative?				
	None	Positive	Negative	Not sure
Disabled people	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Particular ethnic groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Men or women (include impacts due to pregnancy / maternity)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People of particular sexual orientation/s	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People on low incomes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People in particular age groups	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Groups with particular faiths and beliefs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
Carers		<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Individuals at risk of loneliness		<input checked="" type="checkbox"/>		

1f. What do you think that the overall NEGATIVE impact on groups and communities will be?		None / Minimal	Significant
		<input checked="" type="checkbox"/>	<input type="checkbox"/>

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	No <input checked="" type="checkbox"/>
1h	How have you come to this	Two comprehensive EIA assessments were undertaken

	decision?	<p>previously which explored the characteristics of the customer groups potentially affected and reflected on the impacts of the proposals after phase one: the circumstances of the customer group have not changed and therefore we don't consider a full EIA is necessary. If the proposal is approved, the risks outlined here and in the previous EIAs would be managed in a planned way and we expect this to have a positive impact overall.</p> <p>The most recent full EIA is attached below.</p>
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<b>Stage 5: Signature</b>	
<b>Lead Officer: Lynda Megram</b>	<b>Date: 3.11. 2014</b>
<b>Approver signature: Paul Cassidy</b>	<b>Date: 24.11.2014</b>
<b>EIA review date: January 2016</b>	

# Equality Impact Assessment Tool

## Appendix 1

### BWWTS 13 105 (Helpline)

Lead Officer:	Paul Cassidy
People involved in completing EIA:	Barbara Guest
Is this the first time that this project, policy or proposal has had an EIA carried out on it? If no, please state date of original and append to this document for information.	No Original completed 22.11.2012

### General Information

1a	Which service does this project, policy, or proposal relate to?	Helpline Response Service
1b	What is the project, policy or proposal?	<p><b>Increase charges for helpline, key-safe and assistive technology services</b></p> <p>The Oldham Helpline is an emergency alarm service to enable older, sick or disabled citizens to summon help at the press of a button. The service is provided so that people who want to continue to live independently can do so; secure in the knowledge that help, advice or reassurance can be provided quickly in an emergency situation.</p> <p>Key-safes are fitted outside a service user's home to provide carers and other essential services access to the home to carry out their caring or emergency duties.</p> <p>The Council is increasingly using a range of other items of technology, which can be monitored and responded to through the Helpline unit. This additional technology can increase the support or supervision levels provided to people in their own homes in order to help prevent harm or injury.</p> <p>Increasing helpline and associated charges was a 2 year plan, following integration between helpline and response services implemented on 1<sup>st</sup> May 2012. This is a scheduled annual review therefore to assess year 1 impact ready for the roll-out of year 2 in 2014/15.</p>
1c	What are the main aims of the project, policy or proposal?	<ul style="list-style-type: none"> <li>• To introduce a banded charging scheme based on the level of service and technology required</li> <li>• To bring charges more in line with similar provision in other authorities</li> <li>• Simplify the charging structure by Integrating charges for assistive technology, helpline response service and the keysafe service</li> <li>• To generate income amounting to £180,000 in</li> </ul>



		<p>2013/14 and a further £140,700 in 2014/15</p> <ul style="list-style-type: none"> <li>To safeguard the poorest residents to ensure those on the lowest incomes will still be able to receive free provision</li> <li>To explore possible new markets and develop new products to bring in additional revenue</li> </ul>
1d	Who, potentially, could this project, policy or proposal have a detrimental effect on, or benefit, and how?	<ul style="list-style-type: none"> <li>All helpline response customers may be affected either by an increase in charge or by a reduced level of service</li> <li>However, 883 helpline response customers are also Fair Access to Care Services (FACS) eligible social care customers and could get the cost of their provision included in their individual budgets</li> <li>A fixed amount of Supporting People funding currently pays the cost of the Helpline (not the response) service for around 2,700 tenants in sheltered accommodation – some of those will face a charge for the first time</li> <li>Various housing providers commission us to provide the helpline service to their sheltered accommodation schemes and/or other designated properties. They may allow their tenants (where possible) to opt out of the service, or choose a different provider, or reduce the service offer to their tenants</li> <li>Changing the criteria for Supporting People funding will also affect approximately a further 1,000 tenants who don't use helpline, as the same criteria needs to be used to determine the amount of funding provided for other housing support services e.g. wardens</li> <li>Integration of assistive technology, keysafe and helpline response provision (which this charging structure drives) will improve the delivery of preventative services in the Borough, thereby potentially enabling more citizens to live safely and independently in the community</li> </ul>

1e. Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups? If so, is the impact positive or negative?				
	None	Positive	Negative	Not sure
Disabled people	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Particular ethnic groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Men or women (include impacts due to pregnancy / maternity)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
People of particular sexual orientation/s	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People on low incomes	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

People in particular age groups	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Groups with particular faiths and beliefs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
<b>Some housing providers</b>		<input type="checkbox"/>	<input checked="" type="checkbox"/>	

1f. What do you think that the overall NEGATIVE impact on groups and communities will be?	<b>None / Minimal</b>	<b>Significant</b>
	<input type="checkbox"/>	<input checked="" type="checkbox"/>

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
1h	How have you come to this decision?	This is a major change to the current system and the impacts are variable. Amongst the current helpline customers around 800 are social care customers and 2,700 live in sheltered accommodation – and some people are members of both groups i.e. living in sheltered accommodation and recipients of social care services. The overlap with changes to Supporting People funding need to be fully understood. The impact on housing providers and any subsequent changes required in SLAs needs to be fully explored and taken into account when final decisions about this proposal and its implementation are made.
1i	Review date	October 2014

## Stage 2: What do you know?

### What do you know already?

- Baseline Helpline customer group = 4,988
- 883 are also social care customers
- Around 75% of sheltered housing tenants receive Supporting People funding to pay for their Helpline charge, as they qualify for Housing Benefit (an indicator of low income). This represents around 2,700 people.
- Tenants in Housing 21 Sheltered and Extra Care Housing group schemes cannot opt-out of the Helpline Response service as the system is hard-wired into these properties and is part of their core offer. Housing 21 Bungalows also have the community alarm infrastructure provided as part of their overall housing offer.
- Other housing providers have non-hardwired properties and the equipment is provided by the

community alarm provider, so they can de-commission accommodation as older people's housing and thereby have the Helpline units removed.

- Housing providers could commission a different community alarm/response provider than Oldham Helpline.

### What don't you know?

- How many of the 883 social care customers are a sub-set of the 2,700 sheltered accommodation tenants
- What the income levels of the tenants in sheltered housing are who are not in receipt of either Housing Benefit or social care services - around 25% of tenants
- The impact on landlords and their other housing support services

### Further data collection

- Cross-matching helpline customer data with social care service user data helped to understand exactly how many are customers of both services
- Cross-matching of a sample of Sheltered Housing tenants with Housing Benefit data (through Supporting People interface) enabled assessment of the financial impact on helpline customers and helped make decisions about how Supporting People funding should be targeted
- Questionnaires were sent out to all helpline and social care customers to get customer feedback
- Housing provider stakeholder meetings were organised in partnership with Housing Strategy and the Supporting People (Adult Social Care) Commissioner
- Public and Court Voice (Housing 21 sheltered housing representatives) meetings were held to gather further customer feedback

### Summary (to be completed following analysis of the evidence above)

Does the project, policy or proposal have the potential to have a <u>disproportionate</u> impact on any of the following groups? If so, is the impact positive or negative?	None	Positive	Negative	Not sure
Disabled people	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Particular ethnic groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Men or women (include impacts due to pregnancy / maternity)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
People of particular sexual orientation/s	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People on low incomes	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
People in particular age groups	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Groups with particular faiths and beliefs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there any other groups that you think that this proposal may affect negatively or positively?				
<b>Some housing providers</b>		<input type="checkbox"/>	<input checked="" type="checkbox"/>	

## Stage 3: What do we think the potential impact might be?

### Consultation information

<p>3a. Who have you consulted with?</p>	<p>General public Helpline-only customers Sheltered Housing tenant representatives Social care service users and known carers Relevant housing providers Relevant staff</p>
<p>3b. How did you consult? (inc meeting dates, activity undertaken &amp; groups consulted)</p>	<p>Prior to implementation of phase 1 in April 2013, a number of consultation activities took place around this option including: details of the proposal were available on Oldham Council's website and an email address was set up for the public to send their comments through; 3 adults service public meetings and a specific helpline public meeting were held; a free-phone customer service helpline was put in place to deal with any queries with a dedicated specialist member of staff returning service user calls if the customer service staff helpline could not deal with their queries.</p> <p>A questionnaire asking for social care service users' thoughts on the proposals was sent to 2,665 users of community services plus 881 known carers. Additionally, those 4,105 people receiving a helpline-only service received a separate helpline-specific questionnaire.</p> <p>A housing provider consultation meeting was held on 25<sup>th</sup> October 2012, with 9 people attending from 7 providers, with 5 of those providers sending in more detailed submissions after that event.</p> <p>Prior to implementation of phase 2 (the planned removal of transitional protection for sheltered housing tenants) in April 2014:</p> <p>a) consultation with individual sheltered housing providers by the Supporting People (Adult Social Care) Commissioner has continued b) a consultation meeting with Court Voice representatives was held in October 2013</p>

### 3c. What do you know?

#### Pre-implementation of increased charges in April 2013

##### 1. Customer consultation results

Out of 4,105 helpline-only questionnaires sent out we received 1,067 completed questionnaires back. This represents a response rate of 26%, which is significant.

46% of these respondents disagreed with the proposal to charge different amounts for 3 different levels of service, with 35% agreeing (the remaining 19% were either neutral, didn't know or didn't respond).

44% did not agree that the proposed charges were reasonable, with 32% saying they thought the charges were reasonable. Of those who disagreed, a repeated comment was that to receive the same service as now (which currently costs £1.35 per week) people would have to purchase the Silver level provision (which would cost £5 per week) which therefore represented almost a four-fold increase in the

weekly charge, which they thought was excessive.

There was less clarity around service users' responses to questions about how Supporting People funding should be used. 24% agreed with the statement that fewer people in sheltered accommodation should have the helpline paid for so that the Supporting People funding could be targeted on the poorest. However, 27% disagreed. Around a third of respondents thought Supporting People monies should be used to support all residents on a low income not just those in sheltered accommodation. 17% agreed that Supporting People funding shouldn't be used to pay for anyone's helpline charge, but 21% disagreed with this. Significantly, there were high numbers of people who didn't respond to these questions (between 32% and 53%) which may indicate a lack of understanding about these questions.

With regard to charges for assistive technology, a resounding 60% of respondents agreed that people should receive this equipment and monitoring service for free whilst receiving up to 6 weeks of reablement or recovery services. 41% did not agree that people should be charged for this provision after 6 weeks, if they chose to keep it. About one-third of respondents agreed £1 per week charge per piece of equipment was reasonable, whilst around one-third did not, and the final third were either neutral, didn't know or didn't respond to that question.

The proposal to charge for the provision and installation of keysafes had a mixed response. 41% of respondents disagreed with the charge, although many of the comments reflected that people thought the proposed charge was too expensive, that cheaper units could be purchased, or that people's ability to pay should be a consideration.

## **2. Housing provider consultation results**

Housing providers informed us that any change to the Supporting People funding formula to take account of an increase in Oldham helpline charge would affect other housing support provided by sheltered accommodation providers. Providers stated they would have to review their service offer to sheltered accommodation tenants and/or pass any increase in costs (as a result of reducing Supporting People funding) on to their tenants. A number of housing providers said they would consider changing their community alarm provider (although this would not be possible for Housing 21 tenants). Providers also said they would give tenants in dispersed properties the choice whether to keep or remove the helpline (in certain schemes this choice would not be available). They felt the financial impact on some tenants would be too great, which may lead to them leaving the accommodation and putting themselves at risk (and possibly increase the risk of people moving into residential care). This may also increase the number of void properties, affecting the revenue of the housing provider. Housing providers would have to consult their tenants before changing their service offer.

## **3. Cross-matching data results**

Currently Supporting People funding is provided to tenants in sheltered accommodation who are also in receipt of any amount of Housing Benefit. Data checks told us that the majority (around 1,800) of those currently in receipt of Housing Benefit were actually receiving 75% or more, which is an indicator of relatively low-levels of income. However, around 300 people were in receipt of less than 75% of Housing Benefit, an indicator of being relatively better off than other tenants.

However, changing the Supporting People threshold so that only those receiving 75% or more Housing Benefit would have their housing support costs funded would have unintended consequences for many tenants. Removing Supporting People funding wouldn't just mean these 300 tenants had to pay their own helpline charge, but also their own warden and other support service charges – an additional cost of anything between £6-£20 per week.

Additional data checks told us that around 10% of tenants in supported accommodation (approximately 270 people) were also in receipt of other social care services as they had been assessed as being in substantial and/or critical need. This means they could receive the helpline as part of their care package, and be financially assessed for their overall contribution to the cost of their care package through the Fairer Charging scheme.

Interrogation of helpline data tells us that only around 10% of helpline customers actually press the alarm, but many of these press it frequently. We also know that around 40% of these calls come from sheltered accommodation tenants.

#### **4. Other customer feedback**

We know that the helpline is highly regarded by customers as we receive many comments of appreciation. Many people see it as a reassurance presence in case of emergency.

#### **Post-implementation update**

##### **Helpline implementation**

- The new charging system offering 3 levels of service (Bronze, Silver, Gold) and a higher one-off installation charge of £40 was implemented for all new helpline customers from 1<sup>st</sup> April 2013. This appears to have had no detrimental impact on the number of people choosing this service. There have been 178 new customers since April 2013. (Bronze 24, Silver 147 and Gold 7).
- The new charging system was implemented for around 1,800 existing customers (excluding sheltered housing tenants) from 1<sup>st</sup> April 2013.
- They were asked to choose which service level they wanted, and were given clear information and 1-2-1 advice about their options. If people wished to retain their current service level they had to choose Silver and they were offered a phasing in of the £5 weekly charge over 3 years i.e. £3 in year 1; £4 in year 2; £5 in year 3. This was introduced in response to the feedback from public consultation.
- The vast majority of the 1,800 customers chose to retain the Silver level of service and took advantage of the phasing in of the charge i.e. a total 1,509 people (84%)
- 12 people chose to upgrade to Gold, with 186 people reducing their service level to Bronze.
- 5% of customers withdrew from the service (around 90 out of 1,800), which was less than originally anticipated. Each person was visited and a risk assessment undertaken before it was agreed the helpline equipment could be safely removed.
- An annual invoice was introduced, which lets people see the charge for the whole year and their payment plans (similar to how Council Tax bills work) and a plan to maximise the number of people paying by direct debit has been successfully implemented.
- Sheltered housing tenants were offered transitional protection for 12 months until 1<sup>st</sup> April 2014 so did not see any change to their weekly charge. This was due to the complexities around helpline and warden support charges and the supporting people subsidy and how changes in one area would impact on another. It was felt 12 months would allow enough time for these complexities to be fully understood, and allow time for further discussions with sheltered housing providers, commissioners and housing strategy to come up with a joined-up solution.
- Sheltered housing customers will see the roll-out of the new charging system from 1<sup>st</sup> April 2014.
- Overall income for 2013/14 is projected at £547k. With the income budget set at £341k, which includes the £180k required Star Chamber savings, this will bring in additional income of £206k.

##### **Key-safe implementation**

- Charges to recover the full cost of tamper-proof key-safes, and a contribution to installation costs, was implemented for all new customers from 1<sup>st</sup> April 2013.
- 245 key-safes have been installed since 1<sup>st</sup> April, representing a similar number to previous years.
- £14,650 has been raised so far this year in charging income where previously nothing was charged or recovered.
- Some customers have taken advantage of the offer to spread the cost of the charge over 12 months, whilst others have paid the £50 + £15 installation cost in one lump-sum. The key-safe installation cost is reduced if a customer is paying to have the helpline unit installed at the same time.

### Assistive technology implementation

- The new policy to charge £1 per week per piece of equipment installed was implemented for all new customers from 1<sup>st</sup> April 2013. There have been 60 new customers from this date.
- A review of existing customers was then undertaken to ensure all issues were fully appreciated prior to implementation of charges.
- Charging commenced for 109 existing customers from 1<sup>st</sup> October 2013
- Charging will be implemented for a further 40 “falls detector” customers from 1<sup>st</sup> November 2013 to ensure they’re receiving the right technology and/or service to support their current needs
- £6,836 has been raised so far this year in charging income where previously nothing was charged or recovered.

### 3d. What don't you know?

We know there are more women than men in sheltered accommodation but don't know their relative financial position. We don't know the financial position of other helpline customers (owner-occupiers or other tenants), apart from those also in receipt of social care services (around 27%).

### 3e. What might the potential impact on individuals or groups be?

Generic (impact across all groups)	To receive the same level of helpline service, people would face a significant increase in their charge, which some people would struggle to pay. They may choose to have helpline removed or choose a different community alarm supplier. The Supporting People budget would not be able to meet the cost of any increased charges so those in sheltered accommodation currently having their helpline and other housing support services paid for via Supporting People would also face charges for the first time. Most of these tenants are in receipt of high levels of Housing Benefit and therefore on relatively low incomes. Removing any Supporting People subsidy may result in people leaving sheltered accommodation, putting themselves at risk of harm. Other helpline customers may choose to remove the helpline, which may put them at risk of harm.
Men or women (include impacts due to pregnancy / maternity)	We know anecdotally there are more women than men in sheltered accommodation but don't know their relative financial position, so uncertain of disproportionate impact.
Disabled people	Majority of helpline customers are older people, some with disabilities, others with varying levels of health concerns. Other customers are under pensionable age with a range of disabilities. The increase in charges will therefore have a disproportionate impact on disabled people.
Particular ethnic groups	n/a
People of particular sexual orientation/s	n/a
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	n/a
People on low incomes	Any increase in charges will have a disproportionate impact on those with low incomes as this will leave them with less disposable income to pay for basic household costs such as fuel and food. Many may choose



	to remove the helpline, which may put them at risk of harm.
People in particular age groups	Majority of helpline customers are older people, with more than 50% in sheltered accommodation. A high proportion of sheltered accommodation tenants have relatively low levels of income and are affected by a range of health problems or disabling conditions. Any increase in charge will therefore be felt disproportionately by older people in general but by sheltered accommodation tenants in particular, given their known layers of disadvantage (low incomes and disability). Many may choose to remove the helpline, which may put them at risk of harm.
Groups with particular faiths and beliefs	n/a
Other excluded individuals and groups	n//a

#### Stage 4: Reducing / mitigating the impact

##### 4a. Where you have identified an impact, what can be done to reduce or mitigate the impact?

Impact 1: Sheltered housing providers may de-commission helpline and/or their older people's housing	<ol style="list-style-type: none"> <li>1. Discussions with FCHO regarding proposed changes to Supporting People funding have resulted in their decision to de-commission their older people's provision on a gradual basis, as older people leave properties naturally. As new tenants move in the Helpline service will be able to approach them to see if they require the service.</li> <li>2. Discussions with Villages Housing regarding proposed changes to Supporting People funding have resulted in their agreement to supplement the block contract from the Council to fully subsidise the increased cost of Helpline Bronze level for their tenants. The Helpline provider will enter into separate discussions with Villages to sell an upgrade to Silver level to individual tenants.</li> <li>3. The Council is proposing to retain transitional protection at Bronze level for low income Housing 21 sheltered housing bungalow tenants and at Silver level for group scheme tenants. This subsidy will remain for up to 5 years but will be reviewed annually.</li> <li>4. A detailed implementation plan for the ending of transitional protection for all other sheltered housing tenants is being drafted and discussions are continuing with the remaining housing providers to help minimise the impact of increased charges for their tenants.</li> <li>5. Development and implementation of 24/7 support offer for tenants of Extra Care sheltered housing will provide on-site support for the most vulnerable tenants, reducing the need for the emergency response service over time.</li> </ol>
Impact 2: Some customers may choose to remove the helpline, putting themselves at risk of harm	<ol style="list-style-type: none"> <li>1. The increase in charge for the Silver level service could be phased in over 2-3 years in line with the phasing allowed for all other Helpline customers from April 2013.</li> <li>2. Helpline staff to assess risk when attend to remove helpline equipment and to make appropriate referral to social care (or other) services to ensure any risk is minimised.</li> <li>3. Referrals can be made to Oldham Council's welfare rights service</li> </ol>



	to ensure people are receiving all relevant financial support.
Impact 3: Some people may choose not to have key safe installed, thus preventing access to property in case of emergency resulting in door being damaged to gain entry	<ol style="list-style-type: none"> <li>1. Allowing customers to spread the purchase and installation cost across a period of up to 12 months has successfully minimised this impact.</li> <li>2. Referrals can be made to Oldham Council's welfare rights service to ensure people are receiving all relevant financial support.</li> </ol>

<b>4b. Have you done, or will you do, anything differently as a result of the EIA?</b>	
<ul style="list-style-type: none"> <li>• Retained transitional protection for low income Housing 21 sheltered accommodation tenants</li> <li>• Entered into further discussions with other sheltered housing providers to see how we can jointly minimise risk</li> <li>• Phase in the increased cost of Silver Level for all other sheltered housing tenants.</li> <li>• Put in place a referral pathway between helpline staff and the welfare rights service.</li> </ul>	

<b>4c. How will the impact of the project, policy or proposal and any changes made to reduce the impact be monitored?</b>	
<p>An implementation group has been set up consisting of operational helpline staff and helpline charging staff to regularly assess and monitor the impact of the proposal regarding people opting out of service or people not being able to afford to pay the charge. Oversight is also being provided by the Housing Strategy team and the Adult Social Care Commissioner to understand over-lapping impacts with other housing support proposals.</p>	

<b>Conclusion</b>	
<i>This section should record the overall impact, who will be impacted upon and the steps being taken to reduce / mitigate the impact</i>	
<p>This proposal will have a disproportionate impact on those older people who are disabled or have long-term limiting illnesses, especially those who may be just over the Housing Benefit threshold. The effect of the proposal may cause housing providers to reduce their community alarm offer in sheltered accommodation and may cause individual tenants to opt out of provision, putting themselves at risk. Consideration has been given to further protecting some sheltered accommodation tenants from the increase, phasing in of charges will be put in place for others, risk assessments will be conducted for any customer requesting removal of the helpline, people will be offered a benefit check to maximise their income, and customers are able to spread the cost of the key safe.</p>	

<b>Stage 5: Signature</b>	
<b>Lead Officer: Paul Cassidy</b>	<b>Date: 25.10.13</b>
<b>Approver signature: Maggie Kufeldt</b>	<b>Date: 25.10.13</b>
<b>Review date: October 2014</b>	

# Equality Impact Assessment Tool

## C046: EIA 7: Adult Social Care Redesign (Extra Care Housing – Phase 2)

Lead Officer:	Jane Bellwood
People involved in completing EIA:	Tim English, Jane Bellwood
Is this the first time that this project, policy or proposal has had an EIA carried out on it? If no, please state date of original and append to this document for information.	Yes                      No X  Date of original EIA: February 2014 (Attached Appendix 1)

### General Information

1a	Which service does this project, policy, or proposal relate to?	Extra Care Housing Phase 2 b) Old Mill House (Lees) and Hopwood Court (Shaw) Extra Care Schemes
1b	What is the project, policy or proposal?	<p>To introduce additional services into these schemes to enable a full Extra Care offer to be delivered to tenants.</p> <p>This proposal will result in an increase in charges for residents in these two Extra Care Housing Schemes.</p> <p>To date tenants in ECH pay the same as those in sheltered despite having access to additional amenities e.g. restaurant, well-being suites, hairdressers, shops etc.</p> <p>The actual cost of the ECH service is not able to be provided accurately as this is within the Unitary Charge for the PFI contract across all 19 Group schemes delivered by Housing 21. However we are clear on the charges we pass on to tenants. The current cost of ECH compared to others regionally is extremely low compared with others in the North West region.</p> <p>The total cost for Extra Care housing including the new Communal service Charges and the new Housing Service Charge (for the Night Time Concierge Service) and Health and wellbeing Charge (for the daily Care Provision on site) will mean a maximum of £152.60 to new tenants.</p> <p>All will need to have some level of FACs eligible need in future to be considered for ECH. They will be financially assessed under housing benefit and fairer charging rules on their ability to pay for housing and care related charges. Unless they expressly state they do not want this assessment.</p> <p>For existing customers who have no care needs, they will be excluded from the new Wellbeing Service charge, they will typically pay £125.69 for all rents and related housing charges. If they are housing benefit eligible they will also gain assistance with their ability to pay the</p>

additional housing related service charge to support the cost of the new Night Time Concierge roles. If they are have full housing benefit all of the Concierge Charge will be paid for.

The proposal is the Concierge service charge will apply from the date of the start of the new service. The charge has been increased from when this was agreed by Cabinet last year.

The reason for this is that in 2014/15 a subsidy of £52k from Housing and Care 21 was provided to contribute to the cost of the concierge charge. They have had some reduction in staffing required across the whole PFI programme; this redirection of resource into the Court Manager/Concierge Service has had the impact of lessening the actual cost or tenants for the Phase 1 schemes.

In Phase 2 there is no additional subsidy for forthcoming, so to maintain an equitable approach the actual cost needs to be spread fairly across all 6 schemes going forward. This results in an increase for all those who need to pay for the concierge across all schemes, if they qualify for Housing Benefit entitlement. Hence the charges will be increasing for all tenants who are not Housing Benefit eligible from 2015/16. Below are the charges.

	Phase 1 ECH	Phase 2 ECH	(new tenants)	% increase
2014/15	£ 4.18	£ -	£ 12.55	0%
2015/16	£ 7.16	£ 7.16	£ 15.21	14%
2016/17	£ 12.68	£ 12.68	£ 15.21	21%
2017/18	£ 15.21	£ 15.21	£ 15.21	21%

The charge will be phased in over the next two years, by year 3 the weekly charge will need to be paid in full £15.21 by 2017/18. Currently the charge for the schemes agreed in February 2014 was £14.77 per week.

The cost to the Council of implementing the Wellbeing Service offer in ECH is £60,540 which equates to a unit cost of £27 per week to all those with FACs eligible care needs. We have only 4 tenants across the Phase 2 schemes who are self-funding and are required to pay/or contribute to this charge. An example of the typical cost of the Wellbeing service and all accommodation charges is £152.60 per week.

This will deliver 59.5K in net savings across both schemes, so this figure is less the cost of the new service offer at £65k:-

a) reduction in ECH residents going into short stay £15.5k

b) reduction in ECH residents going into long term residential care £100.7k  
c) reduction in spending on home care due to reduced rate within ECH £8.4k

Below are the two schemes chosen for Phase two implementation of the new ECH model:

- Old Mill House, Lees
- Hopwood Court, Shaw & Crompton

The savings predicted from these 2 schemes are lower than in the previous 4 schemes that have recently been commissioned, as they have less people with FACs eligible care needs in these schemes.

For this reason, we will only implement the full Well-being Service once tenants in schemes and new tenants in scheme have transferred sufficient care to the new Provider to make the new service viable deliver. This will ensure the sustainability and viability of the new contract. This means in excess of 60 hours of care and ideally 100 plus hours needs to be delivered by the new provider before we implement the new service in full.

All void allocation to these schemes will be held once Consultation has opened, to ensure all current tenants are part of the consultation.

No	Extra Care Housing Scheme Name
1	Old Mill House, Lees
2	Hopwood Court. Shaw

The new charging model will ensure that HRA is more robust, flexible and responsive to any future budgetary pressures. The proposal will mean an income stream into the HRA that will offset in part of the additional costs of Housing 21 increasing staff capacity and services, the additional care/support/response service in ECH to enable a more flexible and responsive service offer in Extra Care Housing.

This will enable Adult Services to place those with higher needs in schemes to fully utilise the schemes to offer a viable and welcome alternative to Residential Care.

The service will maximise tenant's current capacity to live independently and will aim to delay/prevent the need for Residential Care for most tenants. This means that Extra Care offers a home for life and enables more successful placements into ECH.

The additional services to residents are clear and the cost will reflect the differential nature of Extra Care service offer from other Housing choices available. This will also enables Adults Social Care Management to place more tenants with higher needs into Extra Care in future.

1c	What are the main aims of the project, policy or proposal?	<p>The main aims of the proposal are:</p> <ul style="list-style-type: none"> <li>• To improve the service offer in Extra Care to provide a mix of Care, Support, Response and Housing Management 24/7 tenants</li> <li>• To reduce the numbers having to go into Residential Care from Extra Care this impact on the Community Care budget within the General Fund resulting in an estimated saving of £28.4k against the long term residential budget</li> <li>• To create an additional income stream into the HRA to reflect the differential the ECH offer from Sheltered and to contribute via additional service charges to the cost of the new service offer, therefore offsetting the impact on the HRA and the need to spend Supporting People budget within the General Fund.</li> <li>• To provide access to flexible on site “step-up” or step-down care” to reduce the need for short stay accommodation from Extra Care in future by £15.5k a year, and to reduce the need for Emergency Admissions to hospital. This will impact on the Community Care budget within the General Fund. This will also impact on the speed at which tenants are able to return home from hospital.</li> <li>• To create a cost saving per hour in care delivered in the home (from £12.60 to £11.80).</li> <li>• To create an income stream into the general fund to help fund the Wellbeing Service cost and to sustain the service over the medium term.</li> <li>• To reduce the need for care and support through reviews of packages given the new service offer in ECH and tenants being able to have care delivered more flexibly and to enable access to restaurants and other services. This will impact on the use of Community Care budget spending within the General Fund.</li> <li>• To reduce the impact of calls and response from helpline and response service into ECH, which will impact on the budgets of the new trading arm (£30k is expected across the first 4 schemes).</li> <li>• To support Star Chamber budget efficiencies relating to reduction of residential care, short stay.</li> <li>• To enable tenants in ECH to remain able and independent for longer.</li> <li>• To provide the opportunity for health, respite, reablement services to be delivered within ECH more cost effectively.</li> <li>• To bring charges for ECH more in line with similar provision in other authorities</li> <li>• To generate income into HRA. The decision was taken last year on the level of charge in the first four schemes and this will need to be replicated in these additional two schemes.</li> <li>• To safeguard the poorest residents to ensure those on the lowest incomes will still be able to receive a high quality housing management and housing related support service.</li> </ul>
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		<ul style="list-style-type: none"> <li>• Make sure that the services provided that are subject to charge are delivered effectively and offer good value for money.</li> </ul>
1d	Who, potentially, could this project, policy or proposal have a detrimental effect on, or benefit, and how?	<p><b>Negative impacts:</b>  These proposals may impact negatively on affordability of tenants in Extra Care who receive partial Housing Benefit (but this is expected to be negligible if any impact) and also those who are self-funders in ECH, who have not benefits to support their costs. We are providing support and benefits advice to those whose financial circumstances may be impacted by the proposals.</p> <p>Those who receive full housing benefits and/or who are supported in most/all of their care costs will feel no negative impact, but should receive significant benefits from the proposals.</p> <p>Increased charges will mean that those who have partial or no access to housing benefits will be disproportionately affected, than those in receipt of 100% Housing Benefit . For those in receipt of housing benefit they will not need to pay anything towards the new concierge service charge.</p> <p>In terms of the Wellbeing charge each tenant will be Financially Assessed on their ability to pay. They will only pay up to their assessed eligible charge in line with what they can afford and the Council's Fairer Charging Policy. F their care related charges (package of care plus Well-Being Charge) are over their assessed eligible amount the Council will pay the difference.</p> <p>This will impact negatively on income from Fairer Charging. Our modelling has shown that this will only relate to small group of tenants who fall between being eligible for full housing benefit and Fairer Charging limits, which will impact on their Fairer Charging Assessment and/or Housing benefit claim.</p> <p><b>Positive impacts:</b>  These proposals will impact positively on those in ECH as they receive an improved service offer that supports their independence for longer and improves their quality of life. The cost to tenants of the service will be still significantly lower than in some neighbouring boroughs offering value for money for those in ECH.</p> <p>For those with care and support, impacts will be felt in how this is delivered as we strengthen the offer on site, we will expect all new and existing tenants (where possible) to use the onsite services.</p> <p>In future using the onsite service will be a prerequisite for new tenants (where there receive a care package from a private care provider). This will enable the Authority to achieve efficiencies from care and support packages delivered in ECH as care in ECH costs less to deliver than in Community settings. This will often combine personal support tasks with social benefits of using communal facilities on site as well as</p>

	reducing the need for booked care.
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1e. Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups? If so, is the impact positive or negative?				
	None	Positive	Negative	Not sure
Disabled people	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Particular ethnic groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Men or women (include impacts due to pregnancy / maternity)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People of particular sexual orientation/s	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People on low incomes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People in particular age groups	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Groups with particular faiths and beliefs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
<i>E.g. vulnerable residents, individuals at risk of loneliness, carers or serving and ex-serving members of the armed forces</i>		<input type="checkbox"/>	<input type="checkbox"/>	

1f. What do you think that the overall NEGATIVE impact on groups and communities will be? <u>Please note that an example of none / minimal impact would be where there is no negative impact identified, or there will be no change to the service for any groups.</u> Wherever a negative impact has been identified you should consider completing the rest of the form.	None / Minimal	Significant
		<input checked="" type="checkbox"/>

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
1h	How have you come to this decision?	This is a major change for those in ECH and different groups will be impacted in different ways. In the past tenants have not paid more for ECH than Sheltered housing options and these proposals represent an enhanced offer that will come at an increased price. For



		those with low or no care needs, this may be perceived as unnecessary, but for those with care needs this offers good value compared with Residential Care options available. This will also bring the costs more in line with comparable services elsewhere.
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## Stage 2: What do you know?

### What do you know already?

*We know the following about tenants within the two schemes:-*

Scheme	Split of Male/Female	% accessing benefits	% who are FACs eligible (so have any Critical or Substantial Care/Support needs)
Hopwood Court	11/24	62%	19%
Old Mill House	13/25	60%	29%

### What don't you know?

N/A

### Further data collection

N/A

## Summary (to be completed following analysis of the evidence above)

Does the project, policy or proposal have the potential to have a <u>disproportionate</u> impact on any of the following groups? If so, is the impact positive or negative?	None	Positive	Negative	Not sure
Disabled people	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Particular ethnic groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Men or women (include impacts due to pregnancy / maternity)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People of particular sexual orientation/s	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People on low incomes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People in particular age groups	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Groups with particular faiths and beliefs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there any other groups that you think that this proposal may affect negatively or positively?				
<i>E.g. vulnerable residents, individuals at risk of</i>		<input checked="" type="checkbox"/>	<input type="checkbox"/>	



loneliness, carers or serving and ex-serving members of the armed forces

### Stage 3: What do we think the potential impact might be?

#### Consultation information

<p>3a. Who have you consulted with?</p>	<p>All the tenants in Hopwood House (Shaw) and Old Mill House (Lees).</p> <p>This equates to 76 tenants across the 2 schemes.</p>
<p>3b. How did you consult? (inc meeting dates, activity undertaken &amp; groups consulted)</p>	<p>We carried out initial informal consultation with tenants and their families in 2013 to gauge their needs and what type of service they would need to enhance their quality of life and improve ability to live independently. This was fed into the service design for the service that has been recently launched in 4 ECH schemes in September 2014.</p> <p>Following the launch of the new ECH service, we assessed the benefits of this offer for other schemes, and then after initial Member agreement to consult formally in September 2014, we met with the Court Voice in each scheme (where there is one) and also with the Court Manager.</p> <p>Then we met with tenants to explain the new offer informally in October 2014. Their views were taken from these meetings. We also met individually with who couldn't access communal meetings, or who needed their representatives present.</p> <p>This then led to a four week period of formal consultation with all tenants where they were invited to share their views on the proposals.</p> <p>To help facilitate this we organised further meetings a week after the consultation opened. This gave us the opportunity to explain the offer further and for tenants to ask questions. We attended with experts in care charging, social care assessment and benefits advice present to help support the tenants in forming their views on the new offer and the benefits and disadvantages of the new offer and how this would impact them personally. We also offered personal appointments to enable new benefits advice and reassessment for those who wished to have this.</p> <p>Tenants were able to submit their views in a variety of ways:-</p> <ul style="list-style-type: none"> <li>• Via their own Court Manager</li> <li>• By letter</li> <li>• By Freephone</li> </ul> <p>Upon close of the consultation <b>no formal representations</b> have</p>

been made against the proposals to the Council. Tenants asked questions at the Public Meetings and at individual meetings and we stressed at the meetings that they needed to understand the proposals and their impacts from their own perspectives. Also that they were encouraged to make their views known via the methods above.

**3c. What do you know?**

We know that the following numbers of tenants will be impacted by the new charges in each scheme. This may be subject to some change as increases in charges may push some who initially were self-funders into being eligible for benefits in a few cases.

<b>Scheme</b>	<b>Total Tenants in scheme</b>	<b>Numbers impacted by Concierge Charge (Not HB eligible)</b>	<b>Numbers impacted by Well-being charge (FACs eligible who fund own Care)</b>	<b>Numbers who are FACs eligible who have HB (not impacted)</b>	<b>Numbers not impacted (Full/Partial HB and with No FACs care needs)</b>
<b>Old Mill House</b>	37	<b>13</b>	<b>1</b>	9	23
<b>Hopwood Court</b>	35	<b>11</b>	<b>3</b>	4	21

Currently there are only 19% Hopwood and 29% Old Mill House tenants who have a FACs eligible care need. That the Well-Being Service costs will be applied based on Fairer Charging assessment and tenants ability to pay for care.

- A range of informal consultation was carried out in all schemes and with Court Voices, tenants and families between July to October 2013.
- Informal consultation has taken place via onsite during October 2014.
- Formal consultation will open 17<sup>th</sup> November and close 15<sup>th</sup> December after 4 weeks.
- This includes a series of onsite meetings with tenants on scheme to provide them with individual information on how the changes will impact them.

**Conclusions regarding Fairer Charging Income:-**

- There will be no impacts on the income collected from those who receive housing benefit.
- There will be no impacts on those who are self-funding although they may qualify for benefits support quicker.
- There will be a reduction in the income collected from clients who do not receive housing benefit due to assets (being between £16k - £23.25k) or income, but who are not self funders and are entitled to assistance with the cost of their care as their assets are less than £23.25k.
- There will be a reduction in income collected from those who received partial housing benefit.
- Although 21 (Old Mill House) and 14 (Hopwood) are impacted by the charges, tenants in these groups are not seen as Low Income as they do not qualify for support for charges, due to their income or capital being assessed as too high to qualify for support.

**3d. What don't you know?**

There are 35 tenants across the 2 schemes who are self-funders; but only 4 in totals who are impacted by both charges. We have spoken to all those impacted by both charges either through their Court Manager or directly and are aware of the impacts for these people.

**3e. What might the potential impact on individuals or groups be?**

Generic (impact across all groups)	Changes will impact mostly in those who do not qualify for benefits, but the service improvement should have the potential to benefit all tenants.
Men or women (include impacts due to pregnancy / maternity)	There are more women in Extra Care than men, so more women will be impacted.
People of particular sexual orientation/s	None
Disabled people	There are some disabled people in the schemes, but overall there are only 29% (Old Mill House) and 17% (Hopwood Court) that have FACS level assessed care and support needs. The aim is for all tenants in scheme to have some level of assessed needs in future to make best use of these schemes.
Particular ethnic groups	None
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	None
People on low incomes	Overall there are 66% (Hopwood Court) and 45% (Old Mill House) of tenants who access housing benefits within these two schemes. But the changes proposed are expected to be Housing Benefit eligible so they will not be impacted adversely by the new charges. These tenants are assessed as being on low incomes and will be protected from the charges. There are others who are in receipt of higher incomes who do not qualify for support will be impacted by the new charges.
People in particular age groups	The schemes primarily, cater for those over 60 years of age, but not exclusively.
Groups with particular faiths and beliefs	None
Other excluded individuals and groups (e.g. <i>vulnerable residents, individuals at risk of loneliness, carers or serving and ex-serving members of the armed</i> )	None

forces)

#### Stage 4: Reducing / mitigating the impact

4a. Where you have identified an impact, what can be done to reduce or mitigate the impact?

Impact 1: Vulnerable service users who may experience changes in their charges

We have offered all individual benefits advice and reassessments for financial contribution for care and support charges. Meetings have been arranged with all those impacted (who wish to meet). This has enabled private meetings to provide accurate information on how the charges will impact them based on current information. This has ensured tenants are fully informed of the impacts for them, and how to make any representation against the consultation.

4b. Have you done, or will you do, anything differently as a result of the EIA?

No, the consultation has been comprehensive and inclusive.

4c. How will the impact of the project, policy or proposal and any changes made to reduce the impact be monitored?

This will be monitored with the Partners Housing and Care 21 who offer supporting people services to tenants.

#### Conclusion

The overall impact for the existing 72 tenants in these two schemes is minimal. For those with care and housing needs only 3 self-funders will be impacted. Another 24 tenants who have no care needs and are self-funders will also be impacted and will need to pay the concierge charge, but this is being mitigated to reduce the impact by phasing this charge in over 3 years for these tenants.

#### Stage 5: Signature

Lead Officer: Jane Bellwood

Date: 05.01.2015

Approver signature: Maggie Kufeldt

Date: 12.01.2015

EIA review date: 1 year from implementation of the new model

## C046: EIA 8: Adult Social Care Redesign (Mental Health PV Model)

Lead Officer:	Colin Elliott
People involved in completing EIA:	Colin Elliott, Michelle Hope
Is this the first time that this project, policy or proposal has had an EIA carried out on it? If no, please state date of original and append to this document for information.	Yes

### General Information

1a	Which service does this project, policy, or proposal relate to?	<p><b>C046 – Adult Social Services – EIA 8 – Mental Health</b></p> <p>This EIA relates to the provision of mental health services for adults, both over and under the age of 65.</p> <p>The council's gross budget for mental health can be broken down as follows;</p> <ul style="list-style-type: none"> <li>• Staffing - £2,427,603</li> <li>• Community Care Budget – adults under 65 - £2,140,310</li> <li>• Community Care Budget – adults over 65 - £5,710,230</li> <li>• Contracts - £793,000</li> </ul> <p>Total gross budget: <b>£11,071,143</b></p> <p>As part of our proposals to re-design this area of provision, we are planning to achieve a reduction in spend as follows;</p> <p><b>£842,746</b> to be released during 2016/17.</p> <p>In addition to this, <b>£600,000</b> has also been identified to contribute towards the delivery of the council's All-Age Early Help Offer, to support early intervention and prevention with mental health clients that will reduce demand and therefore expenditure on secondary mental health provision in the longer term. Alternative funding has been identified to cover these operating costs during 2015/16; however a contribution of £600,000 must be made from 2016/17 onwards. Total savings will be delivered in <b>2016/17</b> and totals</p>
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		£1,442,746.
1b	What is the project, policy or proposal?	<p>The council has operated co-located mental health services since 1992 and a single line management structure under a Section 75 agreement with Pennine Care NHS Foundation Trust since 2005, featuring fully integrated mental health teams for Adults (under 65) and Older People (over 65's).</p> <p>We are developing options for re-designing mental health provision with our partner, Pennine Care. The options set out in this document represent an overview of our initial proposals, which may change as detailed examination of the best approach for Oldham continues.</p> <p><b>The key elements of the options currently being considered can be summarised as follows;</b></p> <ul style="list-style-type: none"> <li>• Developing a prime vendor model with Pennine Care – option 1 – transfer under and over 65 mental health community care provision and associated budgets to Pennine Care under the terms of a revised formal agreement and governance arrangements.</li> <li>• Developing a prime vendor model with Pennine Care – option 2 – transfer under 65 mental health provision and associated budgets to Pennine Care under the terms of a revised formal agreement and governance arrangements and integrate over 65 mental health community care provision with other council care management services for older people.</li> <li>• Reducing expenditure on commissioned/contracted services.</li> <li>• Investment and reducing demand through the All-Age Early Help Offer.</li> </ul> <p>However we proceed we will aim to prevent, delay and reduce demand for traditional mental health treatment and care by intervening earlier and making sure people get the right help and treatment at the right time.</p> <p><b>Preventing and reducing demand for care</b></p> <p>Community care funding accounts for the largest proportion of the mental health budgets, in particular for people over 65.</p> <p>Community care funding is used to meet the cost of</p>

care in the community and in residential settings, including rehabilitation services. We currently deploy our resources to help people to live as independently as possible and to prevent relapse and readmission to hospital and residential care.

This approach is not only better for local people but is also strategically important as demand for mental health support is projected to increase in coming years. It is important that we maintain a strong focus on preventing crisis and promoting mental health and wellbeing.

Our intention is to provide people experiencing mental health problems with a broader range of help and support as early as possible, this and providing an enhanced rehabilitation offer, will support a reduction in demand for more costly secondary mental health care and support. Making better use of other preventative support options, such as talking therapies, peer/group support, and increased support in a community setting are some examples of the way in which this could be done.

We will work with NHS colleagues and people who use mental health services to redesign the way those services are delivered. Giving people with mental health problems more control over the support they receive will lead to better outcomes and reduce our costs in the longer term.

By operating more flexibly and making sure people get the right help at the right time to prevent ill health, promote and sustain recovery we anticipate that we could realise at least a 10% reduction in spend across the community care budget. This would represent the following figures;

10% Community Care Budget (under 65) = £214,031

10% Community Care Budget (over 65) = £571,023

10% of the total community care budget: £785,054

#### **Developing a Prime Vendor Model with Pennine Care**

Developing a prime vendor model with Pennine Care for Mental Health service provision would build on the already well established relationships that have been formed between Pennine Care, the council and Oldham CCG for the delivery of a range of community health



		<p>services.</p> <p>A prime vendor model would include the transfer of staff and budgets to Pennine Care. The model would incorporate an increased focus on prevention and early intervention (aligned to the council’s All-Age Early Help Offer) to reduce reliance on higher cost reactive support. Within this, there are two main options;</p> <p><b>(Option 1)</b> Develop a prime vendor model – transferring all community care mental health funding to Pennine Care (for under and over 65s)</p> <p>Pennine Care would be required manage a 10% reduction across the community care budget, and have control over how these savings were profiled across services.</p> <p><b>(Option 2)</b> Develop a prime vendor model – transferring the under 65 community care staffing and budgets to Pennine Care, whilst the council would retain responsibility for the over 65 community care budget and older people’s mental health teams. This element of provision could be re-distributed across localities, aligned to NHS clusters and district partnership areas.</p> <p>The prime vendor (Pennine Care) would manage a 10% reduction in the under 65 budget, with the council managing a 10% reduction in the over 65 budget. This approach would help share the management, responsibility and risks of delivering a large proportion of the total savings required.</p> <p>Retaining responsibility for older people’s mental health staff within the council might also provide scope to reduce management costs and make better use of staffing capacity as work could be shared across locality teams.</p> <p><b>Reducing contract spend</b></p> <p>Expenditure on contracts is also being reviewed. If we reduced total expenditure on contracted services (£793k) by 2.5%, that would realise additional savings of £19,825 per annum at current rates.</p> <p><b>Investment and reducing demand through the All-Age Early Help Offer</b></p> <p>The All-Age Early Help Offer provides important</p>
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		<p>opportunities for reducing and preventing demand and for realising the additional savings required. The emerging service, due for commencement April 2015, will support our ambitions for mental health and will aim to reduce demand to the level of investment re-directed to support the service (£600k). The service will reduce overall demand on the community care budget by supporting clients to 'step down' sooner from intensive to less intensive support services. It will also help to prevent demand by re-directing people from traditional and costly health and social care services at the point they present, to more cost effective community based support or universal services.</p>
1c	<p>What are the main aims of the project, policy or proposal?</p>	<p>The overall vision for adult care in Oldham is to ensure as many people as possible are enabled to stay healthy and actively involved in their communities for longer and delay or avoid the need for targeted services. In order to achieve this and manage the expected future demands, there is a need to move away from traditional "social" and "health" care, and focus on prevention and integration and a more person centred model of holistic care. The approach to re-designing mental health provision aims to achieve this overall vision set for adult social care provision, as described in the options above.</p> <p>Redesigning the way we work will also be necessary to ensure that we can deliver our new statutory duties when the Care Act (2014) comes into force in April 2015, including a duty to prevent, delay and reduce the need for social care and support.</p>
1d	<p>Who, potentially, could this project, policy or proposal have a detrimental effect on, or benefit, and how?</p>	<p>People who experience mental health issues may also experience higher levels of deprivation, be on lower incomes or be out of work.</p> <p>Whilst people may receive support in different ways in future we do not anticipate there will be an adverse impact on any group with protected characteristics. For example, some people may receive support for a shorter period of time where we can improve outcomes by intervening at an earlier stage.</p> <p>We will assess the equality impact of our plans when they are finalised and will consider potential impacts upon all groups with characteristics protected under equality legislation.</p>

1e. Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups? If so, is the impact positive or negative?				
	None	Positive	Negative	Not sure
Disabled people	X			
Particular ethnic groups	X			
Men or women (include impacts due to pregnancy / maternity)	X			
People of particular sexual orientation/s	X			
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	X			
People on low incomes				x
People in particular age groups				X
Groups with particular faiths and beliefs	X			
Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
<i>E.g. vulnerable residents, individuals at risk of loneliness, carers or serving and ex-serving members of the armed forces</i>		<input type="checkbox"/>	<input type="checkbox"/>	

1f. What do you think that the overall NEGATIVE impact on groups and communities will be?	None / Minimal	Significant
	<input checked="" type="checkbox"/>	

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
1h	How have you come to this decision?	Considering the vulnerability of the client groups, it is considered pertinent to undergo a full consultation exercise and equality impact analysis on the proposals to re-design mental health service provision.

## Stage 2: What do you know?

### What do you know already?

We are currently developing a full analysis of clients who use this service to inform the basis of the consultation and service re-design. This analysis will develop a picture of the specific support clients receive; and a full understanding of the individual patient pathways across client groups, and across wider services and support. This will help to identify specific support mechanisms that can be put in place to achieve an overall reduction in demand.

A Mental Health Joint Strategic Needs Assessment is also currently being developed, and will be used to inform the process of re-designing and re-profiling client support and overall long term demand on services.

When completed these datasets and information will inform our Equality Impact Assessment.

### What don't you know?

See comments above.

### Further data collection

See comments above.

### Summary (to be completed following analysis of the evidence above)

Does the project, policy or proposal have the potential to have a <u>disproportionate</u> impact on any of the following groups? If so, is the impact positive or negative?	None	Positive	Negative	Not sure
Disabled people	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Particular ethnic groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Men or women (include impacts due to pregnancy / maternity)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People of particular sexual orientation/s	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People on low incomes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
People in particular age groups	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Groups with particular faiths and beliefs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there any other groups that you think that this proposal may affect negatively or positively?				
<i>E.g. vulnerable residents, individuals at risk of loneliness, carers or serving and ex-serving members of the armed forces</i>		<input type="checkbox"/>	<input type="checkbox"/>	

### Stage 3: What do we think the potential impact might be?

#### Consultation information

<p>3a. Who have you consulted with?</p>	<p>Consultation with service users, staff and wider stakeholders will take place during early 2015, following agreement with partners on the specific approach for developing a Prime Vendor Model and agreement on the preferred options for realising the required savings (as already described in this document).</p> <p>As previously stated we do not anticipate that the redesign of the service will have a detrimental impact on any groups with characteristics protected under equality legislation, or other excluded individuals or groups, however this will become clearer upon agreement of the preferred options and once the consultation has been implemented and evaluated. We will finalise the equality impact assessment and our proposals, amending them as may be required following the consultation, by September 2015.</p> <p><b>A report with full details of the preferred proposals, and a finalised Equality Impact Assessment will be presented to Cabinet, September 2015, for final decision making on the approach to realising savings in this service area during 2016/17.</b></p>
<p>3b. How did you consult? (inc meeting dates, activity undertaken &amp; groups consulted)</p>	<p>See above.</p>

#### Stage 5: Signature

**Lead Officer:** Colin Elliott, Assistant Director, Adult Services  
**Date:** 9 January 2015

**Approver signature:** Maggie Kufeldt, Executive Director, Health and Wellbeing  
**Date:** 12 January 2015

**EIA review date:** September 2015

# Equality Impact Assessment Tool

## C046: EIA 9: Adult Social Care Redesign (Age UK and Oldham Care and Support)

### Stage 1: Initial screening

Lead Officer:	Jonathan Sutton
People involved in completing EIA:	Jonathan Sutton
Is this the first time that this project, policy or proposal has had an EIA carried out on it? If no, please state date of original and append to this document for information.	Yes  Date of original EIA:

### General Information

1a	Which service does this project, policy, or proposal relate to?	<p>A joint proposal from Age UK Oldham and Oldham Care and Support for a redesigned day care service for older people has been made to the Council.</p> <p>The proposal is part of the 'Savings Through Transformation Programme – Budget Code CO46 – Adult Social Services and is included in the 'Better Commissioning' strand of the programme.</p> <p>The key objective of 'Better Commissioning' is to maximise the benefit the Council obtains from its supply base by adding value through moving away from more traditional commissioning models, challenging the "status quo", considering all potential commercial options, and driving innovation and creativity amongst Council staff and suppliers.</p> <p>The proposal will save £260k in a full financial year from a proposed budget reduction of £548,270 in all the contracts with Age UK Oldham and Oldham Care and Support.</p>
1b	What is the project, policy or proposal?	<p>The day care service for older people has been in decline in recent years, with the numbers attending day care dwindling and a growing perception that the service is outdated and not able to meet people's needs. Occupancy rates for day care have fallen as low as 20% at times at the Ena Hughes Day Service and between 60-80% at the other services.</p>

		<p>From a commissioning perspective there are two key drivers when considering the day care service. First, there is clearly a need to explore if the service could be provided differently and therefore would be more appealing to people. Second, there is the requirement to place day care services within the scope of the adult transformation programme.</p> <p>The Council currently commissions two providers of day care services for older people, Age UK Oldham and Oldham Care and Support. The contracts with both organisations are currently being reviewed and therefore it is timely to consider the wider aspects of commissioning the day care service.</p> <p>A review of the day care service was undertaken, in partnership with Age UK Oldham and Oldham Care and Support, with the objective of achieving a model for a redesigned service. Central to this review was the belief that the day care service has the potential to support the prevention agenda and make a significant contribution to meeting the objectives of reducing hospital admissions and maintaining independence, by supporting carers. In order to achieve a transformation of the day care service there needs to be an emphasis on innovation and flexibility.</p> <p>From this review of the day care service a joint proposal was made by Age UK and Oldham Care and Support to the Commissioners for a new model of day care services.</p>
1c	<p>What are the main aims of the project, policy or proposal?</p>	<p>There are two parts of the joint proposal for a redesigned day care service, and these are set out below.</p> <p><u>1 Decommissioning of the Day Care Service at Ena Hughes</u></p> <p>Oldham Care and Support have proposed that it decommissions the provision of day care placements at Ena Hughes and offer the current service users a place at Laurel Bank, Limecroft or Stoneswood. There is sufficient availability within the three centres to accommodate all current service users. Laurel Bank is located in Shaw and Stoneswood is located in Uppermill. The proposed new Limecroft Day Care Service at Limecroft is located in Hollinwood and it is anticipated that most service users will chose to go to Limecroft which is close to Ena Hughes.</p>

		<p>The Luncheon Club Service provided by Age UK Oldham at Ena Hughes on Sundays would be transferred to Limecroft.</p> <p><u>2. Developing Limecroft as a Dementia Centre of Excellence</u></p> <p>Oldham Care and Support at Home (OCSH) became the commissioned provider of the Limecroft Residential Dementia Service on the 1<sup>st</sup> September 2014. The Limecroft building already has existing facilities which can accommodate a dementia resource inclusive of day services and catering facilities. In line with Commissioners intentions to develop a centre of excellence for Dementia Care in Oldham it is proposed that the existing day care provision at Trinity House be relocated in the Limecroft facility. It is the intention that this service will be provided by Age UK Oldham with the agreement of OMBC Commissioners.</p> <p>In order to achieve a transformation of the day services there needs to be an emphasis on innovation and flexibility. Support for carers will need to be at the heart of any new approach along with ideas to address the increasing prevalence of dementia and loneliness in the older population. Service users will be allocated a Keyworker who will develop a plan to support them to access activities in the community.</p>
1d	Who, potentially, could this project, policy or proposal have a detrimental effect on, or benefit, and how?	<p>Older people, their carers and families will benefit from a new innovative day care service, which offers a much wider range of activities and range of services. These could include evening day care or escorted appointments.</p> <p>People with dementia and their carers will particularly benefit from the development of a specialist centre for dementia. There will a range of services and specialists based at Limecroft, including Memory Clinics.</p> <p>There should only be a limited effect on older people and their carers because day care services will be improved. A small number of people will have to travel further for their day care service but Age UK has a dedicated escorted transport service which will be available to them. Service Users will be assessed on an individual basis to ensure that their travel arrangements meet their needs.</p>

1e. Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups? If so, is the impact positive or negative?				
	None	Positive	Negative	Not sure
Disabled people	x	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Particular ethnic groups	x	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Men or women (include impacts due to pregnancy / maternity)	x	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People of particular sexual orientation/s	x	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	x	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People on low incomes	x	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People in particular age groups	<input type="checkbox"/>	x	<input type="checkbox"/>	<input type="checkbox"/>
Groups with particular faiths and beliefs	x	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
<i>Carers</i>		x	<input type="checkbox"/>	

1f. What do you think that the overall NEGATIVE impact on groups and communities will be?	None / Minimal	Significant
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes <input type="checkbox"/> No <b>x</b>
1h	How have you come to this decision?	<p>The joint proposal by Age UK Oldham and Oldham Care and Support represents an opportunity to move away from a declining day care service to an innovative service which will actively work with service users to meet their needs.</p> <p>The development of a Dementia Centre of Excellence will improve the level of services to people with dementia and be a major driver to integrating specialist dementia services.</p>



**Stage 5: Signature**

**Lead Officer: Jonathan Sutton**

**Date: 26.11.14**

**Approver signature: Paul Cassidy**

**Date: 26.11.14**

**EIA review date: January 2015**

## Budget Information

<b>Reference:</b>	<b>D064C</b>
<b>Theme:</b>	<b>Total - Effective Democratic Accountability Supported by Strong Corporate Governance</b>
<b>Lead Member:</b>	<b>Cllr Jabbar</b>
<b>Proposal:</b>	<b>Use of Additional Resources to Support the Budget Process</b>

	<b>2015/16 £k</b>	<b>2016/17 £k</b>
<b>Proposed Financial saving:</b>	<b>120</b>	<b>0</b>
<b>Proposed reduction in FTE's</b>	<b>0</b>	<b>0</b>

### Background

The Provisional Local Government Finance Settlement (PLGFS) was announced 18<sup>th</sup> December 2015. Taking into account revised funding streams, new burdens and revised pressures there was a balance remaining of £120k to support the Budget Process. This has allowed for a review of an earlier option (D040 – Review of District Arrangements) to be revised resulting in a balanced position.

### Proposed savings

The saving will be realised by a review of all resources and pressures/priorities following the announcement of the PLGFS

### Key Milestones

- Final Local Government Finance Settlement (Feb 2015)

### Key Consultations

- Cabinet members to approve the allocation of resource

### Impact on Voluntary, Community or Faith Groups or Organisations

Please list the groups or organisations affected and detail the impact on each:	
<b>Group</b>	<b>Impact</b>
N/A	N/A

## **Key Risks and Mitigations**

- The Local Government Finance Settlement (Feb 2015) provides further detail resulting in an adverse position. However, figures provided in PLGFS were indicative and for one year only and unlikely to change significantly. In the unlikely event of this happening an overall budget review for 2015/16 would take place.

## **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	<b>State Yes / No against each line</b>
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

*If the screening has identified a potential disproportionate adverse impact, you will need to complete an Equality Impact Assessment. This assessment form and the guidance for its completion can be found at:*

<http://intranet.oldham.gov.uk/working-for-ombc/equality-diversity/eia.htm>

EIA required:	No
EIA to be completed by:	N/A
By:	N/A

Responsible Officer:	Anne Ryans
By:	13 January 2015

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# FEES & CHARGES for 2015/16

# APPENDIX F

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
<b>FOOD SAFETY / HEALTH EDUCATION</b>						
<b>EXPORT CERTIFICATION</b>						
Standard Fee	58.00	0%	0.00	58.00	N	58.00
With Samples Taken	115.00	0%	0.00	115.00	N	115.00
<b>TESTING, ANALYSIS AND RISK ASSESSMENT OF PRIVATE WATER SUPPLIES</b>						
	£46.5 per hour of officer time up to a maximum of £500	0%	0.00	£46.5 per hour of officer time up to a maximum of £500	N	£46.5 per hour of officer time up to a maximum of £500
Investigation	£100 Per investigation	0%	0.00	£100 Per investigation	N	£100 Per investigation
Granting an authorisation	£100 Per investigation	0%	0.00	£100 Per investigation	N	£100 Per investigation
<b>HEALTH AND SAFETY</b>						
Charge for each 30 minutes or part thereof of staff time	54.00	0%	0.00	54.00	N	54.00
Charges for photocopying A4 size:						
- First sheet	0.10	0%	0.00	0.10	N	0.10
- Second and subsequent sheets up to a maximum of 25	0.10	0%	0.00	0.10	N	0.10
Charges for photocopying A3 size:						
- First sheet	0.10	0%	0.00	0.10	N	0.10
- Second and subsequent sheets up to a maximum of 25	0.10	0%	0.00	0.10	N	0.10
Provision of information to third parties in connection with investigations carried out under Health and Safety legislation	209.00	0%	0.00	209.00	N	209.00
<b>EAR PIERCING, BODY PIERCING AND TATTOOING</b>						
Registration fee per application	105.00	0%	0.00	105.00	N	105.00
Registration fee per individual;	61.00	0%	0.00	61.00	N	61.00
<b>ANIMAL HEALTH</b>						
<b>PET ANIMALS ACT LICENCE*</b>	107.00	0%	0.00	107.00	N	107.00
<b>ANIMAL BOARDING ESTABLISHMENTS ACT LICENCE*</b>	128.00	0%	0.00	128.00	N	128.00
<b>BREEDING OF DOGS ACT LICENCE*</b>	107.00	0%	0.00	107.00	N	107.00

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
<b>RIDING ESTABLISHMENTS ACT LICENCE*</b>	214.00	0%	0.00	214.00	N	214.00
<b>DANGEROUS WILD ANIMALS ACT LICENCE*</b>						
New	255.00	0%	0.00	255.00	N	255.00
Renewal involving change of circumstances	214.00	0%	0.00	214.00	N	214.00
Renewal involving no change of circumstances	112.00	0%	0.00	112.00	N	112.00
<b>ZOO LICENCE*</b>	694.00	0%	0.00	694.00	N	694.00
<b>Performing Animal Registration*</b>	107.00	0%	0.00	107.00	N	107.00
<b>*To each of these licence fees will be added any necessary veterinary fees incurred</b>						
<b><u>NEIGHBOURHOOD ENFORCEMENT</u></b>						
<b>ENVIRONMENTAL INFORMATION REGULATIONS ETC</b>						
<b>INFORMATION</b>						
· Charge for each 30 minutes, or part thereof, of staff time	54.00	0%	0.00	54.00	N	54.00
Charges for photocopying A4 size:						
· First sheet	0.10	0%	0.00	0.10	N	0.10
· Second and subsequent sheets up to a maximum of 25	0.10	0%	0.00	0.10	N	0.10
Charges for photocopying A3 size:						
· First sheet	0.10	0%	0.00	0.10	N	0.10
· Second and subsequent sheets up to a maximum of 25	0.10	0%	0.00	0.10	N	0.10
· Additional charge if number of sheets exceeds 25 or if retrieval of the copies takes more than 15 minutes, based on each 30 minutes, or part thereof, of staff time	20.40	0%	0.00	20.40	N	20.40
<b><u>PUBLIC HEALTH</u></b>						
<b>CONTAMINATED LAND INVESTIGATION</b>						
· Provision of information from files	107.00	0%	0.00	107.00	N	107.00
· File/record search	219.00	0%	0.00	219.00	N	219.00
· Monitoring/Sampling	Time and materials charged at cost base	0%	0.00	Time and materials charged at cost base	0.00	Time and materials charged at cost base
<b><u>PEST CONTROL</u></b>						
<b>DOMESTIC PREMISES</b>						
· Treatment for public health pests - rats, mice, cockroaches	36.00	0%	0.00	30.00	6.00	36.00
· Treatment for bed bugs	36.72	0%	0.00	30.60	6.12	36.72

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
· Treatment for non-public health pests	72.00	0%	0.00	60.00	12.00	72.00
· Treatment for wasps nests	66.00	0%	0.00	55.00	11.00	66.00
· Treatment for squirrels (including the lure of traps and one return visit)	140.40	0%	0.00	117.00	23.40	140.40
· Fleas	99.60	0%	0.00	83.00	16.60	99.60
· Subsequent visits	26.40	0%	0.00	22.00	4.40	26.40
5% discount for payment in advance					0.00	
callout charge -no treatment necessary	24.00	0%	0.00	20.00	4.00	24.00
key7 collection charge	24.00	0%	0.00	20.00	4.00	24.00
Additional fee for out of hours emergency call out (all pests)	0.00	0%	0.00	0.00	0.00	0.00
· Hourly rate for all treatments	0.00	0%	0.00	0.00	0.00	0.00
<b>ADDITIONAL OPERATIVE</b>	0.00	0%	0.00	0.00	0.00	0.00
· Hourly rate	0.00	0%	0.00	0.00	0.00	0.00
<b>COMMERCIAL PREMISES</b>						
<b>Basic/Starter Contract</b>						
Cover for rodents only. Includes 4 x visits per year	240.00	0%	0.00	200.00	40.00	240.00
<b>Intermediate Contract</b>						
Cover is for rodents and includes 6 x visits and 2 free insect treatments (Non food pests & wood boring beetles)	318.00	0%	0.00	265.00	53.00	318.00
<b>Intermediate Plus</b>						
Cover includes 6 visits per year and covers rodents and 2 insect treatments (Includes all food pests, wasps & bees, but does not include wood boring beetles)	438.00	0%	0.00	365.00	73.00	438.00
<b>Advanced Contract</b>						
Cover includes rodents and most insects (does not include wood boring beetles). Includes 8 X visits per year	612.00	0%	0.00	510.00	102.00	612.00
<b>Additional hourly rates for visits / treatments</b>						
· Hourly rate for all treatments	93.60	0%	0.00	78.00	15.60	93.60
<b>ADDITIONAL OPERATIVE</b>						
· Hourly rate	52.80	0%	0.00	44.00	8.80	52.80
<b>RECLAMATION FEE FOR THE RECOVERY OF DOGS FROM THE MANCHESTER AND DISTRICT HOME FOR LOST DOGS</b>	25.00	0%	0.00	25.00 Fixed by Law	N	25.00
· Kennelling and detention costs	45.00	0%	0.00	45.00	N	45.00
· Kennelling and detention costs - out of hours	55.00	0%	0.00	55.00	N	55.00
· Admin costs	59.00	0%	0.00	59.00	N	59.00
<b>ADMINISTRATIVE CHARGE FOR DEFAULT WORK</b>	25% (up to maximum of £300)	0%	0.00	25% (up to maximum of £300)	N	25% (up to maximum of £300)

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
<b>FORMAL RESPONSES TO REQUESTS FOR TECHNICAL INFORMATION SUBMITTED BY INSURANCE COMPANIES, ETC. RELATIVE TO DRAINAGE INVESTIGATIONS, ETC.</b> Per letter	158.10	0%	0.00	158.10	N	158.10
<b>REGISTRARS, BIRTHS, DEATHS &amp; MARRIAGES</b>						
<b>WEDDINGS AT EXTERNAL VENUES</b>						
Monday to Saturday	335.00	0.3%	0.83	280.00	56.00	336.00
Sundays and Bank Holidays	391.00	0.3%	0.84	326.67	65.33	392.00
<b>CIVIL FUNERALS</b>						
Civil Funeral	117.50	2.1%	2.50	120.00	N	120.00
Civil Funeral for Still Births	25.50	2.0%	0.50	26.00	N	26.00
<b>PROVISIONAL BOOKING FEE</b>						
<b>(Non refundable deposit for all provisional bookings for ceremonies)</b>	30.00	80.0%	20.00	45.00	9.00	50.00
Provisional booking fee for ncs/scs appointments	30.00	0%	0.00	25.00	5.00	30.00
<b>REGISTER OFFICE CEREMONIES</b>						
<b>(Weddings / Civil Ceremonies)</b>						
<b>Monday – Saturday am</b>						
Register Office (Small party max 6)	45.00	11.1%	5.00	50.00	10.00	50.00
Green Room (Medium party max 20) Chadderton Town Hall	86.00	16.3%	11.66	83.33	16.67	100.00
Oak Room – Former Council Chamber (max 100) Chadderton Town Hall	125.00	20.0%	20.83	125.00	25.00	150.00
Champagne Toast - Register Office (per person)	5.00	0%	0.00	4.17	0.83	5.00
<b>Saturday am</b>						
Green Room (Medium party max 20) Chadderton Town Hall	95.00	0%	0.00	79.17	15.83	95.00
Oak Room – Former Council Chamber (max 100) Chadderton Town Hall	140.00	0%	0.00	116.67	23.33	140.00
<b>Saturday pm</b>						
Weddings at Chadderton Town Hall (Green Room or Oak room)	335.00	0.3%	0.83	280.00	56.00	336.00
Civil Partnerships at Chadderton Town Hall (Green Room or Oak Room)	335.00	0.3%	0.83	280.00	56.00	336.00
<b>Sundays and Bank Holidays</b>						
Weddings at Chadderton Town Hall (Green Room or Oak Room)	391.00	0.3%	0.84	326.67	65.33	392.00
Civil Partnerships at Chadderton Town Hall (Green Room or Oak Room)	391.00	0.3%	0.84	326.67	65.33	392.00
<b>BABY NAMING CEREMONIES</b>						
Monday – Saturday am at Chadderton Town Hall	135.00	0%	0.00	112.50	22.50	135.00
Saturday pm, Sundays and Bank Holidays or External Venues	200.00	0%	0.00	166.67	33.33	200.00



DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
Sunday and bank holidays	250.00	12.0%	25.00	229.17	45.83	275.00
<b>REAFFIRMATION OF VOWS</b>						
Monday – Saturday am at Chadderton Town Hall	135.00	0%	0.00	112.50	22.50	135.00
Saturday or External Venues	200.00	0%	0.00	166.67	33.33	200.00
Sundays and Bank Holidays	250.00	10.0%	20.84	229.17	45.83	275.00
<b>CITIZENSHIP CEREMONIES</b>						
Individual Citizenship Ceremonies	76.50	0.7%	0.42	64.17	12.83	77.00
Public Citizenship Ceremonies	80.00	0%	0.00	80.00	N	80.00
<b>NATIONALITY CHECKING SERVICE</b>						
· Adult with single application.	49.00	2.0%	0.84	41.67	8.33	50.00
· Husband and wife living together who apply at the same time.	69.00	2.9%	1.67	59.17	11.83	71.00
· Husband and wife and up to 2 children.	83.00	2.4%	1.66	70.83	14.17	85.00
· Additional children on parents application.	26.00	1.9%	0.41	22.08	4.42	26.50
· One or more children under the age of 18 who apply separately from their parents.	26.00	1.9%	0.41	22.08	4.42	26.50
· Single parent and up to 2 children	69.00	2.9%	1.67	59.17	11.83	71.00
* For applicants requiring assistance in completing application forms, fees will be doubled.						
<b>SETTLEMENT SERVICE CHECKING</b>						
1 Adult applying on SET(M) form	90.00	2.2%	1.67	76.67	15.33	92.00
Each dependent included on form	15.00	6.7%	0.83	13.33	2.67	16.00
<b>OPTIONAL SAME DAY CERTIFICATE SERVICE</b>						
Charge for Payment for Services by Credit/Debit Card (per transaction)	6.00	8.3%	0.50	6.50	N	6.50
	1.00	0%	0.00	1.00	N	1.00
<b>Room Hire (Green Room) per half day</b>	40.00	0%	0.00	33.33	6.67	40.00
<b>Certificates</b>						
Birth, Death, Marriage, Civil Partnership - Issued on day	4.00	0%	0.00	4.00	N	4.00
Birth, Death, Marriage, Civil Partnership - Issued subsequently	7.00	0%	0.00	7.00	N	7.00
Birth, Death, Marriage, Civil Partnership - Historic	10.00	0%	0.00	10.00	N	10.00
<b>Notice of Marriage or Civil Partnership</b>						
Notice of Marriage or Civil Partnership	35.00	0%	0.00	35.00	N	35.00
<b>Organisational Development</b>						
Standard training courses by Social Care Sector non-council staff	36.00	0%	0.00	30.00	6.00	36.00
<b>TRAFFIC AND HIGHWAYS</b>						

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
<b>CONSTRUCTION UNDER THE HIGHWAY</b>	530.40	0%	0.00	530.40	N	530.40
<b>ACCESS TO CELLARS</b>	530.40	0%	0.00	530.40	N	530.40
<b>CELLAR LIGHTS</b>	530.40	0%	0.00	530.40	N	530.40
<b>VEHICLE CROSSINGS</b>						
· Light Duty	Individual estimates based on measured work at 2014-15 prices			Individual estimates based on measured work at 2015-16 prices		
· Heavy Duty				As above		
· Heavy Duty (Supervision only)	836.40	0%	0.00	836.40	167.28	1,003.68
<b>REMOVAL OF ACCIDENT DEBRIS</b>	Cost Recovery + £148.00 Admin	2.7%		Cost Recovery + £152.00 Admin	N	Cost Recovery + £152.00 Admin
<b>VARIATION OF A PARKING PLACE ORDER</b>	Cost Recovery + 12.5%	0%		Cost Recovery + 12.5%	N	Cost Recovery + 12.5%
<b>EXEMPTION FROM OR VARIATION TO A TRAFFIC REGULATION ORDER</b>	Cost Recovery + 12.5%	0%		Cost Recovery + 12.5%	N	Cost Recovery + 12.5%
<b>TEMPORARY TRAFFIC ORDERS</b>						
(i) Temporary (incl advertising)	490.00 + Actual cost of advert	0%		£1550.00 + Actual cost of advert	N	1550.00 + Actual cost of advert
(ii) Emergency Road Closures	210.00	0%		800.00	N	800.00
(iii) Temporary Traffic Regulation Notice	210.00			800.00	N	800.00
<b>SPECIAL EVENTS ON THE HIGHWAY</b>	Cost Recovery + 12.5%	0%		Cost Recovery + 12.5%	N	Cost Recovery + 12.5%
<b>SUSPENSION OF PARKING PLACES</b>						
Parking Budget	Loss of Income + Cost Recovery +12.5%	0%		Loss of Income + Cost Recovery +12.5%	N	Loss of Income + Cost Recovery +12.5%
<b>PERMIT TO ERECT NON-STANDARD DIRECTION SIGNS</b>						
· Consideration of request	214.20	0%	0.00	214.20	N	214.20
<b>ERECTION OF SIGNS</b>	Cost Recovery +12.5%	0%		Cost Recovery + 12.5%	N	Cost Recovery + 12.5%

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
<b>REMOVAL OF SIGNS</b>	112.20	0%	0.00	112.20	N	112.20
<b>ROAD CLOSURE</b>	1,050.60	0%	0.00	1,050.60	N	1,050.60
<b>PERMITS GIVING EXEMPTION TO TRAFFIC ORDERS</b>						
· Per month	35.70	0%	0.00	35.70	N	35.70
· Per three months	112.20	0%	0.00	112.20	N	112.20
· Per twelve months	413.10	0%	0.00	413.10	N	413.10
<b>ACCESS PROTECTION MARKING</b>	142.80	0%	0.00	142.80	N	142.80
<b>SECTION 50 ROAD OPENING</b>						
Licence						
· Maintain existing apparatus	418.20	0%	0.00	418.20	N	418.20
· Install new service	836.00 +285.00	0%	0.00	836.00 +285.00		836.00 +285.00
	per additional 200 metres			per additional 200 metres	N	per additional 200 metres
· New development	1,825.00 + 336.00	0%	0.00	1,825.00 + 336.00		1,825.00 + 336.00
	per additional 200 metres			per additional 200 metres	N	per additional 200 metres
<b>SEWER CONNECTIONS</b>						
· Junction : normal working hours	Cost estimate provided at 2014/15 prices +20%	0%	0.00	Cost estimate provided at 2015/16 prices +20%	Y	Cost estimate provided at 2015/16 prices +20%
· Junction: outside working hours	Cost estimate provided at 2014/15 prices +20%	0%	0.00	Cost estimate provided at 2015/16 prices +20%	Y	Cost estimate provided at 2015/16 prices +20%
· Manhole construction	Cost estimate provided at 2014/15 prices +20%	0%	0.00	Cost estimate provided at 2015/16 prices +20%	Y	Cost estimate provided at 2015/16 prices +20%
<b>PARKING</b>						
<b>ON STREET PARKING</b>						
<b>Monday to Saturday 8 am to 6 pm</b>						
Disabled badge holders up to 3 hours	0.00	0%	0.00	0.00	N	0.00
Up to and including 15 minutes	0.20	0%	0.00	0.20	N	0.20
Over 15 minutes and including 30 minutes	0.40	0%	0.00	0.40	N	0.40
Over 30 minutes and including 1 hour	0.70	0%	0.00	0.70	N	0.70
Over 1 hour up to and including 1 hour 30 minutes	1.10	0%	0.00	1.10	N	1.10

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
Over 1 hour 30 minutes and up to and including 2 hours	1.50	0%	0.00	1.50	N	1.50
Annual Parking Waiver (On Street Only)	300.00	0%	0.00	300.00	N	300.00
Short Term Parking Waiver	35.00	0%	0.00	35.00	N	35.00
<b>TOMMYFIELD MARKET CAR PARK AND CLEGG STREET CAR PARK inc disabled badge holders All days 8 am to midnight</b>						
0 – 30 minutes	0.80	0%	0.00	0.67	0.13	0.80
0 – 1 hour	1.40	0%	0.00	1.17	0.23	1.40
0 – 2 hours	2.00	0%	0.00	1.67	0.33	2.00
<b>BOW STREET/SOUTHGATE STREET/WATERLOO STREET All Days 8 am to Midnight</b>						
Disabled badge holders all day				as per fees below		as per fees below
0 – 1 hour	1.20	0%	0.00	1.00	0.20	1.20
0 – 2 hours	1.70	0%	0.00	1.42	0.28	1.70
0 – 3 hours	2.10	0%	0.00	1.75	0.35	2.10
0 – 5 hours	2.90	0%	0.00	2.42	0.48	2.90
Over 5 hours	4.60	0%	0.00	3.83	0.76	4.59
<b>HOBSON STREET CAR PARK Monday to Friday 8 am to 10 pm</b>						
Disabled badge holders all day				as per fees below		as per fees below
0 – 1 hour	1.20	0%	0.00	1.00	0.20	1.20
0 – 2 hours	1.70	0%	0.00	1.42	0.28	1.70
0 – 3 hours	2.10	0%	0.00	1.75	0.35	2.10
0 – 5 hours	2.90	0%	0.00	2.42	0.48	2.90
Over 5 hours	4.70	0%	0.00	3.92	0.78	4.70
<b>HOBSON STREET CAR PARK Saturday 8 am to 7 pm and Sunday 8 am to 5 pm</b>						
Disabled badge holders all day				as per fees below		as per fees below
All Day		0%	0.00	0.00	N	0.00
<b>CIVIC CENTRE CAR PARK Monday to Saturday 8 am to 7 pm</b>						
0 – 1 hour	1.30	0%	0.00	1.08	0.21	1.29
0 – 2 hours	1.80	0%	0.00	1.50	0.30	1.80
0 – 3 hours	2.50	0%	0.00	2.08	0.41	2.49
0 – 4 hours	3.50	0%	0.00	2.92	0.58	3.50

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
0 – 5 hours	3.70	0%	0.00	3.08	0.61	3.69
Over 5 hours	8.00	0%	0.00	6.67	1.33	8.00
<b>All Days 7 pm to Midnight</b>						
Disabled Badge Owners	1.20	0%	0.00	1.00	0.20	1.20
0 to 5 hours	1.20	0%	0.00	1.00	0.20	1.20
<b>Sunday 8 am to 7 pm</b>						
Disabled Badge Owners 3 hours				as per fees below		as per fees below
0 – 4 hours	1.30	0%	0.00	1.08	0.21	1.29
0 – 5 hours	3.70	0%	0.00	3.08	0.61	3.69
Over 5 hours	8.00	0%	0.00	6.67	1.33	8.00
<b>NEW RADCLIFFE STREET CAR PARK Disabled use only</b>						
<b>All Days – 8am to midnight</b>						
0 – 3 hours	0.00	0%	0.00	0.00	0.00	0.00
0 – 5 hours	2.90	0%	0.00	2.42	0.48	2.90
Over 5 hours	4.60	0%	0.00	3.83	0.76	4.59
<b>BRADSHAW STREET CAR PARK</b>						
Monday to Saturday 8 am to 6 pm						
Disabled Badge holders - all day				as per fees below		as per fees below
0 – 1 hour	1.20	0%	0.00	1.00	0.20	1.20
0 – 2 hours	1.70	0%	0.00	1.42	0.28	1.70
0 – 3 hours	2.10	0%	0.00	1.75	0.35	2.10
0 – 4 hours	2.80	0%	0.00	2.33	0.46	2.79
0 – 5 hours	3.40	0%	0.00	2.83	0.56	3.39
Over 5 hours	7.00	0%	0.00	5.83	1.16	6.99
<b>Sunday 8 am to 6 pm</b>						
Disabled Badge holders - all day				as per fees below		as per fees below
0 – 4 hours	1.20	0%	0.00	1.00	0.20	1.20
0 – 5 hours	3.40	0%	0.00	2.83	0.56	3.39
Over 5 hours	7.00	0%	0.00	5.83	1.16	6.99
<b>All Days 6 pm to Midnight</b>						
Disabled Badge holders - all day				as per fees below		as per fees below
0 to 6 hours	1.50	0%	0.00	1.25	0.25	1.50
<b>DOVESTONES (SADDLEWORTH) CAR PARK</b>						
Disabled Badge holders - all day				as per fees below		as per fees below
All Days 8 am to Midnight						

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
0 – 3 hours	0.60	0%	0.00	0.50	0.10	0.60
All Day	1.30	0%	0.00	1.08	0.21	1.29
<b>SPORTS CENTRE CAR PARK inc disabled badge holders</b>						
Monday to Sunday 8 am to 6 pm						
Disabled Badge holders - all day						
0 – 2 hours	1.60	0%	0.00	1.33	0.26	1.59
2 - 4 hours	2.70	0%	0.00	2.25	0.45	2.70
All Day	6.60	0%	0.00	5.50	1.10	6.60
<b>CONTRACT PASS CHARGES</b>						
Civic Centre	836.00	0%	0.00	696.67	139.33	836.00
Rochdale Road	836.00	0%	0.00	696.67	139.33	836.00
Bradshaw St	770.00	0%	0.00	641.67	128.33	770.00
Bow Street	689.00	0%	0.00	574.17	114.83	689.00
Southgate Street	737.00	0%	0.00	614.17	122.83	737.00
Waterloo Street	737.00	0%	0.00	614.17	122.83	737.00
<b>HOBSON STREET CAR PARK CONTRACT PARKING</b>						
Annual*	698.00	0%	0.00	581.67	116.33	698.00
6 Monthly*	352.00	0%	0.00	293.33	58.66	351.99
Quarterly (13 weeks)*	176.00	0%	0.00	146.67	29.33	176.00
Four Weekly*	60.50	0%	0.00	50.42	10.08	60.50
Weekly*	18.70	0%	0.00	15.58	3.11	18.69
*10% reduction for student parking						
<b>SUSPENSION COSTS</b>						
Deployment of a small suspension (up to 20 cones)	35.00	0%	0.00	29.17	5.83	35.00
Deployment of a medium suspension (21 to 40 cones)	70.00	0%	0.00	58.33	11.66	69.99
Deployment of a large suspension (41 to 100 cones)	105.00	0%	0.00	87.50	17.50	105.00
<b>TRADE WASTE REFUSE COLLECTION</b>						
<b>Sacks - per sack per year</b>	97.72	2.5%	2.44	100.17	N	100.17
<b>120 Litre Wheeled Bins per bin per year</b>	139.53	2.5%	3.49	143.02	N	143.02
Second And Subsequent Bins per bin per year	104.05	2.5%	2.60	106.65	N	106.65
<b>240 Litre Wheeled Bins per bin per year</b>	205.97	2.5%	5.15	211.12	N	211.12
Second And Subsequent Bins per bin per year	170.59	2.5%	4.26	174.86	N	174.86
<b>330/360 Litre Wheeled Bins per bin per year</b>	280.96	2.5%	7.02	287.99	N	287.99
Second And Subsequent Bins per bin per year	249.68	2.5%	6.24	255.92	N	255.92
<b>770 Litre Wheeled Bins per bin per year</b>	592.86	2.5%	14.82	607.68	N	607.68
Second And Subsequent Bins per bin per year	499.36	2.5%	12.48	511.84	N	511.84
<b>1100 Litre Wheeled Bins per bin per year</b>	762.35	2.5%	19.06	781.41	N	781.41
Second And Subsequent Bins per bin per year	670.83	2.5%	16.77	687.60	N	687.60



DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
<b>1280 Litre Wheeled Bins per bin per year</b>	780.10	2.5%	19.50	799.60	N	799.60
Second And Subsequent Bins per bin per year	686.49	2.5%	17.16	703.66	N	703.66
<b>RECYCLING</b>						
<b>Sacks per sack per year</b>	43.90	2.5%	1.10	45.00	N	45.00
<b>120 Litre Wheeled Bins per bin per year</b>	62.49	2.5%	1.56	64.06	N	64.06
Second And Subsequent Bins per bin per year	46.60	2.5%	1.16	47.76	N	47.76
<b>240 Litre Wheeled Bins per bin per year</b>	92.28	2.5%	2.31	94.59	N	94.59
Second And Subsequent Bins per bin per year	76.39	2.5%	1.91	78.30	N	78.30
<b>330/360 Litre Wheeled Bins per bin per year</b>	125.77	2.5%	3.14	128.92	N	128.92
Second And Subsequent Bins per bin per year	111.89	2.5%	2.80	114.69	N	114.69
<b>770 Litre Wheeled Bins per bin per year</b>	265.67	2.5%	6.64	272.32	N	272.32
Second And Subsequent Bins per bin per year	223.66	2.5%	5.59	229.26	N	229.26
<b>1100 Litre Wheeled Bins per bin per year</b>	341.60	2.5%	8.54	350.14	N	350.14
Second And Subsequent Bins per bin per year	300.50	2.5%	7.51	308.01	N	308.01
<b>1280 Litre Wheeled Bins per bin per year</b>	349.44	2.5%	8.74	358.17	N	358.17
Second And Subsequent Bins per bin per year	307.56	2.5%	7.69	315.25	N	315.25
<b>Wheeled Bin 240l Replacement</b>	28.00	2.5%	0.70	29.00	N	29.00
<b>Wheeled Bin 240l Replacement Recycling</b>	0.00					
<b>Wheeled Bin 140l Replacement</b>	25.00	2.5%	0.63	26.00	N	26.00
<b>Wheeled Bin 140l Replacement Recycling</b>	0.00					
<b>Reconditioned Wheeled 240l Bin Replacement</b>	16.00	2.5%	0.40	17.00	N	17.00
<b>Reconditioned Wheeled 240l Bin Replacement Recycling</b>	0.00					
<b>Reconditioned Wheeled 140l Bin Replacement</b>	12.00	2.5%	0.30	13.00	N	13.00
<b>Reconditioned Wheeled 140l Bin Replacement Recycling</b>	0.00					
<b>Delivery Charge for all Bin Delivery</b>	0.00					
<b>BULKY ITEM COLLECTION</b>						
<b>Collection of 3 bulky items</b>	15.50	2.5%	0.39	16.00	N	16.00
<b>Collection of an additional single bulky item</b>	7.75	2.5%	0.19	8.00	N	8.00
<b>1 free collection per year for residents on the Council's assist list</b>						
<b>FLEET MOT CHARGES</b>						
<b>MOT of Car</b>	40.00	0%	0.00	40.00	N	40.00
<b>MOT of Minibus</b>	50.00	0%	0.00	50.00	N	50.00
<b>OUTDOOR FACILITIES</b>						
<b>CHARGES SEASONAL –</b>						
<b>FOOTBALL, RUGBY, LACROSSE AND HOCKEY</b>						
Changing Accommodation						

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
Grade A - Good	186.81	0%	0.00	186.81	N	186.81
Grade B - Above Average	146.62	0%	0.00	146.62	N	146.62
Grade C - Average	121.78	0%	0.00	121.78	N	121.78
<b>Pitch</b>						
Grade A	411.44	0%	0.00	411.44	N	411.44
Grade B	341.69	0%	0.00	341.69	N	341.69
Grade C	300.32	0%	0.00	300.32	N	300.32
Occasional use of pitch including accommodation	100.73	0%	0.00	83.94	16.78	100.72
Occasional use of pitch only	79.56	0%	0.00	66.30	13.26	79.56
Occasional use of changing accommodation per hour	19.83	0%	0.00	16.53	3.30	19.83
<b>Junior Charges</b>						
75% of the above charges				75% of above		75% of above
<b>CRICKET</b>						
Use of pitch per season alternate Saturdays <u>without</u> changing accommodation	360.61	0%	0.00	360.61	N	360.61
Use of pitch per season alternate Saturdays <u>with</u> changing accommodation	484.79	0%	0.00	484.79	N	484.79
Casual use of pitch <u>and</u> changing accommodation per match	100.73	0%	0.00	83.94	16.78	100.72
Casual use of pitch <u>without</u> changing accommodation per match	79.20	0%	0.00	66.00	13.20	79.20
<b>PARKS AND OPEN SPACES</b>						
Hire of large park or playing field	375.97	0%	0.00	313.31	62.66	375.97
Concessionary use by a Charity	245.49	0%	0.00	204.58	40.92	245.49
Hire of small park or playing field	178.76	0%	0.00	148.97	29.79	178.76
Concessionary use by a Charity	119.19	0%	0.00	99.32	19.86	119.19
<b>CEMETERIES</b>						
<b>NEW GRAVES</b>						
New grave for 1 or 2 people (Non resident)	770.00	1.9%	15.00	785.00	N	786.00
New grave for 3 interments (Non resident)	1,155.00	2.0%	23.00	1,178.00	N	1,178.00
New grave for 3 interments (Non resident)	813.00	2.0%	16.00	829.00	N	829.00
New grave for 2 interments including foundation (Non resident)	1,219.00	2.0%	24.00	1,243.00	N	1,243.00
New grave for 2 interments including foundation (Non resident)	912.00	2.0%	18.00	930.00	N	930.00
New grave for 3 interments including foundation (Non resident)	1,297.00	1.9%	25.00	1,322.00	N	1,322.00
New grave for 3 interments including foundation (Non resident)	955.00	2.0%	19.00	974.00	N	974.00
Plot for cremated remains – Crompton	1,361.00	2.0%	27.00	1,388.00	N	1,388.00
Plot for cremated remains – Crompton (non resident)	683.00	1.9%	13.00	696.00	N	696.00
Appointment to choose a new grave	1,024.50	2.0%	20.50	1,045.00	N	1,045.00
	30.50	1.6%	0.50	31.00	N	31.00



DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
<b>INTERMENT FEES FOR OPENING STANDARD PLOT GRAVES AND VAULTS WITH EXCLUSIVE RIGHT OF BURIAL AND PUBLIC GRAVES</b>						
Persons 18 years of age and over	750.00	2.0%	15.00	765.00	N	765.00
Persons 18 years of age and over (non resident)	1,125.00	1.8%	20.00	1,145.00	N	1,145.00
Persons 18 years of age and under	0.00	0%	0.00	0.00	N	0.00
Still born and Non-viable foetus	0.00	0%	0.00	0.00	N	0.00
Exhumation fees	1,071.00	0%	0.00	1,071.00	N	1,071.00
<b>SURCHARGES FOR OUT OF NORMAL HOURS BURIALS</b>						
Mon to Thurs after 2.30pm	47.00	2.1%	1.00	48.00	N	48.00
Friday between 11am and 12noon	47.00	2.1%	1.00	48.00	N	48.00
Friday between 12noon and 1pm	93.50	1.6%	1.50	95.00	N	95.00
Friday between 1pm and 2pm	140.50	1.8%	2.50	143.00	N	143.00
Friday after 2pm	189.00	2.1%	4.00	193.00	N	193.00
Burials (Saturday, Sunday or Bank Holidays)	513.00	0%	0.00	513.00	N	513.00
<b>INTERMENT OF CREMATED REMAINS</b>						
Interment in earthen graves or vaults	208.00	1.9%	4.00	212.00	N	212.00
Strewing of cremated remains (Non Oldham resident)	49.00	2.0%	1.00	50.00	N	50.00
<b>MONUMENTAL FEES</b>						
Raft foundation on new grave	142.00			NA	N	NA
Permission to erect a memorial not exceeding 3' in height	157.00	1.9%	3.00	160.00	N	160.00
Permission to erect a memorial not exceeding 3' in height (non resident)	226.50	2.0%	4.50	231.00	N	231.00
Permission to add an additional inscription	40.00	2.5%	1.00	41.00	N	41.00
Provision of memorial under 2'	58.50	1.7%	1.00	59.50	N	59.50
Permission to erect vases not exceeding 18" in height	19.00	2.6%	0.50	19.50	N	19.50
Permission to erect vases not exceeding 18" in height (non resident)	26.00	1.9%	0.50	26.50	N	26.50
<b>OTHER CHARGES</b>						
Bricked Grave for 2 persons	675.00	1.9%	13.00	688.00	N	688.00
Bricked Grave for 2 persons (non resident)	1,009.00	2.0%	20.00	1,029.00	N	1,029.00

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
Flags to seal grave	420.00		service discontinued see below			
Bricks to seal grave			100.00	100.00	N	100.00
Concrete lining for graves	255.00	2.0%	5.00	260.00	N	260.00
Test dig to confirm depth	60.00	1.7%	1.00	61.00	N	61.00
Certified extracts from burial register	20.00	0%	0.00	20.00	N	20.00
Transfer of grant of exclusive right of burial	62.00	1.6%	1.00	63.00	N	63.00
Transfer of grant of exclusive right of burial (to a non resident)	87.00	2.3%	2.00	89.00	N	89.00
Issue duplicate of grant of exclusive right of burial	58.00	3.4%	2.00	60.00	N	60.00
Issue duplicate of grant of exclusive right of burial (non resident)	89.00	2.2%	2.00	91.00	N	91.00
Use of Crematorium Chapel (Inc recorded music or use of organ)	180.00	2.2%	4.00	184.00	N	184.00
Re-open niche	56.00	0%	0.00	56.00	N	56.00
Grave search	15.00	0%	0.00	15.00	N	15.00
Register search	37.00	0%	0.00	37.00	N	37.00
Bronze memorial plaque lease for 10 years	249.50	2.0%	5.00	254.50	N	254.50
Renewal of memorial position for 10 years	157.00	1.9%	3.00	160.00	N	160.00
Renewal of memorial position for 5 years	90.00	2.2%	2.00	92.00	N	92.00
Bronze memorial plaque including lettering	117.50	2.0%	2.00	99.58	19.91	119.50
Double Bronze memorial plaque including lettering	157.00	0%		130.83	26.16	157.00
Lease position on shared bench (to be introduced as available)	249.50	2.0%	5.00	254.50	N	254.50
<b>CREMATION FEES</b>						
Persons 18 years of age and over (includes recorded music or use of the organ)	577.23	2.0%	11.77	589.00	N	589.00
Persons under 18 years of age	0.00	0%		0.00	N	0.00
Cremation environmental levy charge (Mercury Abatement legislation)	48.27	7.7%	3.73	52.00	N	52.00
Medical Referee Charge	25.50	2.0%	0.50	26.00	N	26.00
Cremation of Stillborn or non-viable foetus	0.00	0%		0.00	N	0.00
<b>OTHER CHARGES</b>						
Certified extracts from crematorium register	18.85	0.8%	0.15	19.00	N	19.00
Provision of containers of suitable composition and structure for transit purposes	0.00			0.00	N	
Provision of wooden caskets	66.00	0%	0.00	66.00	N	66.00
Surcharge for cremation after 3.30 pm and extended services (per 30mins)	86.00	2.3%	2.00	88.00	N	88.00
				0.00		

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
<b>FEES FOR INSCRIPTION IN THE BOOK OF REMEMBRANCE (excludes VAT)</b>				0.00		
				0.00		
Standard 2 line entry	80.50	2.2%	1.50	68.33	13.67	82.00
5 line entry	143.50	2.1%	2.50	121.67	24.33	146.00
8 line entry	240.50	2.2%	4.50	204.17	40.83	245.00
5 line entry with floral emblem	298.00	2.4%	6.00	253.33	50.67	304.00
5 line entry with badge, crest, shield, illuminated Capital or 8 Line entry with floral emblem.	371.00	1.3%	4.00	312.50	62.50	375.00
8 line entry with badge, crest, shield or illuminated capital	393.00	2.1%	7.00	333.33	66.67	400.00
8 line entry with full coat of arms	421.00	0.0%	0.00	350.83	70.17	421.00
<b>MEMORIAL CARDS (excludes VAT)</b>						
Standard 2 line entry	38.50	1.6%	0.50	32.50	6.50	39.00
5 line entry	47.00	2.5%	1.00	40.00	8.00	48.00
8 line entry	64.00	1.9%	1.00	54.17	10.83	65.00
5 line entry with motif	79.00	2.3%	1.50	67.08	13.42	80.50
8 line entry with motif	88.50	2.0%	1.50	75.00	15.00	90.00
<b>CCTV, SECURITY AND FIRST RESPONSE SERVICES ALARM RECEIVING CENTRE</b>						
<b>PROTECTOR PACKAGES</b>						
· GOLD – Including alarm and sound monitoring, alarm response and patrols, primary keyholding, LineGuard and visual verification,	5,202.00	0%	0.00	4,335.00	867.00	5,202.00
· SILVER – Including alarm and sound monitoring, alarm response and patrols, secondary keyholding and LineGuard.	4,173.60	0%	0.00	3,478.00	695.60	4,173.60
· BRONZE 1 – Including conventional alarm monitoring, alarm response and patrols and secondary keyholding.	3,316.80	0%	0.00	2,764.00	552.80	3,316.80
· BRONZE 2 – Including alarm and sound monitoring, alarm response and patrols and primary keyholding.	4,027.20	0%	0.00	3,356.00	671.20	4,027.20
<b>ALARM MONITORING</b>						
· Sonitrol Alarm Monitoring	1,622.40	0%	0.00	1,352.00	270.40	1,622.40
· Galaxy Gold Alarm Monitoring	1,224.00	0%	0.00	1,020.00	204.00	1,224.00
· Conventional Alarm Monitoring	942.00	0%	0.00	785.00	157.00	942.00
· Staff Home Alarm Monitoring						
o Monitoring and Advisor Only	128.40	0%	0.00	107.00	21.40	128.40
o Monitoring with Police Response	313.20	0%	0.00	261.00	52.20	313.20

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
o Monitoring with Police, Fire and Panic Attack Modes	483.60	0%	0.00	403.00	80.60	483.60
. LineGuard (was Paknet – replaced with a cheaper system)	330.00	0%	0.00	275.00	55.00	330.00
. Visual Verification	974.40	0%	0.00	812.00	162.40	974.40
. Trap Alarm Hire (per week)	32.40	0%	0.00	27.00	5.40	32.40
<b>KEYHOLDING</b>						
. Primary key holder	489.60	0%	0.00	408.00	81.60	489.60
. Secondary key holder	333.60	0%	0.00	278.00	55.60	333.60
. Alarm call out if FRS is secondary keyholder, but primary key holder unavailable within 30 minutes	33.60	0%	0.00	28.00	5.60	33.60
. Alarm call out if FRS is not a keyholder and no key holder is available within 30 minutes. After 30 minutes, charged at spot hire rate for static guard.	68.40	0%	0.00	57.00	11.40	68.40
. Key cutting (standard key)	6.00	0%	0.00	5.00	1.00	6.00
. Key cutting (specialist key – including master keys)	25.20	0%	0.00	21.00	4.20	25.20
<b>LONE WORKER PROTECTION</b>						
. Mobile device set up fee	67.20	0%	0.00	56.00	11.20	67.20
. GOLD risk device tracking (per month)	39.60	0%	0.00	33.00	6.60	39.60
. SILVER risk device tracking (per month)	26.40	0%	0.00	22.00	4.40	26.40
. BRONZE risk device tracking (per month)	14.40	0%	0.00	12.00	2.40	14.40
<b>PATROLLING AND GUARDING SERVICES</b>						
<b>BUILDING SERVICES</b>						
. Opening of a building (must also be a key holder) (per opening)	25.20	0%	0.00	21.00	4.20	25.20
. Closing of a building including security sweep (must also be a key holder) (per closing):						
o Small building	32.40	0%	0.00	27.00	5.40	32.40
o Medium building	68.40	0%	0.00	57.00	11.40	68.40
o Large building	136.80	0%	0.00	114.00	22.80	136.80
. Internal postal courier service (includes returning external post to central post room) (per pickup)	13.20	0%	0.00	11.00	2.20	13.20
. Annual patrolling contract (public/third sector)	2,418.00	0%	0.00	2,015.00	403.00	2,418.00
. Annual patrolling contract (private sector)	2,864.40	0%	0.00	2,387.00	477.40	2,864.40
<b>EMERGENCY BOARDING SERVICES</b>						
. Call out (free when paying for Patrolling Services) (per hour/part thereof)	126.00	0%	0.00	105.00	21.00	126.00

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
· Window Boarding						
o Standard window	56.40	0%	0.00	47.00	9.40	56.40
o Large window	126.00	0%	0.00	105.00	21.00	126.00
o Steel sheeting (per sheet)	106.80	0%	0.00	89.00	17.80	106.80
· Door Boarding						
o Wooden cover	68.40	0%	0.00	57.00	11.40	68.40
o Steel door (rental per week)	32.40	0%	0.00	27.00	5.40	32.40
· Boarded Up Property Inspection (free when paying for patrolling services) (per weekly inspection)	141.60	0%	0.00	118.00	23.60	141.60
<b>STATIC SECURITY GUARDING</b>						
· Spot Hire (<7 days) (per hour)						
o > 28 days notice; > 24 hours per operative	13.46	0%	0.00	11.22	2.24	13.46
o > 28 days notice; 12-24 hours per operative	13.46	0%	0.00	11.22	2.24	13.46
o > 28 days notice; 4-12 hours per operative	14.69	0%	0.00	12.24	2.44	14.68
o > 28 days notice; 0-4 hours per operative	15.91	0%	0.00	13.26	2.65	15.91
o 7-28 days notice; 24 hours per operative	13.46	0%	0.00	11.22	2.24	13.46
o 7-28 days notice; 12-24 hours per operative	14.69	0%	0.00	12.24	2.44	14.68
o 7-28 days notice; 4-12 hours per operative	15.91	0%	0.00	13.26	2.65	15.91
o 7-28 days notice; 0-4 hours per operative	17.14	0%	0.00	14.28	2.85	17.13
o 2-7 days notice; > 24 hours per operative	14.69	0%	0.00	12.24	2.44	14.68
o 2-7 days notice; 12-24 hours per operative	15.91	0%	0.00	13.26	2.65	15.91
o 2-7 days notice; 4-12 hours per operative	17.14	0%	0.00	14.28	2.85	17.13
o 2-7 days notice; 0-4 hours per operative	19.58	0%	0.00	16.32	3.26	19.58
o < 48 hours notice; > 24 hours per operative	15.91	0%	0.00	13.26	2.65	15.91
o < 48 hours notice; 12-24 hours per operative	17.14	0%	0.00	14.28	2.85	17.13
o < 48 hours notice; 4-12 hours per operative	19.58	0%	0.00	16.32	3.26	19.58
o < 48 hours notice; 0-4 hours per operative	20.81	0%	0.00	17.34	3.46	20.80
· Contract Hire (> 7 days) (per hour)						
o > 366 days; 30-40 hours per week per operative	13.46	0%	0.00	11.22	2.24	13.46
o > 366 days; 20-30 hours per week per operative	13.46	0%	0.00	11.22	2.24	13.46
o > 366 days; 8-20 hours per week per operative	14.69	0%	0.00	12.24	2.44	14.68
o > 366 days; 0-4 hours per week per operative	15.91	0%	0.00	13.26	2.65	15.91
o 91-365 days; 30-40 hours per week per operative	13.46	0%	0.00	11.22	2.24	13.46
o 91-365 days; 20-30 hours per week per operative	14.69	0%	0.00	12.24	2.44	14.68
o 91-365 days; 8-20 hours per week per operative	15.91	0%	0.00	13.26	2.65	15.91
o 91-365 days; 0-4 hours per week per operative	17.14	0%	0.00	14.28	2.85	17.13
o 29-90 days; 30-40 hours per week per operative	14.69	0%	0.00	12.24	2.44	14.68
o 29-90 days; 20-30 hours per week per operative	15.91	0%	0.00	13.26	2.65	15.91
o 29-90 days; 8-20 hours per week per operative	17.14	0%	0.00	14.28	2.85	17.13
o 39-90 days; 0-4 hours per week per operative	19.58	0%	0.00	16.32	3.26	19.58
o 0-28 days; 30-40 hours per week per operative	15.91	0%	0.00	13.26	2.65	15.91
o 0-28 days; 20-30 hours per week per operative	17.14	0%	0.00	14.28	2.85	17.13

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
o 0-28 days; 8-20 hours per week per operative	19.58	0%	0.00	16.32	3.26	19.58
o 0-28 days; 0-4 hours per week per operative	20.81	0%	0.00	17.34	3.46	20.80
. Adjustments on Spot/Contract Hire						
o Sunday and Bank Holiday (00:00 – 23.:59)						
o Private Sector						
o Permanent Staff Allocation (contract hire per hour)	2.40	0%	0.00	2.00	0.40	2.40
o Permanent Staff Allocation (spot hire per hour)	8.52	0%	0.00	7.10	1.42	8.52
. Vehicle Hire						
o Response Vehicle (per hour)	12.24	0%	0.00	10.20	2.04	12.24
o Unmarked Vehicle (per hour)	6.12	0%	0.00	5.10	1.02	6.12
o Mileage (per mile)	0.72	0%	0.00	0.60	0.12	0.72
. Deister Points						
o Installation (per point)	44.04	0%	0.00	36.70	7.34	44.04
o Hire (per day)	0.36	0%	0.00	0.30	0.06	0.36
o Attendance Reports (per report)	44.04	0%	0.00	36.70	7.34	44.04
<b>EMERGENCY TRAFFIC MANAGEMENT</b>						
. Temporary Traffic Light Failure				As per Statutory		As per Statutory
. Accident Attendance				As per Statutory Scheme		As per Statutory Scheme
<b>ANY OTHER ASSISTANCE</b>						
. Per Hour Per Operative	75.60	0%	0.00	63.00	12.60	75.60
<b><u>CCTV AND RADIO COMMUNICATIONS SERVICES</u></b>						
<b>CCTV SERVICES</b>						
. Annual Registration and Compliance Audit						
o Static Camera	13.20	0%	0.00	11.00	2.20	13.20
o ANPR Camera	20.40	0%	0.00	17.00	3.40	20.40
o PTZ Camera	36.00	0%	0.00	30.00	6.00	36.00
o Non public space per system				Variable		Variable
. Annual Maintenance Fee						



DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
o ANPR Camera	201.60	0%	0.00	168.00	33.60	201.60
o Public Space Camera	807.60	0%	0.00	673.00	134.60	807.60
o Non public space per system				Variable		Variable
. Passive Monitoring on Activation per site (see Fee for Visual Verification above)						
. Active Live Monitoring Only – Public Space without telemetry (per camera per day) (including transmission fees)	1.44	0%	0.00	1.20	0.24	1.44
. Active Live Monitoring Only – Public Space with telemetry (per camera per day) (including transmission fees)	3.72	0%	0.00	3.10	0.62	3.72
. Active Live Monitoring and Recording – Public Space without telemetry (per camera per day) (including transmission fees)	3.96	0%	0.00	3.30	0.66	3.96
. Active Live Monitoring and Recording – Public Space with telemetry (per camera per day) (including transmission fees)	10.92	0%	0.00	9.10	1.82	10.92
. Automatic Number Plate Recognition Camera (per camera per day) (including transmission fees and connection to ANPR network)	9.42	0%	0.00	7.85	1.57	9.42
NOTE: The Service does not undertake active live monitoring on private space systems.						
<b>CCTV DEVELOPMENT SERVICES</b>						
. CCTV Advice and Consultancy (per hour)						
o Public/Third Sector	0.00					
o Private Sector	74.40	0%	0.00	62.00	12.40	74.40
o Up to 4 Camera System (per camera)	1,879.20	0%	0.00	1,566.00	313.20	1,879.20
o 5-8 Camera System	6,621.60	0%	0.00	5,518.00	1,103.60	6,621.60
o 9-12 Camera System	9,272.40	0%	0.00	7,727.00	1,545.40	9,272.40
o 13-19 Camera System	11,922.00	0%	0.00	9,935.00	1,987.00	11,922.00
o 20 or over Camera System	15,894.00	0%	0.00	13,245.00	2,649.00	15,894.00
o Non Public Space	Variable	0%	0.00	Variable	Y	Variable
o Total Value of Installation	0.18	0%	0.00	0.15	0.03	0.18
<b>RADIO COMMUNICATIONS EQUIPMENT</b>						
. Radio Equipment Set up & Admin Fee	31.20	0%	0.00	26.00	5.20	31.20
. Radio Equipment (airtime)	6.00	0%	0.00	5.00	1.00	6.00
<b>REMOTE SECURITY SERVICES</b>						

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
. Remote Operation of Traffic Control Barriers (per barrier)	4,896.00	0%	0.00	4,080.00	816.00	4,896.00
. Remote Operation of Visual Display Signage (including Snow Signs) (per sign)	2,080.80	0%	0.00	1,734.00	346.80	2,080.80
Concierge Service (Implementation Date TBC)						
Concierge Service per unit (Vetting by tenant)	229.20	0%	0.00	191.00	38.20	229.20
Concierge Service per unit (Vetting by Control Room)	459.60	0%	0.00	383.00	76.60	459.60
<b>EMERGENCY CONTROL CENTRE</b>						
. Provision of Emergency Control Centre, Emergency Response and Command Rooms (per year)	9,229.20	0%	0.00	7,691.00	1,538.20	9,229.20
<b>MARKETS</b>						
<b>MARKET HALL – TOMMYFIELD</b>						
. Standard Unit per month	416.00	0%	0.00	346.67	69.33	416.00
. Corner Unit per month	497.00	0%	0.00	414.17	82.83	497.00
. Prime Unit per month	620.00	0%	0.00	516.67	103.33	620.00
. Succession of Tenancy Fees						
o Same Trade Unit		0%	0.00	0.00	0.00	0.00
o Different Trade Unit		0%	0.00	0.00	0.00	0.00
o Adding New Lines/Products to a Traders Existing Tenancy (including Legal Fees)		0%	0.00	0.00	0.00	0.00
o Adding New Lines/Products to a Licence (Stalls/Huts and Pitching Traders)		0%	0.00	0.00	0.00	0.00
o Trader Insurance Admin Charge	10.00	0%	0.00	8.34	1.66	10.00
o Outdoor Market Trader Licence Charge and Card Issue per annum		0%	0.00	0.00	0.00	0.00
o Casual Trader Registration Charge and Card Issue per annum		0%	0.00	0.00	0.00	0.00
. Late Payment Fees						
o Any payment that is not paid within a month of it being due for payment will incur a charge per annum		0%	0.00	0.00	0.00	0.00
o After sending out the second letter in the agreed Market Arrears Procedure, there will be a charge for the third letter	12.50	0%	0.00	12.50	N	12.50
. Display Area – Tommyfield per day	20.00	0%	0.00	16.67	3.33	20.00
<b>BRICK UNITS – TOMMYFIELD</b>						
. Standard Unit per month	347.00	0%	0.00	289.17	57.83	347.00
. Other per month	434.00	0%	0.00	361.67	72.33	434.00
<b>PERIMETER UNITS – TOMMYFIELD</b>						
. Standard Unit per month	270.00	0%	0.00	225.00	45.00	270.00
. Unit 20				Tendered Rent		Tendered Rent
. Storage per month	85.00	0%	0.00	70.83	14.16	84.99



DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
<b>SUNDAY CAR BOOT</b>						
. Stall or Vehicle	14.50	0%	0.00	12.08	2.41	14.49
<b>PARKING PERMITS</b>						
. 12 Months	198.30	0%	0.00	165.25	33.05	198.30
. 6 Months	110.17	0%	0.00	91.81	18.36	110.17
<b>PARKING PERMITS 2<sup>ND</sup> PASS</b>						
. 12 Months	71.61	0%	0.00	59.68	11.93	71.61
. 6 Months	42.96	0%	0.00	35.80	7.16	42.96
. 3 Months	28.65	0%	0.00	23.87	4.77	28.64
<b>LOST DELIVERY PASS</b>						
. Replacement	17.60	0%	0.00	17.60	N	17.60
<b>SHAW MARKET HUTS</b>						
. No 1	35.80	0%	0.00	29.83	5.96	35.79
. No 2	45.00	0%	0.00	37.50	7.50	45.00
. No 3 – includes a £5.00 electricity charge within the rent	45.00	0%	0.00	37.50	7.50	45.00
. No 4	27.60	0%	0.00	23.00	4.60	27.60
. No 5	35.80	0%	0.00	29.83	5.96	35.79
. No 6	45.00	0%	0.00	37.50	7.50	45.00
. No 7	22.50	0%	0.00	18.75	3.75	22.50
. No 8	45.00	0%	0.00	37.50	7.50	45.00
. No 9	45.00	0%	0.00	37.50	7.50	45.00
. No 10	35.80	0%	0.00	29.83	5.96	35.79
. No 11	45.00	0%	0.00	37.50	7.50	45.00
<b>SHAW MARKET</b>						
. Licensed Trader						
o Stall x 1	19.40	0%	0.00	16.17	3.23	19.40
o Stall x 2	38.80	0%	0.00	32.33	6.46	38.79
o Stall x 3	58.20	0%	0.00	48.50	9.70	58.20
o Pitch: 12' x 10'	19.40	0%	0.00	16.17	3.23	19.40
o Pitch: 18' x 10'	29.10	0%	0.00	24.25	4.85	29.10
o Pitch: 24' x 10'	38.80	0%	0.00	32.33	6.46	38.79
o Pitch: 30' x 10'	45.50	0%	0.00	37.92	7.58	45.50
. Casual Trader						
o Stall x 1	23.50	0%	0.00	19.58	3.91	23.49
o Stall x 2	47.00	0%	0.00	39.17	7.83	47.00
o Stall x 3	70.50	0%	0.00	58.75	11.75	70.50

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
o Pitch: 12' x 10'	20.50	0%	0.00	17.08	3.41	20.49
o Pitch: 18' x 10'	30.70	0%	0.00	25.58	5.11	30.69
o Pitch: 24' x 10'	41.00	0%	0.00	34.17	6.83	41.00
o Pitch: 30' x 10'	51.30	0%	0.00	42.75	8.55	51.30
SHAW MARKET special new trader 12 week pay 3 weeks get 3 weeks free						
<b>ROYTON MARKET</b>						
. Licensed Trader						
o Stall x 1	21.50	0%	0.00	17.92	3.58	21.50
o Stall x 2	43.00	0%	0.00	35.83	7.16	42.99
o Stall x 3	64.50	0%	0.00	53.75	10.75	64.50
o Pitch: 12' x 10'	19.40	0%	0.00	16.17	3.23	19.40
o Pitch: 18' x 10'	29.10	0%	0.00	24.25	4.85	29.10
o Pitch: 24' x 10'	38.80	0%	0.00	32.33	6.46	38.79
. Casual Trader						
o Stall x 1	25.60	0%	0.00	21.33	4.26	25.59
o Stall x 2	51.20	0%	0.00	42.67	8.53	51.20
o Stall x 3	76.80	0%	0.00	64.00	12.80	76.80
o Pitch: 12' x 10'	23.00	0%	0.00	19.17	3.83	23.00
o Pitch: 18' x 10'	34.50	0%	0.00	28.75	5.75	34.50
o Pitch: 24' x 10'	46.00	0%	0.00	38.33	7.66	45.99
o Pitch: 30' x 10'	57.50	0%	0.00	47.92	9.58	57.50
Royton special 15 x 10	29.00	0%	0.00	24.17	4.83	29.00
<b>TOMMYFIELD - MONDAY</b>						
. Licensed Trader						
o Stall x 1	10.30	0%	0.00	8.58	1.71	10.29
o Stall x 2	20.60	0%	0.00	17.17	3.43	20.60
o Stall x 3	30.90	0%	0.00	25.75	5.15	30.90
o Stall x 4	41.20	0%	0.00	34.33	6.86	41.19
o Stall x 5	51.50	0%	0.00	42.92	8.58	51.50
o Stall x 6	61.80	0%	0.00	51.50	10.30	61.80
o Pitch: 12' x 12'	7.70	0%	0.00	6.42	1.28	7.70
o Pitch: 18' x 12'	11.60	0%	0.00	9.67	1.93	11.60
o Pitch: 24' x 12'	15.40	0%	0.00	12.83	2.56	15.39
o Pitch: 30' x 12'	19.30	0%	0.00	16.08	3.21	19.29
o Pitch: 36' x 12'	23.10	0%	0.00	19.25	3.85	23.10
o Pitch: 42' x 12'	27.00	0%	0.00	22.50	4.50	27.00
o Pitch: 48' x 12'	30.80	0%	0.00	25.67	5.13	30.80
. Casual Trader						
o Stall x 1	12.30	0%	0.00	10.25	2.05	12.30
o Stall x 2	24.60	0%	0.00	20.50	4.10	24.60
o Stall x 3	36.90	0%	0.00	30.75	6.15	36.90
o Stall x 4	49.20	0%	0.00	41.00	8.20	49.20

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
o Stall x 5	61.50	0%	0.00	51.25	10.25	61.50
o Stall x 6	73.80	0%	0.00	61.50	12.30	73.80
o Stall x 7	86.10	0%	0.00	71.75	14.35	86.10
o Stall x 8	98.40	0%	0.00	82.00	16.40	98.40
o Pitch: 12' x 12'	9.20	0%	0.00	7.67	1.53	9.20
o Pitch: 18' x 12'	13.50	0%	0.00	11.25	2.25	13.50
o Pitch: 24' x 12'	18.40	0%	0.00	15.33	3.06	18.39
o Pitch: 30' x 12'	22.70	0%	0.00	18.92	3.78	22.70
o Pitch: 36' x 12'	27.60	0%	0.00	23.00	4.60	27.60
o Pitch: 42' x 12'	31.90	0%	0.00	26.58	5.31	31.89
o Pitch: 48' x 12'	36.80	0%	0.00	30.67	6.13	36.80
<b>TOMMYFIELD - MONDAY Special Local Discounts</b>						
o Stall x 1	10.30	0%	0.00	8.58	1.71	10.29
o Stall x 2	15.90	0%	0.00	13.25	2.65	15.90
o Stall x 3	20.50	0%	0.00	17.08	3.41	20.49
o Stall x 4	22.50	0%	0.00	18.75	3.75	22.50
o Stall x 5	27.10	0%	0.00	22.58	4.51	27.09
o Stall x 6	30.00	0%	0.00	25.00	5.00	30.00
o Pitch: 12' x 12'	7.70	0%	0.00	6.42	1.28	7.70
o Pitch: 18' x 12'	10.20	0%	0.00	8.50	1.70	10.20
o Pitch: 24' x 12'	12.80	0%	0.00	10.67	2.13	12.80
<b>TOMMYFIELD - WEDNESDAY</b>						
. Licensed Trader						
o Stall x 1	20.50	0%	0.00	17.08	3.41	20.49
o Stall x 2	41.00	0%	0.00	34.17	6.83	41.00
o Stall x 3	61.50	0%	0.00	51.25	10.25	61.50
o Stall x 4	82.00	0%	0.00	68.33	13.66	81.99
o Stall x 5	102.50	0%	0.00	85.42	17.08	102.50
o Stall x 6	123.00	0%	0.00	102.50	20.50	123.00
o Stall x 7	143.50	0%	0.00	119.58	23.91	143.49
o Stall x 8	164.00	0%	0.00	136.67	27.33	164.00
o Pitch: 12' x 12'	20.60	0%	0.00	17.17	3.43	20.60
o Pitch: 18' x 12'	30.90	0%	0.00	25.75	5.15	30.90
o Pitch: 24' x 12'	41.20	0%	0.00	34.33	6.86	41.19
o Pitch: 30' x 12'	51.50	0%	0.00	42.92	8.58	51.50
o Pitch: 36' x 12'	61.80	0%	0.00	51.50	10.30	61.80
o Pitch: 42' x 12'	72.10	0%	0.00	60.08	12.01	72.09
o Pitch: 48' x 12'	82.40	0%	0.00	68.67	13.73	82.40
. Casual Trader						
o Stall x 1	22.00	0%	0.00	18.33	3.66	21.99
o Stall x 2	44.00	0%	0.00	36.67	7.33	44.00
o Stall x 3	66.00	0%	0.00	55.00	11.00	66.00
o Stall x 4	88.00	0%	0.00	73.33	14.66	87.99
o Stall x 5	110.00	0%	0.00	91.67	18.33	110.00

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
o Stall x 6	132.00	0%	0.00	110.00	22.00	132.00
o Stall x 7	154.00	0%	0.00	128.33	25.66	153.99
o Stall x 8	176.00	0%	0.00	146.67	29.33	176.00
o Pitch: 12' x 12'	22.50	0%	0.00	18.75	3.75	22.50
o Pitch: 18' x 12'	33.70	0%	0.00	28.08	5.61	33.69
o Pitch: 24' x 12'	45.00	0%	0.00	37.50	7.50	45.00
o Pitch: 30' x 12'	56.20	0%	0.00	46.83	9.36	56.19
o Pitch: 36' x 12'	67.50	0%	0.00	56.25	11.25	67.50
o Pitch: 42' x 12'	78.70	0%	0.00	65.58	13.11	78.69
o Pitch: 48' x 12'	90.00	0%	0.00	75.00	15.00	90.00
<b>TOMMYFIELD - WEDNESDAY Special Local Discounts</b>						
o Stall x 1	20.50	0%	0.00	17.08	3.41	20.49
o Stall x 2	30.70	0%	0.00	25.58	5.11	30.69
o Stall x 3	40.80	0%	0.00	34.00	6.80	40.80
o Stall x 4	45.90	0%	0.00	38.25	7.65	45.90
o Stall x 5	51.00	0%	0.00	42.50	8.50	51.00
o Stall x 6	56.20	0%	0.00	46.83	9.36	56.19
o Pitch: 12' x 12'	16.40	0%	0.00	13.67	2.73	16.40
o Pitch: 18' x 12'	22.00	0%	0.00	18.33	3.66	21.99
o Pitch: 24' x 12'	27.60	0%	0.00	23.00	4.60	27.60
o Pitch: 30' x 12'	33.20	0%	0.00	27.67	5.53	33.20
o Pitch: 36' x 12'	38.80	0%	0.00	32.33	6.46	38.79
o Pitch: 42' x 12'	44.40	0%	0.00	37.00	7.40	44.40
o Pitch: 48' x 12'	50.00	0%	0.00	41.67	8.33	50.00
<b>TOMMYFIELD – FRIDAY</b>						
. Licensed Trader						
o Stall x 1	13.30	0%	0.00	11.08	2.21	13.29
o Stall x 2	26.60	0%	0.00	22.17	4.43	26.60
o Stall x 3	39.90	0%	0.00	33.25	6.65	39.90
o Stall x 4	53.20	0%	0.00	44.33	8.86	53.19
o Stall x 5	56.50	0%	0.00	47.08	9.41	56.49
o Stall x 6	79.80	0%	0.00	66.50	13.30	79.80
o Stall x 7	93.10	0%	0.00	77.58	15.51	93.09
o Stall x 8	106.40	0%	0.00	88.67	17.73	106.40
o Pitch: 12' x 12'	8.80	0%	0.00	7.33	1.46	8.79
o Pitch: 18' x 12'	13.20	0%	0.00	11.00	2.20	13.20
o Pitch: 24' x 12'	17.60	0%	0.00	14.67	2.93	17.60
o Pitch: 30' x 12'	22.00	0%	0.00	18.33	3.66	21.99
o Pitch: 36' x 12'	26.40	0%	0.00	22.00	4.40	26.40
o Pitch: 42' x 12'	30.80	0%	0.00	25.67	5.13	30.80
o Pitch: 48' x 12'	35.20	0%	0.00	29.33	5.86	35.19
. Casual Trader						
o Stall x 1	15.30	0%	0.00	12.75	2.55	15.30
o Stall x 2	30.60	0%	0.00	25.50	5.10	30.60

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
o Stall x 3	45.90	0%	0.00	38.25	7.65	45.90
o Stall x 4	61.20	0%	0.00	51.00	10.20	61.20
o Pitch: 12' x 12'	18.50	0%	0.00	15.42	3.08	18.50
o Pitch: 18' x 12'	24.60	0%	0.00	20.50	4.10	24.60
o Pitch: 24' x 12'	30.80	0%	0.00	25.67	5.13	30.80
o Pitch: 30' x 12'	12.50	0%	0.00	10.42	2.08	12.50
<b>TOMMYFIELD – FRIDAY Special Local Discounts</b>						
o Stall x 1	5.00	0%	0.00	4.17	0.83	5.00
o Stall x 2	10.00	0%	0.00	8.33	1.66	9.99
o Stall x 3	15.00	0%	0.00	12.50	2.50	15.00
o Stall x 4	20.00	0%	0.00	16.67	3.33	20.00
o Stall x 5	25.00	0%	0.00	20.83	4.16	24.99
o Stall x 6	30.00	0%	0.00	25.00	5.00	30.00
o Stall x 7	35.00	0%	0.00	29.17	5.83	35.00
o Stall x 8	40.00	0%	0.00	33.33	6.66	39.99
o Pitch: 12' x 12'	5.00	0%	0.00	4.17	0.83	5.00
o Pitch: 18' x 12'	7.50	0%	0.00	6.25	1.25	7.50
o Pitch: 24' x 12'	10.00	0%	0.00	8.33	1.66	9.99
o Pitch: 30' x 12'	12.50	0%	0.00	10.42	2.08	12.50
o Pitch: 36' x 12'	15.00	0%	0.00	12.50	2.50	15.00
o Pitch: 42' x 12'	17.50	0%	0.00	14.58	2.91	17.49
o Pitch: 48' x 12'	20.00	0%	0.00	16.67	3.33	20.00
. Casual Trader						
o Stall x 1	5.00	0%	0.00	4.17	0.83	5.00
o Stall x 2	10.00	0%	0.00	8.33	1.66	9.99
o Stall x 3	15.00	0%	0.00	12.50	2.50	15.00
o Stall x 4	20.00	0%	0.00	16.67	3.33	20.00
o Stall x 5	25.00	0%	0.00	20.83	4.16	24.99
o Stall x 6	30.00	0%	0.00	25.00	5.00	30.00
o Stall x 7	35.00	0%	0.00	29.17	5.83	35.00
o Stall x 8	40.00	0%	0.00	33.33	6.66	39.99
o Pitch: 12' x 12'	5.00	0%	0.00	4.17	0.83	5.00
o Pitch: 18' x 12'	7.50	0%	0.00	6.25	1.25	7.50
o Pitch: 24' x 12'	10.00	0%	0.00	8.33	1.66	9.99
o Pitch: 30' x 12'	12.50	0%	0.00	10.42	2.08	12.50
o Pitch: 36' x 12'	15.00	0%	0.00	12.50	2.50	15.00
o Pitch: 42' x 12'	17.50	0%	0.00	14.58	2.91	17.49
o Pitch: 48' x 12'	20.00	0%	0.00	16.67	3.33	20.00
<b>TOMMYFIELD – SATURDAY</b>						
. Licensed Trader						
o Stall x 1	20.50	0%	0.00	17.08	3.41	20.49
o Stall x 2	41.00	0%	0.00	34.17	6.83	41.00
o Stall x 3	61.50	0%	0.00	51.25	10.25	61.50

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o Stall x 4	82.00	0%	0.00	68.33	13.66	81.99
o Stall x 5	102.50	0%	0.00	85.42	17.08	102.50
o Stall x 6	123.00	0%	0.00	102.50	20.50	123.00
o Stall x 7	143.50	0%	0.00	119.58	23.91	143.49
o Stall x 8	164.00	0%	0.00	136.67	27.33	164.00
o Pitch: 12' x 12'	16.40	0%	0.00	13.67	2.73	16.40
o Pitch: 18' x 12'	24.60	0%	0.00	20.50	4.10	24.60
o Pitch: 24' x 12'	32.80	0%	0.00	27.33	5.46	32.79
o Pitch: 30' x 12'	41.00	0%	0.00	34.17	6.83	41.00
o Pitch: 36' x 12'	49.20	0%	0.00	41.00	8.20	49.20
o Pitch: 42' x 12'	57.40	0%	0.00	47.83	9.56	57.39
o Pitch: 48' x 12'	65.60	0%	0.00	54.67	10.93	65.60
. Casual Trader						
o Stall x 1	24.00	0%	0.00	20.00	4.00	24.00
o Stall x 2	48.00	0%	0.00	40.00	8.00	48.00
o Stall x 3	72.00	0%	0.00	60.00	12.00	72.00
o Stall x 4	96.00	0%	0.00	80.00	16.00	96.00
o Stall x 5	120.00	0%	0.00	100.00	20.00	120.00
o Stall x 6	144.00	0%	0.00	120.00	24.00	144.00
o Stall x 7	168.00	0%	0.00	140.00	28.00	168.00
o Stall x 8	192.00	0%	0.00	160.00	32.00	192.00
o Pitch: 12' x 12'	20.50	0%	0.00	17.08	3.41	20.49
o Pitch: 18' x 12'	30.70	0%	0.00	25.58	5.11	30.69
o Pitch: 24' x 12'	40.90	0%	0.00	34.08	6.81	40.89
o Pitch: 30 x 12'	51.10	0%	0.00	42.58	8.51	51.09
o Pitch: 36' x 12'	61.30	0%	0.00	51.08	10.21	61.29
o Pitch: 42' x 12'	71.50	0%	0.00	59.58	11.91	71.49
o Pitch: 48' x 12'	81.70	0%	0.00	68.08	13.61	81.69
. Storage Boxes (Tommyfield) per week	11.30	0%	0.00	9.42	1.88	11.30
. Storage Facility (Tommyfield) per week						
<b>ALL OUTDOOR MARKETS</b>						
. Small Table (Daily)	12.00	0%	0.00	10.00	2.00	12.00
. Demonstrator (Daily)	17.00	0%	0.00	14.17	2.83	17.00
. Gazer	12.00	0%	0.00	10.00	2.00	12.00
<b>TOMMYFIELD - STREET MARKET</b>						
. Licensed Trader 1 DAY Friday or Saturday						
o Gazebo 2.5 Metre by 2.5 Metre	15.00	0%	0.00	15.00	N	15.00
o Gazebo 5 Metre by 2.5 Metre	23.00	0%	0.00	23.00	N	23.00
o Gazebo 3 Metre by 3 Metre	21.40	0%	0.00	21.40	N	21.40
o Gazebo 6 Metre by 3 Metre	34.20	0%	0.00	34.20	N	34.20
. Casual Trader 1 DAY Friday or Saturday						



DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
o Gazebo 2.5 Metre by 2.5 Metre	16.00	0%	0.00	16.00	N	16.00
o Gazebo 5 Metre by 2.5 Metre	27.30	0%	0.00	27.30	N	27.30
o Gazebo 3 Metre by 3 Metre	25.70	0%	0.00	25.70	N	25.70
o Gazebo 6 Metre by 3 Metre	38.40	0%	0.00	38.40	N	38.40
. Licensed Trader 2 DAYS Friday and Saturday						
o Gazebo 2.5 Metre by 2.5 Metre	28.00	0%	0.00	28.00	N	28.00
o Gazebo 5 Metre by 2.5 Metre	38.00	0%	0.00	38.00	N	38.00
o Gazebo 3 Metre by 3 Metre	35.00	0%	0.00	35.00	N	35.00
o Gazebo 6 Metre by 3 Metre	55.00	0%	0.00	55.00	N	55.00
. Casual Trader 2 DAYS Friday and Saturday						
o Gazebo 2.5 Metre by 2.5 Metre	29.00	0%	0.00	29.00	N	29.00
o Gazebo 5 Metre by 2.5 Metre	47.00	0%	0.00	47.00	N	47.00
o Gazebo 3 Metre by 3 Metre	43.00	0%	0.00	43.00	N	43.00
o Gazebo 6 Metre by 3 Metre	64.00	0%	0.00	64.00	N	64.00
. Discounted Areas 1 DAY Friday or Saturday						
o Gazebo 2.5 Metre by 2.5 Metre	13.00	0%	0.00	13.00	N	13.00
o Gazebo 5 Metre by 2.5 Metre	20.00	0%	0.00	20.00	N	20.00
o Gazebo 3 Metre by 3 Metre	18.00	0%	0.00	18.00	N	18.00
o Gazebo 6 Metre by 3 Metre	28.00	0%	0.00	28.00	N	28.00
. Discounted Areas 2 DAYS Friday and Saturday						
o Gazebo 2.5 Metre by 2.5 Metre	25.00	0%	0.00	25.00	N	25.00
o Gazebo 5 Metre by 2.5 Metre	35.00	0%	0.00	35.00	N	35.00
o Gazebo 3 Metre by 3 Metre	32.00	0%	0.00	32.00	N	32.00
o Gazebo 6 Metre by 3 Metre	50.00	0%	0.00	50.00	N	50.00
<b>SPECIAL MARKETS (Prices are set locally and are subject to change by the Market Manager)</b>						
o Sunday Lazy Car Boot (Promotional Prices)	14.50	0%	0.00	14.50	N	14.50
o Sunday Royton Real Food (Promotional Prices)	15.00	0%	0.00	15.00	N	15.00
o Chand Raat (Promotional Prices)	20.00	0%	0.00	20.00	N	20.00
o New Special Market (Promotional Prices)	10.00	0%	0.00	10.00	N	10.00
<b>LEGAL CHARGES</b>						
. Change of ownership - new business						
o Administration Fee	250.00	0%	0.00	250.00	N	250.00
o Legal Fee	66.00	0%	0.00	66.00	N	66.00
<b>Providing Power to stalls /Pitches /Huts/Gazebo To be set for 2013-2014</b>						
<b>Trader Long term yearly parking fee</b>						
12 Month one off fee	400.00	0%	0.00	400.00	N	400.00

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
<b>Trader Toilet Card</b>						
New Trader first Issue						
Lost Card Replacement	6.00	0%	0.00	6.00	N	6.00
<b>ASSET MANAGEMENT</b>						
<b>Business Centres/Industrial Units</b>						
Falcon - Short Term Licences	Various			Various	Y	Various
Acorn - Short Term Licences	Various			Various	Y	Various
<b>Office/Room Lettings</b>						
Honeywell Centre						
Commercial Rates per hour						
- Hall*	38.50	0%	0.00	38.50	N	38.50
- Youth Wing*	33.00	0%	0.00	33.00	N	33.00
- Community Room 1*	22.00	0%	0.00	22.00	N	22.00
- Community Room 2*	22.00	0%	0.00	22.00	N	22.00
- It Suite*	28.00	0%	0.00	28.00	N	28.00
- Studio 2*	33.00	0%	0.00	33.00	N	33.00
- Fitness/Dance Studio*	10.00	0%	0.00	10.00	N	10.00
* Discounts will be applied for community and voluntary groups						
<b>Libraries, Leisure and Culture</b>						
<b>Library Card</b>						
Adults	2.00	0%	0.00	2.00	N	2.00
Concession	1.00	0%	0.00	1.00	N	1.00
<b>Book Reservations</b>	0.60	0%	0.00	0.60	N	0.60
<b>Inter Library Reservations</b>	3.40	0%	0.00	3.40	N	3.40
Photocopying	0.10 to 2.14	0%	0.00	0.10 to 2.14	N	0.10 to 2.14
Printing	0.10 to 0.62	0%	0.00	0.10 to 0.62	N	0.10 to 0.62
<b>Photocopying &amp; Printing</b>						
A4 B&W	0.10	0%	0.00	0.10	N	0.10
A4 Colour	0.60	0%	0.00	0.60	N	0.60
A3 B&W	0.20	0%	0.00	0.20	N	0.20
A3 Colour	1.00	0%	0.00	1.00	N	1.00
<b>Fax</b>						
Send - All £1.00 first sheet, 0.50p per subsequent sheet	1.00	0%	0.00	1.00	N	1.00



DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
Receive - All	1.00	0%	0.00	1.00	N	1.00
Fax	0.50 to 1.63	0%	0.00	0.50 to 1.63	N	0.50 to 1.63
Microfiche						
Image Bank to UK						
Image Bank to Others						
<b>Gallery Oldham Room Hire</b>						
Education Suite Per hour	20.00	0%	0.00	20.00	N	20.00
Education Suite - Out of Hours				Price on Arrangement		Price on Arrangement
Gallery Per Hour	29.20 - 107.10	2.0%	0.60 - 2.10	29.80 - 109.20	N	29.80 - 109.20
All Gallery				Price on Arrangement	N	Price on Arrangement
<b>Book Fines</b>						
Adults per book per day	0.15	2.0%	0.00	0.15	N	0.15
Teens per book per day	0.05	2.0%	0.00	0.05	N	0.05
Over 60's	0.05	2.0%	0.00	0.05	N	0.05
<b>Other Fines</b>						
DVDs per week	1.80	2.0%	0.04	1.84	N	1.84
CD ROMS per week	2.80	2.0%	0.06	2.86	N	2.86
<b>Acting &amp; Devising Workshop</b>						
In Oldham	51.00	2.0%	1.02	52.02	N	52.02
In Oldham on benefit	27.54	2.0%	0.55	28.09	N	28.09
Outside Oldham	66.30	2.0%	1.33	67.63	N	67.63
Outside Oldham on benefit	35.70	2.0%	0.71	36.41	N	36.41
<b>Create A Performance</b>						
In Oldham	64.26	2.0%	1.29	65.55	N	65.55
In Oldham on benefit	32.64	2.0%	0.65	33.29	N	33.29
Outside Oldham	81.60	2.0%	1.63	83.23	N	83.23
Outside Oldham on benefit	43.86	2.0%	0.88	44.74	N	44.74
<b>Imagineers</b>						
In Oldham	44.88	2.0%	0.90	45.78	N	45.78
In Oldham on benefit	23.46	2.0%	0.47	23.93	N	23.93
Outside Oldham	59.16	2.0%	1.18	60.34	N	60.34
Outside Oldham on benefit	29.58	2.0%	0.59	30.17	N	30.17
<b>Show (Summer and Christmas)</b>						
In Oldham	98.94	2.0%	1.98	100.92	N	100.92

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
In Oldham on benefit	48.96	2.0%	0.98	49.94	N	49.94
Outside Oldham	114.24	2.0%	2.28	116.52	N	116.52
Outside Oldham on benefit	57.12	2.0%	1.14	58.26	N	58.26
Show - ( Summer smaller show)						
In Oldham	78.00	2.0%	1.56	79.56	N	79.56
In Oldham on benefit	40.00	2.0%	0.80	40.80	N	40.80
Outside Oldham	90.00	2.0%	1.80	91.80	N	91.80
Outside Oldham on benefit	47.00	2.0%	0.94	47.94	N	47.94
<b>Summer Holiday Show in a Week one price for all</b>	52.02	2.0%	1.04	53.06	N	53.06
<b>Actors House - Once a year one price for all</b>	21.42	2.0%	0.43	21.85	N	21.85
<b>Show ticket price</b>						
In Oldham	9.18	2.0%	0.18	9.36	N	9.36
In Oldham on benefit	6.12	2.0%	0.12	6.24	N	6.24
Outside Oldham	6.12	2.0%	0.12	6.24	N	6.24
Outside Oldham on benefit	3.06	2.0%	0.06	3.12	N	3.12
<b>Show backs at internal OTW studio Venue</b>	1.00	0%	0.00	1.00	N	1.00
<b>Imagineer Showbacks at Internal OTW studio venue</b>	0.00	0%	0.00	0.00	N	0.00
<b>Local Studies Library</b>						
Photocopying	0.00	0%	0.00	0.00	N	0.00
Microfiche	0.00	0%	0.00	0.00	N	0.00
Image Bank to UK	0.00	0%	0.00	0.00	N	0.00
Image Bank to Others	0.00	0%	0.00	0.00	N	0.00
Lectures	0.00	0%	0.00	0.00	N	0.00
Cemeteries Search	0.00	0%	0.00	0.00	N	0.00
Document Copies	0.00	0%	0.00	0.00	N	0.00
Photocopying	0.20-1.10	0%	0.00	0.20-1.20	N	0.20-1.20
Photocopying of Archives	0.40-2.10	0%	0.00	0.40 - 2.10	N	0.40 - 2.10
Microfiche	0.70-1.40	0%	0.00	0.70-1.70	N	0.70-1.70
Use of Digital Camera	1.00-10.00		0.00	1.00 - 10.00	N	1.00 - 10.00
OS 25" Map Copies	10.50	0%	0.00	10.00	N	10.00
Lectures	22.50	0%	0.00	23.00	N	23.00
Research	15.00-30.00	0%	0.00	15.00 - 30.00	N	15.00 - 30.00
Research Reprographic charges	5.00	0%	0.00	5.00	N	5.00
Copies of photographs	5.70	0%	0.00	5.70	N	5.70
<b>Reproduction</b>						
Books, periodicals, e-books, CD-Roms	30.00-120.00	0%	0.00	30.00 - 120.00	N	30.00 - 120.00
Presentations and internal reports	60.00-120.00	0%	0.00	60.00 - 120.00	N	60.00 - 120.00
Advertising in newspapers and periodicals	60.00-120.00	0%	0.00	60.00 - 120.00	N	60.00 - 120.00

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
Television	60.00-700.00	0%	0.00	60.00-700.00	N	60.00-700.00
Videos DVD's and films	120.00-240.00	0%	0.00	120.00-240.00	N	120.00-240.00
Exhibitions	60.00	0%	0.00	60.00	N	60.00
Interior Decoration of commercial premises	60.00	0%	0.00	60.00	N	60.00
<b>Facilities Management</b>						
<b>Miscellaneous charges</b>						
<b>Chadderton Town Hall / Failsworth Town Hall</b>						
Hourly Charge (including 1 Steward)	85.00	0%	0.00	85.00	N	85.00
Data Projector Screen	20.00	0%	0.00	20.00	N	20.00
Microphone	11.00	0%	0.00	11.00	N	11.00
Screen	4.00	0%	0.00	4.00	N	4.00
Flip Chart	4.00	0%	0.00	4.00	N	4.00
PA System	28.00	0%	0.00	28.00	N	28.00
Data Projector Screen	20.00	0%	0.00	20.00	N	20.00
<b>Miscellaneous charges – Queen Elizabeth Hall &amp; Chadderton Town Hall</b>						
<b>Stewards</b>						
Hourly Charge Per Steward	14.90	0%	0.00	14.90	N	14.90
Minimum Charge 4 Hours	74.54	0%	0.00	74.54	N	74.54
QEH hires including Parking Provision Evening and Sundays only	300.00	0%	0.00	250.00	50.00	300.00
<b>Daycare provision for Children's Centres</b>						
Full time place	146.00 per week					
AM session (8am-1pm)	21.60 per session					
PM Session (1pm-6pm)	18.50 per session					
Single full days	36.00 per day					
3 hour session – 2 year old	9.20 per session					
3 hour session – 3-4 years old	8.15 per session					
Mini-day additional charge (charged in addition to session charges)	1.55					
Late collection of children will incur extra costs and will be charged by the 1/4 hour.	10.00 every 15 mins					
<b>0 - 1 year olds:</b>						
Per week.				170.00	N	170.00
Per day.				40.00	N	40.00
Per half day.				20.00	N	20.00
<b>2 year olds:</b>						

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Per week.				160.00	N	160.00
Per day.				35.00	N	35.00
Per half day.				20.00	N	20.00
<b>3 - 5 year olds:</b>						
Per week.				125.00	N	125.00
Per day.				30.00	N	30.00
Per half day.				20.00	N	20.00
<b>Outdoor Education</b>						
<b><u>Provision of Instructors for activities</u></b>						
Oldham Schools, Academies with SLA & PCS / IYS						
Environmental Education Course fee per group excludes transport to/ from centre per day	255.00	2.0%	5.00	260.00	N	260.00
Environmental Education Course fee per group excludes transport to/ from centre per half day	138.00	2.2%	3.00	141.00	N	141.00
Outdoor Education activities per instructor includes equipment & minibus to/from & during activities per day	184.00	2.2%	4.00	188.00	N	188.00
Outdoor Education activities per instructor includes equipment & minibus to/from & during activities per half day	112.00	2.7%	3.00	115.00	N	115.00
Outdoor Education activities per instructor includes equipment & minibus to/from & during activities per hour	45.00	2.2%	1.00	46.00	N	46.00
Use of minibus by groups for activities not associated with the Service	70.00	2.9%	2.00	72.00	N	72.00
<b><u>Other groups including Academies without SLA</u></b>						
Environmental Education Course fee per group excludes transport to/ from centre per day	306.00	21.6%	55.00	312.50	62.50	375.00
Outdoor Education activities per instructor includes equipment & minibus during activities but excludes transport to/ from Centre per day	285.00	28.6%	68.00	312.50	62.50	375.00
Outdoor Education activities per instructor includes equipment & minibus during activities but excludes transport to/ from Centre per half day	153.00	31.4%	40.00	173.33	34.67	208.00
Outdoor Education activities per instructor includes equipment & minibus during activities but excludes transport to/ from Centre per hour	60.00	24.0%	12.00	62.50	12.50	75.00
<b><u>Residential charges per person per night</u></b>						
Oldham Schools, Academies with SLA & PCS / IYS						
Castleshaw Primary pupil accommodation (Zero Rated)	4.40	2.3%	0.10	4.50	N	4.50
Castleshaw Secondary pupil accommodation (Zero Rated)	6.85	2.2%	0.15	7.00	N	7.00
Castleshaw Adult accommodation (Zero Rated)	8.90	1.1%	0.10	9.00	N	9.00
Castleshaw Laundry (Exempt)	2.50	2.0%	0.05	2.55	N	2.55
Castleshaw Camping - Per Person, Per night (Exempt)	3.40	3.0%	0.10	3.50	N	3.50
<b><u>Other groups including Academies without SLA</u></b>						

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
Castleshaw - Under 12 years accommodation (Vatable)	8.95	0.5%	0.04	7.50	1.50	9.00
Castleshaw - Under 16 years accommodation (Vatable)	10.40	0.9%	0.08	8.75	1.75	10.50
Castleshaw - Adult accommodation (Vatable)	14.80	1.4%	0.17	12.50	2.50	15.00
Castleshaw Laundry (Vatable)	3.00	0%	0.00	2.50	0.50	3.00
Castleshaw Camping - Per Person, Per night (Vatable)	4.10	2.3%	0.08	3.50	0.70	4.20
			0.00			
<b>Catering per person</b>			0.00			
<u>Oldham Schools, Academies with SLA &amp; PCS / IYS</u>			0.00			
Castleshaw Breakfast - Under 12 years (Zero Rated)	2.15	2.3%	0.05	2.20	N	2.20
Castleshaw Packed lunch - Under 12 years (Zero Rated)	2.85	1.8%	0.05	2.90	N	2.90
Castleshaw Evening meal - Under 12 years (Zero Rated)	4.30	2.3%	0.10	4.40	N	4.40
Castleshaw Breakfast - Under 16 years (Zero Rated)	2.55	2.0%	0.05	2.60	N	2.60
Castleshaw Packed lunch - Under 16 years (Zero Rated)	3.10	1.6%	0.05	3.15	N	3.15
Castleshaw Evening meal - Under 16 years (Zero Rated)	4.50	2.2%	0.10	4.60	N	4.60
Castleshaw Breakfast - Adult (Zero Rated)	3.10	3.2%	0.10	3.20	N	3.20
Castleshaw Packed lunch - Adult (Zero Rated)	3.50	2.9%	0.10	3.60	N	3.60
Castleshaw Evening meal - Adult (Zero Rated)	7.65	-8.5%	(0.65)	7.00	N	7.00
<u>Other groups including Academies without SLA</u>						
Castleshaw Breakfast - Under 12 years (Vatable)	2.58	2.3%	0.05	2.20	0.44	2.64
Castleshaw Packed lunch - Under 12 years (Vatable)	3.42	1.8%	0.05	2.90	0.58	3.48
Castleshaw Evening meal - Under 12 years (Vatable)	5.16	2.3%	0.10	4.40	0.88	5.28
Castleshaw Breakfast - Under 16 years (Vatable)	3.06	2.0%	0.05	2.60	0.52	3.12
Castleshaw Packed lunch - Under 16 years (Vatable)	3.72	1.6%	0.05	3.15	0.63	3.78
Castleshaw Evening meal - Under 16 years (Vatable)	5.40	2.2%	0.10	4.60	0.92	5.52
Castleshaw Breakfast - Adult (Vatable)	3.72	3.2%	0.10	3.20	0.64	3.84
Castleshaw Packed lunch - Adult (Vatable)	4.20	2.9%	0.10	3.60	0.72	4.32
Castleshaw Evening meal - Adult (Vatable)	9.18	-8.5%	(0.65)	7.00	1.40	8.40
Castleshaw Cooked lunch (if available) - Adult (Vatable)	9.18	-8.5%	(0.65)	7.00	1.40	8.40
<b>Various other charges</b>						
<u>Oldham Schools, Academies with SLA &amp; PCS / IYS</u>						
Castleshaw - Daily hire of centre (Zero Rated)	170.00	17.6%	30.00	200.00	N	200.00
Castleshaw - meeting room hire per half day (Zero Rated)	59.50	0.8%	0.50	60.00	N	60.00
Castleshaw - meeting room hire per day (Zero Rated)	119.00	0.8%	1.00	120.00	N	120.00
Castleshaw - yurt hire per half day (Zero Rated)	59.50	0.8%	0.50	60.00	N	60.00
Castleshaw - yurt hire per day (Zero Rated)	119.00	0.8%	1.00	120.00	N	120.00
Under occupancy (Exempt)	4.40	2.3%	0.10	4.50	N	4.50
Castleshaw Refreshments (Zero Rated)	2.55	2.0%	0.05	2.60	N	2.60
<u>Other groups including Academies without SLA</u>						
Castleshaw - Daily hire of centre (Vatable)	204.00	17.6%	30.00	200.00	40.00	240.00
Castleshaw - meeting room hire per half day (Vatable)	71.40	0.8%	0.50	60.00	12.00	72.00
Castleshaw - meeting room hire per day (Vatable)	142.80	0.8%	1.00	120.00	24.00	144.00
Castleshaw - yurt hire per half day ((Vatable)	71.40	0.8%	0.50	60.00	12.00	72.00
Castleshaw - yurt hire per day ((Vatable)	142.80	0.8%	1.00	120.00	24.00	144.00
Under occupancy (Vatable)	8.95	20.6%	1.54	9.00	1.80	10.80

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
Castleshaw booking deposit (Vatable)	180.00	0%	0.00	150.00	30.00	180.00
Castleshaw Refreshments (Vatable)	3.06	2.0%	0.05	2.60	0.52	3.12
Music Service						
TUITION FEES	41.00	2.0%	0.85	41.85		41.85
TUITION FEES Additional siblings	36.00	2.0%	0.75	36.75		36.75
TUITION FEES Adults/Pre-school	46.00	2.0%	0.95	46.95		46.95
TUITION FEES Additional Groups	36.00	2.0%	0.75	36.75		36.75
LETTINGS OF ROOM(public) per hour	41.00	2.0%	0.85	41.85		41.85
LETTINGS OF ROOM(exam board) per day	153.00	2.0%	3.00	156.00		156.00
School Swimming Service						
Swimming session - 30min p week x 38 wks (zero rated)	2,336.00	2.0%	47.00	2,383.00		2,383.00
<b><u>Lifelong Learning Course Fees</u></b>						
Some courses and room hires will be individually priced and will fall outside the hourly rate.						
<u>Tuition Fees Adult Skills (ASB) Community Learning Budget</u>						
Engagement courses are free						
"Get Oldham Working" Employability courses are free for eligible learners						
Adult Skills classes per hour	2.80	2.0%	0.06	2.86	N	2.86
Concessionary fee for Adult Skills Budget						
Community Learning classes per hour – RATE A STANDARD	3.55	2.0%	0.07	3.62	N	3.62
Community Learning classes per hour – RATE B SPECIALIST RATE						
e.g. specialist classes / workshops	5.50	2.0%	0.11	5.61	N	5.61
Concessionary fee for Community Learning classes per hour – RATE A	1.15	2.0%	0.02	1.17	N	1.17
Concessionary fee for Community Learning classes per hour – RATE B	2.80	2.0%	0.06	2.86	N	2.86
Basic Skills - English and Maths, Family Learning						
Full cost recovery (income generating) hourly rate ( + additional resource costs)	7.45	2.0%	0.15	7.60	N	7.60
Accreditation Fees - All payable at enrolment						
Full fee	Actual awarding body charge			Actual awarding body charge		Actual awarding body charge
Concessionary fees						
Crèche Provision						
Full fee paying learner per child, per session (crèches on main sites)	3.55	2.0%	0.07	3.62	N	3.62



DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
Concessionary fee per child per session	0.00	0%	0.00	0.00	N	0.00
Community Group Member Use						
Full Fee Annual charge (40 weeks)	61.80	2.0%	1.24	63.04	N	63.04
Concessionary fee - over 60's and includes 18yrs and under (Annual charge – 40 weeks)	0.00 30.90					
Full Fee (Annual charge reduction for 20 weeks)	30.90	2.0%	0.62	31.52	N	31.52
Concessionary Fee (Annual charge reduction for 20 weeks)	15.45	2.0%	0.31	15.76	N	15.76
Short term rate – weekly charge	1.55	0%	0.00	1.55	N	1.55
Room Hire: Individuals and external services						
Weekdays (per hour)	21.00	2.0%	0.42	21.42	N	21.42
Weekends (per hour) Saturday (Up to 5pm)	29.00	2.0%	0.58	29.58	N	29.58
Weekends (per hour) Saturday (after 5pm) + Sunday (up to 4pm)	35.00	2.0%	0.70	35.70	N	35.70
Specialist space hire i.e. kitchen , pottery, I.T Rooms (per hour)	26.00	2.0%	0.52	26.52	N	26.52
Performance Space (per hour)	47.00	2.0%	0.94	47.94	N	47.94
Room Hire: Internal Oldham Council services (per hour)	15.85	2.0%	0.32	16.17	N	16.17
<b><u>Adult Social Care Services</u></b>						
<b>Protection of property:-</b>						
Admin fee with property search	543.66	0%	0.34	544.00	N	544.00
Admin fee without property search	303.45	0%	0.00	303.00	N	303.00
Burial/cremation - charge cost of service	Cost of service			Cost of service	N	Cost of service
Administration fee (per hour)	15.30	0%	0.00	15.30	N	15.30
Storage property less than 28 days	0.00	0%	0.00	0.00	N	0.00
Storage of property over 28 days	59.67	0%	0.00	59.67	N	59.67
Deferred Payment Agreement set up fee	357.00	0%	0.00	357.00	N	357.00
New Health and Well-Being Charge in ECH	Actual cost of provision				N	
<b>Miscellaneous</b>						
Meals at day centres or luncheon clubs	4.00	0%	0.00	4.00	N	4.00
Transport	2.80	0%	0.00	2.80	N	2.80
Helpline services (per week) - Bronze	2.00	0%	0.00	2.00	N	2.00
Helpline services (per week) - Silver	5.00	0%	0.00	5.00	N	5.00
Helpline services (per week) - Gold	6.00	0%	0.00	6.00	N	6.00
Assistive Technology per item per week	1.00	0%	0.00	1.00	N	1.00
Key Safe - supply and installation**	65.00	0%	0.00	65.00	N	65.00
Installation charges - Helpline	40.00	0%	0.00	40.00	N	40.00
** If installed at the same time as the Helpline £10.00 discount						
Base unit and pendent - recharge for equipment lost or not returned or damaged beyond repair	100.00	0%	0.00	100.00	N	100.00

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
Smoke Alarm not returned or damaged beyond repair	50.00	0%	0.00	50.00	N	50.00
Replacement Pendants (lost or damaged)	50.00	0%	0.00	50.00	N	50.00
Appointeeship Charges - Residential (New)	5.00	0%	0.00	5.00	N	5.00
Appointeeship Charges - Community (New)	10.00	0%	0.00	10.00	N	10.00
<b>Cost of Services Purchased From Individual Budget or full cost payer</b>						
Residential Care - Cancellation Fee	50.00	0%	0.00	50.00	N	50.00
Additional Support Worker respite / supported living per hour	18.45	0%	0.00	18.45	N	18.45
Dementia Premium	42.00	0%	0.00	42.00	N	42.00
Cancellation fee	10.00	0%	0.00	10.00	N	10.00
Non FACS eligible wellbeing service	10.00	0%	0.00	10.00	N	10.00
<b>Room Hire per Hour</b>						
<b>Link Centre</b>						
Meeting Room 1 & 2						
Weekdays 8:30 -17:00	18.82	0%	0.00	15.68	3.13	18.81
Evenings 17:00 - 21:30	25.09	0%	0.00	20.91	4.18	25.09
Saturday	31.37	0%	0.00	26.14	5.22	31.36
Sunday	37.64	0%	0.00	31.37	6.27	37.64
Function Rooms - Full						
Weekdays 8:30 -17:00	37.64	0%	0.00	31.37	6.27	37.64
Evenings 17:00 - 21:30	45.17	0%	0.00	37.64	7.52	45.16
Saturday	52.69	0%	0.00	43.91	8.78	52.69
Sunday	62.73	0%	0.00	52.28	10.45	62.73
Function Rooms - (1/2 size)						
Weekdays 8:30 -17:00	26.35	0%	0.00	21.96	4.39	26.35
Evenings 17:00 - 21:30	32.62	0%	0.00	27.18	5.43	32.61
Saturday	38.89	0%	0.00	32.41	6.48	38.89
Sunday	47.67	0%	0.00	39.73	7.94	47.67
Function Rooms - (1/4 size)						
Weekdays 8:30 -17:00	18.82	0%	0.00	15.68	3.13	18.81
Evenings 17:00 - 21:30	25.09	0%	0.00	20.91	4.18	25.09
Saturday	31.37	0%	0.00	26.14	5.22	31.36
Sunday	37.64	0%	0.00	31.37	6.27	37.64
Interview Room						
Weekdays 8:30 -17:00	6.27	0%	0.00	5.23	1.04	6.27
Evenings 17:00 - 21:30	10.04	0%	0.00	8.36	1.67	10.03
Saturday	15.06	0%	0.00	12.55	2.51	15.06
Sunday	21.33	0%	0.00	17.77	3.55	21.32
Treatment Room						
Weekdays 8:30 -17:00	10.04	0%	0.00	8.36	1.67	10.03
Evenings 17:00 - 21:30	15.06	0%	0.00	12.55	2.51	15.06



DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
Saturday	22.58	0%	0.00	18.82	3.76	22.58
Sunday	32.62	0%	0.00	27.18	5.43	32.61
Physiotherapy						
Weekdays 8:30 -17:00	12.55	0%	0.00	10.46	2.09	12.55
Evenings 17:00 - 21:30	18.82	0%	0.00	15.68	3.13	18.81
Saturday	25.09	0%	0.00	20.91	4.18	25.09
Sunday	35.13	0%	0.00	29.27	5.85	35.12
Relaxation Room						
Weekdays 8:30 -17:00	12.55	0%	0.00	10.46	2.09	12.55
Evenings 17:00 - 21:30	18.82	0%	0.00	15.68	3.13	18.81
Saturday	25.09	0%	0.00	20.91	4.18	25.09
Sunday	35.13	0%	0.00	29.27	5.85	35.12
Use of Café Area						
Weekdays 8:30 -17:00						
Evenings 17:00 - 21:30	25.09	0%	0.00	20.91	4.18	25.09
Saturday	31.37	0%	0.00	26.14	5.22	31.36
Sunday	37.64	0%	0.00	31.37	6.27	37.64
Use of Amenities						
Weekdays 8:30 -17:00						
Evenings 17:00 - 21:30	25.09	0%	0.00	20.91	4.18	25.09
Saturday	31.37	0%	0.00	26.14	5.22	31.36
Sunday	37.64	0%	0.00	31.37	6.27	37.64
<b>Additional Equipment / Service Hire (per hour)</b>						
Projector( includes wide screen)	10.04	0%	0.00	8.36	1.67	10.03
TV / DVD	12.55	0%	0.00	10.46	2.09	12.55
Laptop	12.55	0%	0.00	10.46	2.09	12.55
Flip Chart Stands	2.51	0%	0.00	2.09	0.41	2.50
Photocopying (per sheet)	0.13	0%	0.00	0.10	0.02	0.12
Large Water Boiler	6.27	0%	0.00	5.23	1.04	6.27

DESCRIPTION OF FEE	2014/15 TOTAL Inc VAT (£)	2015/16 Increase (%)	2015/16 Increase (£)	2015/16 Suggested (Net VAT) (£)	VAT (if applicable)	TOTAL (inc VAT) (£)
<p><b><u>Exclusions</u></b>  <b><u>Building and Development Control</u></b>  A review of the fees is carried out annually based on previous years performance. The trading element of the service can not make a profit over a 3 year period.</p> <p><b><u>Markets</u></b>  Market Shop rentals along Albion St and Henshaw St. These will be reviewed in line with the agreed rent review dates</p> <p><b><u>Hoardings rental</u></b>  The increase has to be in line with each individual agreement</p> <p><b><u>Leased out buildings</u></b>  To be reviewed in line with lease agreement</p> <p><b><u>Care Charges</u></b>  These form part of the Adults Social care charging policy.</p> <p><b><u>Trading Standards</u></b>  The service is in the process of a full review of fees &amp; charges and will be detailed in a separate report</p> <p><b><u>Licensing</u></b>  The service is in the process of a full review of fees &amp; charges and will be detailed in a separate report</p> <p><b><u>OCLL</u></b>  OCLL charges for Swimming Pools and recreation facilities have been excluded from this report as they set their own fee levels.</p>						

**APPENDIX G**

**CALCULATION OF COUNCIL TAX TAX BASE 2015/16 (Based on all properties)**

<b>Bands</b>	<b>A reduced</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>	<b>TOTAL</b>
Total number of Dwellings on the Valuation List		50,221	16,656	15,653	6,601	3,229	1,483	850	74	94,767
Total number of Exempt and Disabled Relief Dwellings on the Valuation List	119	-1,273	-185	-260	-69	-69	-5	-5	-25	-1,772
No. of Chargeable Dwellings	119	48,948	16,471	15,393	6,532	3,160	1,478	845	49	92,995
Less: Estimated discounts, exemptions and disabled relief	-8.25	-5,920.25	-1,406.25	-1,085	-342.5	-140	-67.50	-41.25	-2.25	-9,013.25
<b>Total equivalent number of dwellings after discounts, exemptions and disabled relief</b>	<b>110.75</b>	<b>43,027.75</b>	<b>15,064.75</b>	<b>14,308</b>	<b>6,189.5</b>	<b>3,020</b>	<b>1,410.5</b>	<b>803.75</b>	<b>46.75</b>	<b>83,981.75</b>
Factor stipulated in regulations	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
Band D equivalent	61	28,685.2	11,717	12,717.8	6,189	3,691.1	2,037.4	1,339.6	93.50	66,531.6
Net effect of Local Council Tax Support Scheme (LCTSS) scheme and other adjustments										-11,416.5
<b>TOTAL AFTER LCTSS AND OTHER ADJUSTMENTS</b>										<b>55,115.1</b>
Multiplied by estimated collection rate										96.89
<b>BAND D EQUIVALENTS</b>										<b>53,401</b>

For information: Parish Council Tax Tax Bases – Saddleworth 8,237

Shaw & Crompton 5,270

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## Proposed Council Tax Bands 2015/16

Band	Oldham Council	PCCGM Precept	GMFRA Precept	Saddleworth Parish Precept	Shaw and Crompton Parish Precept
	£	£	£	£	£
A	928.63	101.53	38.43	12.90	10.07
B	1,083.40	118.45	44.83	15.05	11.75
C	1,238.18	135.38	51.24	17.20	13.43
D	1,392.95	152.30	57.64	19.35	15.11
E	1,702.50	186.14	70.45	23.65	18.47
F	2,012.05	219.99	83.26	27.95	21.83
G	2,321.58	253.83	96.07	32.25	25.18
H	2,785.91	304.60	115.28	38.70	30.22

## Oldham - Inclusive of Police and Fire Precepts

Band	2014/15	2015/16
	£	£
A	1,068.59	1,068.59
B	1,246.68	1,246.68
C	1,424.80	1,424.80
D	1,602.89	1,602.89
E	1,959.09	1,959.09
F	2,315.30	2,315.30
G	2,671.48	2,671.48
H	3,205.79	3,205.79

## Saddleworth Parish Total Council Tax

Band	2014/15	2015/16
	£	£
A	1,081.49	1,081.49
B	1,261.73	1,261.73
C	1,442.00	1,442.00
D	1,622.24	1,622.24
E	1,982.74	1,982.74
F	2,343.25	2,343.25
G	2,703.73	2,703.73
H	3,244.49	3,244.49

**Shaw and Crompton Parish Total Council Tax**

<b>Band</b>	<b>2014/15</b>	<b>2015/16</b>
	<b>£</b>	<b>£</b>
A	1,078.47	1,078.66
B	1,258.21	1,258.43
C	1,437.97	1,438.23
D	1,617.71	1,618.00
E	1,977.20	1,977.56
F	2,336.71	2,337.13
G	2,696.18	2,696.66
H	3,235.43	3,236.01

January 2015

## **PAY POLICY STATEMENT**

### **INTRODUCTION AND PURPOSE**

1. Under section 112 of the Local Government Act 1972, the Council has the 'power to appoint officers on such reasonable terms and conditions as the authority thinks fit'. This Pay Policy Statement (the 'statement') sets out the Council's approach to pay policy in accordance with the requirements of Section 38 to 43 of the Localism Act 2011.
2. The purpose of the statement is to provide transparency with regard to the Council's approach to setting the pay of its employees (excluding teaching and other school staff working for the local authority under the purview of the School Governing Body) by identifying;
  - the methods by which salaries of employees are determined;
  - the detail and level of remuneration of its most senior staff i.e. 'chief officers', as defined by the relevant legislation;
  - the Committee(s) responsible for ensuring the provisions set out in this statement are applied consistently throughout the Council and recommending any amendments to the full Council.

### **PUBLICATION**

3. Our statement will be reviewed and prepared for each financial year and will be approved by the full Council usually by the end of March each year or at the earliest Council in the financial year for which it applies. It will be published on our website as soon as it is reasonably practicable following any amendment and approval.
4. Alongside this Statement will be full details of all senior employees in the Council (excluding teachers and school based staff) that have a salary over the threshold outlined in the Localism Act 2011 and any associated Codes of Practice, including the Local Government Transparency Code 2014. The Pay Policy Statement will be linked to Council's Annual Statement of Accounts where we are required to publish the full time equivalent salaries of at least £50,000 per annum.

### **OTHER LEGISLATION RELEVANT TO PAY AND REMUNERATION**

5. In determining the pay and remuneration of all of its employees, the Council will comply with all relevant employment legislation. This includes legislation such as the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations. The Council ensures there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of job evaluation mechanisms, which directly establish the relative levels of posts according to the requirements, demands and responsibilities of the role.

### **PAY STRUCTURE**

6. The Council uses the nationally negotiated pay spine(s), with a defined list of salary points (see appendices for Oldham Council's Grading structure) as the basis for its local

pay structure, which determines the salaries of the majority of its non-schools workforce, together with the use of locally determined grades where these do not apply.

7. The Council adopts the national pay bargaining arrangements in respect of the establishment and revision of the national pay spine(s).
8. All other pay related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery.
9. Salaries for employees under the National Joint Council (NJC) terms and conditions (Green Book), who are the majority of staff at Oldham Council, are determined by the points score through the appropriate job evaluation scheme. For employees within grades 1 to 10, this has been through the NJC Job Evaluation Scheme. Employees on senior management grades have been evaluated with the HAY Scheme, widely used nationally for evaluating senior jobs. Single Status, to harmonise former officers and former manual workers, was implemented on January 1<sup>st</sup> 2011.
10. In determining its grading structure and setting remuneration levels for any posts which fall outside its scope, the Council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees who are able to meet the requirements of providing high quality services to the community, delivered effectively and efficiently and at times when those services are required.
11. New appointments will normally be made at the minimum of the grade for the relevant pay scale, although this can be varied where the successful candidate is currently on a spinal column point/salary that is higher than minimum of the grade/salary of the job being recruited to. Where this occurs it is within the discretion of the Executive Director, as per the Council's scheme of delegation, to make the appointment above the minimum of the pay scale.
12. From time to time it may be necessary to take account of the external pay levels in the labour market in order to attract and retain employees with particular experience, skills and capability. Where necessary, the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using data sources available from within the local government sector and outside, as appropriate.
13. Any temporary supplement to the salary scale for the grade is approved by the Director of People, in conjunction with the Selection Committee for Chief Officers' pay.

## **SENIOR MANAGEMENT REMUNERATION**

14. For the purposes of this statement, senior management means 'chief officers' as defined within the Localism Act. This includes the Chief Executive and all senior management posts on Joint National Council (JNC) Chief Officer Terms and Conditions of Employment. The posts falling within these definitions are set out in Annex 1 (**Table 2**) of the Appendices, with details of their basic salary.
15. **Annex 1 (Chart 1)** shows the organisational chart of the job roles set out in Annex 1 (Tables 1 and 2), which are linked through the use of common job titles and a number referencing system. Annex 1 (Table 2) shows the grade, type of contract, salary, allowances, responsibilities, budget held and number of staff directed by the senior managers that are covered within the scope of this exercise.



16. It is the policy of the Council to establish a salary for each Chief Officer post that is sufficient to attract and retain an employee with the appropriate knowledge, experience, skills and abilities that are needed, at that time, by the Council.
17. The arrangements and factors considered in determining an individual's progression through the relevant grade pay scale are set out at the time of appointment, with the individual 'Chief Officer'. If a cost of living increase is awarded to JNC Chief Officers through national collective bargaining then it is fully applied at that time.
18. Where the Council is unable to recruit chief officers, or there is a need for interim support to provide cover for a substantive chief officer post, the Council may, where necessary, consider engaging individuals under a 'contract for service' rather than making a temporary appointment. These individuals will be sourced through a relevant procurement process ensuring the Council is able to demonstrate the maximum value for money in securing the relevant service. In assessing such it should be noted that in respect of such engagements the Council is not required to make either pension or national insurance contributions for such individuals. The contractual arrangements for each of our Chief Officers are highlighted within Annex 1 (Table 1).

## **RECRUITMENT OF CHIEF OFFICERS**

19. The Council's procedure with regard to recruitment of Chief Officers is outlined within Part 3, Section 6, Sub-Paragraph H of the Council's Constitution and undertaken by a Selection Committee.

**Please note: [The link to the Councils Constitution is included here.](#)**

20. When recruiting to all posts the Council will take full and proper account of all provisions of relevant employment law and its own Equal Opportunities, Recruitment and Redeployment Policies as approved by the Council.
21. When recruiting to a Chief Officer vacancy the Council may engage a recruitment agency to provide external objectivity to the process. In that event, the agency may be used to: determine the market rate for the role, in the market quartile we wish to compete in at that time; generate interest in the role from potential applicants from inside and outside the sector; conduct the long listing exercise; co-ordinate any personality testing, group and technical exercises; conduct the short listing exercise with members of the Selection Committee and facilitate the interview sessions, providing a technical advisor to the interview panel when necessary.
22. The selection of a Chief Officer is made by a panel of Elected Members, the Selection Committee, who have delegated authority to appoint through the Council's Scheme of Delegation. The only exception to this is the appointment of the Chief Executive (Head of Paid Service) whose appointment has to be recommended to and approved by full Council. The Selection Committee are supported by the line manager of the post being recruited to and/or advised where necessary by a technical adviser on the service area as well as by People Services.
23. Full Council will consider the case for any salary in excess of £100,000, prior to any appointment to the 'Chief Officer' posts that it relates. The salary package will be defined as basic salary, any performance related pay, fees, routinely payable allowances and benefits in kind, that are due under the contract.

## **ADDITIONS TO SALARY OF CHIEF OFFICERS**

24. With the exception of progression through the incremental scale of the relevant grade being subject to satisfactory performance, which is assessed on an annual basis, the level of remuneration is currently not variable dependent upon the achievement of defined targets. Progress through grades for all employees including Chief Officers, has been temporarily suspended due to a variation to terms and conditions outlined later in this policy.
25. To meet specific operational requirements it may be necessary for an individual Chief Officer to temporarily take on additional duties to their identified role. The Council authorises such additional payments relevant to those duties through the Selection Committee.
26. Some Chief Officer posts receive additional payments. These additional payments are supplementary to basic salary and may represent a contractual obligation. The amounts are shown in Annex 1 (**Table 2**) and the reasons for the additional payments, are stated in Annex 1 (**Table 1**). The Chief Executive's salary does include payment for local election duties and no additional payment is made for those duties. Separate payments are received for any returning officer duties arising from parliamentary and European elections and referendums. It should be noted that payments for such elections are not funded by the Council and are not included in the tables.

## **PENSION CONTRIBUTIONS**

27. Where employees have exercised their statutory right to become members of the Local Government Pension Scheme, the Council is required to make a contribution to the scheme representing a percentage of the pensionable remuneration due under the contract of employment of that employee. The rate of contribution is set by Actuaries advising the Greater Manchester Pension Fund and reviewed on a triennial basis in order to ensure the scheme is appropriately funded. The current rate, set at April 2015 is 18.20%. The employee contribution rates, which are defined by statute, are currently 5.5% to 12.5% depending on the level of annual salary.
28. Oldham Council has a flexible retirement scheme which is run in accordance with the Local Government Pension Scheme and Regulation 18 of the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (SI 2007/1166) as amended by the Local Government Pension Scheme (Miscellaneous) Regulations 2012 (SI 2012/1989).

## **PAYMENTS ON TERMINATION**

29. The Council's approach to statutory and discretionary payments on termination of employment of Chief Officers, prior to reaching normal retirement age, mirrors the policy applied to all staff in the Council (excluding teachers, where there are different pension arrangements) and is covered within the redundancy policy, in accordance with regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 and Regulation 12 of the Local Government Pension Scheme (Benefits, Membership and Contribution) Regulations 2007. A link to Oldham Council's Redundancy policy can be found in the appendices.
30. Any payments falling outside these provisions or the relevant periods of notice within the contract of employment shall be subject to a rigorous risk assessment, as they would be for any member of staff within the Council and a formal decision will be made by the Director of People and the Director of Legal Services of the Council.

## **LOWEST PAID EMPLOYEES**

31. From April 1<sup>st</sup> 2015, Oldham Council has adopted the National Living Wage for its lowest paid central directorate staff. This was announced by the Living Wage Foundation in November 2014 as £7.85 per hour. This is an increase from the Council's previous Oldham Living Wage of £7.24 set in April 2013. This was a further increase from the inaugural Oldham Living Wage of £7.11 per hour when initially established in April 2012.
32. Full time hours at Oldham Council are 36 hours and 40 minutes per week.
33. The relationship between the rate of pay for the lowest paid and the Chief Executive is determined by the processes used for determining pay and grading structures, as set out earlier in this policy statement. This relationship is expressed as a ratio in Annex 1 (**Table 3**), which also shows the multiple between the median full time equivalent earnings and the earnings of the Chief Executive. Oldham Council has a commitment that the ratio between its highest earner, the Chief Executive and those who are the lowest paid, on the National Living Wage, will not exceed 1:11.
34. As part of its overall and ongoing monitoring of alignment with external pay markets, both within and outside the sector, the Council will use available benchmark information as appropriate.

## **TEMPORARY VARIATION TO TERMS AND CONDITIONS OF SERVICE**

35. As part of the Council-wide budget saving programme, Cabinet have agreed to a number of measures including some elements which temporarily vary the terms and conditions of service for employees at all levels of the Council. The measures include a deduction to salary of 1.15%, which is equivalent to three days unpaid leave. The figures quoted above regarding the hourly rate of our lowest paid employees is inclusive of this deduction.
36. There is also a temporary freeze on incremental progression through grades, so employees will remain on their current spinal column point as of 30 March 2014 through the variation period. All of these temporary variations will end on 31 March 2017, and employee terms and conditions of service will revert back to their substantive form.

## **ACCOUNTABILITY AND DECISION MAKING**

37. In accordance with the constitution of the Council, the Selection Committee is responsible for decision making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to Chief Officers. Accountability and decision making for all other employees of the Council is the responsibility of Executive Directors through the Scheme of Delegation.

## **RE-EMPLOYMENT / RE-ENGAGEMENT OF FORMER EMPLOYEES**

38. Oldham Council has an obligation to ensure that it is managing public monies responsibly against any requirements to achieve savings and reductions in posts through voluntary or compulsory redundancy, efficiency release or employer consent retirement which results in a cost to the Council.
39. The Council will not re-engage ex-employees who have left their prime employment with the Council on the grounds of voluntary or compulsory redundancy, efficiency release or employer consent retirement (where there is a cost to the Council) for a period of 12 months with effect from the date of leaving. This policy does not cover those employees who access their pension via the Council's Flexible Retirement Scheme.

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Appendix I – Annex 1

Table one: Posts with Salaries over £50,000 with role responsibilities.



**Oldham**  
Council

1<sup>st</sup> January 2015

# Executive Management Team

DIRECTORATE	Chief Executive's
JOB TITLE	Chief Executive <span style="border: 1px solid black; padding: 2px;">1</span>
SALARY 01.01.2015	£160,000
OTHER PAYMENTS	Nil
GRADE	Spot Point
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• Head of Paid Service and Returning Officer for the Elections.</li> <li>• Providing the strategic leadership in support of the development, co-ordination and implementation of corporate strategies and policy that will ensure achievement of the corporate ambitions of the Council.</li> <li>• Accountable for the overall performance of the council and the Council's net revenue budget.</li> </ul>
NUMBER OF EMPLOYEES	2851
NET BUDGET POSTHOLDER RESPONSIBLE FOR	£225,195,000

DIRECTORATE	Economy and Skills
JOB TITLE	Executive Director – Economy and Skills <span style="border: 1px solid black; padding: 2px;">2</span>
SALARY 01.01.2015	£138,000
OTHER PAYMENTS	Nil
GRADE	Executive Director
CONTRACT TYPE	Permanent
RESPONSIBILITES	<p>Executive direction for the following services:</p> <ul style="list-style-type: none"> <li>• Economic Development</li> <li>• Enterprise &amp; Skills</li> <li>• Education and Early Years</li> </ul>
NUMBER OF EMPLOYEES	243
NET BUDGET POSTHOLDER RESPONSIBLE FOR	£289,898,000

DIRECTORATE	Health & Wellbeing
JOB TITLE	Executive Director of Health and Wellbeing
SALARY 01.01.2015	£120,000
OTHER PAYMENTS	Nil
GRADE	Executive Director
CONTRACT TYPE	Permanent
RESPONSIBILITIES	<ul style="list-style-type: none"> <li>• Provision of effective and efficient services for adults and children.</li> <li>• To lead for the Council on strategic and operational integration across health and social care and improved commissioning of outcomes for the borough.</li> <li>• To support the Health and Wellbeing Commissioning Cluster of the Oldham Partnership.</li> <li>• To continue to develop and deliver integrated approaches.</li> <li>• To work with local communities in promoting and supporting ways of improving their own health and wellbeing.</li> <li>• Acting as the statutory Director of Adult Services (DAS)</li> </ul>
NUMBER OF EMPLOYEES	616
NET BUDGET POSTHOLDER RESPONSIBLE FOR	£83,418,000

DIRECTORATE	Corporate and Commercial Services
JOB TITLE	Executive Director – Corporate & Commercial Services and Managing Director of Unity
SALARY 01.01.2015	£132,000
OTHER PAYMENTS	Nil
GRADE	Executive Director
CONTRACT TYPE	Permanent
RESPONSIBILITIES	<p>Executive Director for the following posts &amp; services:</p> <ul style="list-style-type: none"> <li>• Finance</li> <li>• Legal Services</li> <li>• Commercial and Transformational Services</li> <li>• People Service</li> </ul>
NUMBER OF EMPLOYEES	1079
NET BUDGET POSTHOLDER	£59,589,000



RESPONSIBLE FOR	
DIRECTORATE	Co-operatives and Neighbourhoods
JOB TITLE	Executive Director – Co-operatives and Neighbourhoods
SALARY 01.01.2015	Vacant
OTHER PAYMENTS	Nil
GRADE	Executive Director
CONTRACT TYPE	Permanent
RESPONSIBILITIES	<p>Executive role specific accountabilities:-</p> <ul style="list-style-type: none"> <li>• Building confidence and resilience of communities across the borough through cooperatives working with communities to develop, design and deliver services.</li> <li>• Neighbourhood working and delivering place management approaches that incorporate learning from and principles of public service reform.</li> <li>• To support the Cooperatives and Neighbourhoods Cluster of the Oldham Partnership.</li> <li>• Development and Implementation of the Early Help Framework, which includes working with partners to build effective early help and early intervention approaches that support re-shaping of demand.</li> <li>• Delivery of effective and efficient core services.</li> </ul>
NUMBER OF EMPLOYEES	819
NET BUDGET POSTHOLDER RESPONSIBLE FOR	£102,856,000

## Senior Management Team

DIRECTORATE	Policy & Governance
JOB TITLE	Director of Policy and Governance <span style="float: right; border: 1px solid black; padding: 2px;">6</span>
SALARY 01.01.2015	£80,001 - £85,000
OTHER PAYMENTS	Nil
GRADE	AD1
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• Policy</li> <li>• Marketing and Communications</li> <li>• Partnership Support (Borough and GM)</li> <li>• iON (Client)</li> <li>• Place Marketing</li> <li>• Business Intelligence</li> <li>• Strategic Customer Service</li> <li>• Executive Support</li> </ul>
NUMBER OF EMPLOYEES	89
NET BUDGET POSTHOLDER RESPONSIBLE FOR	£5,129,000

DIRECTORATE	Chief Executive's
JOB TITLE	GM Director of Environment <span style="float: right; border: 1px solid black; padding: 2px;">7</span>
SALARY 01.01.2015	£75,001 - £80,000
OTHER PAYMENTS	Nil
GRADE	GM Director
CONTRACT TYPE	Fixed Term to 31/03/2015
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• A member of the Greater Manchester Senior Management Team who make a significant contribution</li> </ul>

	to the delivery of AGMA/GMCA priorities in terms of impact and management responsibility through lead responsibility for the AGMA Environment Commission, with detailed knowledge and management of the environment and low carbon agenda.
NUMBER OF EMPLOYEES	Directly line manage 4 (+ 1 secondee), indirectly line manage an additional 4
NET BUDGET POSTHOLDER RESPONSIBLE FOR	£25,320 (net including external funding)

DIRECTORATE	Co-operatives and Neighbourhoods
JOB TITLE	Director of Environmental Services <span style="float: right; border: 1px solid black; padding: 2px;">8</span>
SALARY 01.01.2015	£80,001- £85,000
OTHER PAYMENTS	Nil
GRADE	AD1
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• Waste, Fleet and Highways Ops</li> <li>• Street scene and Parks</li> <li>• Strategic Transportation, Highways (Unity Client) Parking and Street Lighting (Client)</li> <li>• Public Protection including Pest Control and First Response.</li> </ul>
NUMBER OF EMPLOYEES	475
NET BUDGET POSTHOLDER RESPONSIBLE FOR	£92,063,000

DIRECTORATE	Co-operatives and Neighbourhoods
JOB TITLE	Director of Community Services <span style="float: right; border: 1px solid black; padding: 2px;">9</span>
SALARY 01.01.2015	£80,001- £85,000
OTHER PAYMENTS	Nil
GRADE	AD1
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• Community Safety</li> <li>• Community Cohesion</li> <li>• Heritage, Libraries and Arts</li> <li>• District Partnerships</li> <li>• Early Help</li> </ul>

	<ul style="list-style-type: none"> <li>• Targeted Youth</li> <li>• Homelessness</li> <li>• Family Services (CAF)</li> <li>• Community Welfare Support and Advice</li> <li>• MASH</li> </ul>
NUMBER OF EMPLOYEES	344
NET BUDGET POSTHOLDER RESPONSIBLE FOR	£10,625,000

DIRECTORATE	Economy and Skills
JOB TITLE	Director of Economic Development <span style="float: right; border: 1px solid black; padding: 2px;">10</span>
SALARY 01.01.2015	£80,001- £85,000
OTHER PAYMENTS	£16,020 Protection
GRADE	AD1
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• Physical Regeneration Development</li> <li>• Strategic Housing and Development</li> <li>• Asset Management (Client)</li> <li>• Corporate Landlord (including Facilities Management)</li> </ul>
NUMBER OF EMPLOYEES	47
NET BUDGET POSTHOLDER RESPONSIBLE FOR	£272,771,000

DIRECTORATE	Economy and Skills
JOB TITLE	Director of Enterprise and Skills <span style="float: right; border: 1px solid black; padding: 2px;">11</span>
SALARY 01.01.2015	Vacant
OTHER PAYMENTS	Nil
GRADE	AD1
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• Skills and Employment /GOW</li> <li>• Enterprise Development and inward Investment including Tourism</li> <li>• Economy Strategy</li> <li>• Business Engagement</li> <li>• Community/Adult Learning</li> </ul>

	<ul style="list-style-type: none"> <li>• Town Centre</li> </ul>
NUMBER OF EMPLOYEES	110
NET BUDGET POSTHOLDER RESPONSIBLE FOR	£3,703,000

DIRECTORATE	Economy and Skills
JOB TITLE	Director of Education and Early Years
SALARY 01.01.2015	Vacant
OTHER PAYMENTS	Nil
GRADE	AD1
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• School Improvement</li> <li>• School Places and Planning</li> <li>• Early Years</li> <li>• Education Strategy including Attainment</li> </ul>
NUMBER OF EMPLOYEES	87
NET BUDGET POSTHOLDER RESPONSIBLE FOR	£16,658,000

DIRECTORATE	Health and Wellbeing
JOB TITLE	Director of Adults Social Care
SALARY 01.01.2015	£80,001- £85,000
OTHER PAYMENTS	£16,020 Protection
GRADE	AD1
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• All age disability</li> <li>• Client for OCS</li> <li>• Preventative Services</li> <li>• Care Management</li> </ul>

NUMBER OF EMPLOYEES	363
NET BUDGET POSTHOLDER RESPONSIBLE FOR	£55,934,000

DIRECTORATE	Health and Wellbeing
JOB TITLE	Director of Safeguarding
SALARY 01.01.2015	£75,001 - £80,000
OTHER PAYMENTS	£2,600 Stand by
GRADE	AD1
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>To provide strategic leadership to all the teams, including All Age Safeguarding, Looked After Children and Fostering &amp; Adoption, delivering services to vulnerable children and young people in the Borough.</li> <li>To ensure that Council services develop effective strategies for safeguarding vulnerable children, promoting family support, including assessment of need and risk for the most vulnerable looked after children.</li> </ul>
NUMBER OF EMPLOYEES	238
NET BUDGET POSTHOLDER RESPONSIBLE FOR	£21,147,000

DIRECTORATE	Health and Wellbeing
JOB TITLE	Director of Public Health
SALARY 01.01.2015	£80,001- £85,000
OTHER PAYMENTS	Nil
GRADE	NHS
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>To ensure that the full range of public health functions are provided for the population of Oldham the role will</li> </ul>

	be action orientated focussing on delivery of health improvement through leadership, advocacy and working with local communities to implement public health programmes.
NUMBER OF EMPLOYEES	15
NET BUDGET POSTHOLDER RESPONSIBLE FOR	£5,739,000

DIRECTORATE	Corporate and Commercial Services	
JOB TITLE	Director of Legal Services	16
SALARY 01.01.2015	£90,001 - £95,000	
OTHER PAYMENTS	Nil	
GRADE	CE3	
CONTRACT TYPE	Permanent	
RESPONSIBILITES	Strategic direction to Legal Services including: <ul style="list-style-type: none"> <li>• The provision of legal advice and representation for the Council including Monitoring Officer duties</li> <li>• Constitutional Services, democratic services to support the committees of the Council</li> <li>• Civic Services</li> <li>• Registrars</li> <li>• Elections</li> </ul>	
NUMBER OF EMPLOYEES	47	
NET BUDGET POSTHOLDER RESPONSIBLE FOR	£3,610,000	

DIRECTORATE	Corporate and Commercial Services	
JOB TITLE	Director of Commercial and Transformation Services	17
SALARY 01.01.2015	Vacant	
OTHER PAYMENTS	Nil	
GRADE	AD1	
CONTRACT TYPE	Permanent	
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• Programme Management Office</li> <li>• Commissioning &amp; Procurement</li> <li>• ICT</li> </ul>	

	<ul style="list-style-type: none"> <li>• Strategic Relationship Management</li> <li>• Corporate Transformations lead and major Transformation Projects</li> </ul>
NUMBER OF EMPLOYEES	683
NET BUDGET POSTHOLDER RESPONSIBLE FOR	£14,815,000

DIRECTORATE	Corporate and Commercial Services	
JOB TITLE	Director of People Services	18
SALARY 01.01.2015	£80,001- £85,000	
OTHER PAYMENTS	Nil	
GRADE	AD1	
CONTRACT TYPE	Permanent	
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• Provides strategic guidance to the organisation on all people-related matters, as set down in the People Strategy</li> <li>• Development Academy</li> <li>• People Management, including Unity Client for HR</li> <li>• Organisational Development</li> </ul>	
NUMBER OF EMPLOYEES	36	
NET BUDGET POSTHOLDER RESPONSIBLE FOR	£2,917,000	

DIRECTORATE	Corporate and Commercial Services	
JOB TITLE	Director of Finance	19
SALARY 01.01.2015	Vacant	
OTHER PAYMENTS	Nil	
GRADE	Spot point	
CONTRACT TYPE	Permanent	
RESPONSIBILITES	<p>Strategic direction to the Council's finance service including:</p> <ul style="list-style-type: none"> <li>• Borough Treasurer &amp; Section 151 Officer responsibilities; leading the financial planning processes and providing financial management information and advice to Elected Members</li> <li>• Ensuring optimum use of available resources and management of revenue and capital budgets</li> <li>• Internal Audit and safe custody of assets/risk</li> </ul>	



	management and insurance <ul style="list-style-type: none"> <li>• Customer Services and Business Support</li> </ul>
NUMBER OF EMPLOYEES	313
NET BUDGET POSTHOLDER RESPONSIBLE FOR	£39,046,000

# Senior Managers

DIRECTORATE	Policy & Governance
JOB TITLE	Head of Co-operatives Partnerships and Policy <span style="float: right; border: 1px solid black; padding: 2px;">20</span>
SALARY 01.01.2015	£50,001 - £55,000
OTHER PAYMENTS	Nil
GRADE	SM2
CONTRACT TYPE	Permanent
RESPONSIBILITES	<p>To be accountable for the Cooperatives, Partnerships and Policy service :</p> <ul style="list-style-type: none"> <li>• overseeing the shaping, developing and implementing of wide-ranging strategies, policies, programmes, governance frameworks and initiatives</li> <li>• to lead the interpretation and translation of political direction and the development of the Corporate Plan</li> <li>• to enhance the reputation of the borough of Oldham taking an active lead in the promotion of the Council, locally, regionally and nationally</li> </ul>

DIRECTORATE	Policy & Governance
JOB TITLE	Head of Business Intelligence <span style="float: right; border: 1px solid black; padding: 2px;">21</span>
SALARY 01.01.2015	£55,001 - £60,000
OTHER PAYMENTS	Nil
GRADE	SM1
CONTRACT TYPE	Permanent
RESPONSIBILITES	<p>To lead a business critical service that provides :</p> <ul style="list-style-type: none"> <li>• Integrated business information which evidences impact and underpins decision-making and commissioning</li> <li>• a robust understanding of our population and evolving patterns of need and community capacity</li> <li>• support to the organisation in designing and delivering major change projects, service redesign and external inspections or assessment</li> <li>• constructive challenge to the organisation to drive service improvement and improve outcomes</li> <li>• a robust performance framework that enables effective and resilient business planning</li> </ul>

DIRECTORATE	Co-operatives and Neighbourhoods
JOB TITLE	Head of Highways Operations, Waste & Fleet Management <span style="float: right; border: 1px solid black; padding: 2px;">22</span>
SALARY 01.01.2015	£60,001 - £65,000
OTHER PAYMENTS	Nil
GRADE	SM1
CONTRACT TYPE	Permanent
RESPONSIBILITIES	<ul style="list-style-type: none"> <li>• Responsible for the effective leadership, management and development of waste management services including trade waste and recycling, highways and fleet management.</li> <li>• Advise the Council of policy and strategies relating to the service and any local quality and service issues, drive out efficiencies whilst supporting Neighbourhood Working and all relevant government agendas.</li> <li>• Ensure Oldham's waste management service operates in the wider context of the Greater Manchester Waste Disposal Authority's commitment to ensure that the waste is optimally delivered to maximise the use of the plant built through the PFI and so support a reduction in the cost of the contract.</li> </ul>

DIRECTORATE	Co-operatives and Neighbourhoods
JOB TITLE	Head of Street Scene and Parks <span style="float: right; border: 1px solid black; padding: 2px;">23</span>
SALARY 01.01.2015	£55,001 - £60,000
OTHER PAYMENTS	Nil
GRADE	SM1
CONTRACT TYPE	Permanent
RESPONSIBILITIES	<ul style="list-style-type: none"> <li>• To be responsible for the effective leadership, management and development of the environmental services including parks and street cleaning.</li> <li>• To advise council of policy and strategies relating to the service and any local quality and service issues, drive out efficiencies whilst supporting Neighbourhood Working and all relevant government agendas.</li> </ul>

DIRECTORATE	Co-operatives and Neighbourhoods
JOB TITLE	Head of Public Protection <span style="float: right;">24</span>
SALARY 01.01.2015	£60,001 - £65,000
OTHER PAYMENTS	Nil
GRADE	SM1
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• Responsible for the efficient and effective provision of a number of related services that provide public protection for the Borough which includes Environmental Health, Trading Standards and Licensing and the Health and Safety service.</li> <li>• To advise the Council of statutory functions, policies and strategies relating to the service and any local quality, service delivery issues.</li> </ul>

DIRECTORATE	Co-operatives and Neighbourhoods
JOB TITLE	Head of Libraries, Heritage & Arts <span style="float: right;">25</span>
SALARY 01.01.2015	£60,001 - £65,000
OTHER PAYMENTS	Nil
GRADE	SM1
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• Responsible for the provision of Strategic leadership and management of the libraries, arts and heritage services, providing a wide range of accessible leisure, learning and information opportunities relevant to all ages and sections of the community.</li> <li>• Developing a vision for heritage and arts to respond both to new initiatives and challenges of external funding and to build upon partnership arrangements to ensure continuous service improvement.</li> </ul>

DIRECTORATE	Co-operatives and Neighbourhoods
JOB TITLE	Library and Information Manager <span style="float: right; border: 1px solid black; padding: 2px;">26</span>
SALARY 01.01.2015	£50,001 - £55,000
OTHER PAYMENTS	Nil
GRADE	SM2
CONTRACT TYPE	Permanent
RESPONSIBILITIES	<ul style="list-style-type: none"> <li>• To lead the strategic development and management of the Library and Information service in Oldham.</li> <li>• Developing a vision for the library service to respond both to new initiatives and challenges of external funding and to effectively work with partners to ensure continuous service improvement.</li> </ul>

DIRECTORATE	Co-operatives and Neighbourhoods
JOB TITLE	Head of Stronger Communities Services <span style="float: right; border: 1px solid black; padding: 2px;">27</span>
SALARY 01.01.2015	£60,001 - £65,000
OTHER PAYMENTS	Nil
GRADE	SM1
CONTRACT TYPE	Permanent
RESPONSIBILITIES	<ul style="list-style-type: none"> <li>• Leads work across Oldham Council and the Oldham Partnership to manage community tensions and build good community relations.</li> <li>• Contributes to work to build a strong voluntary, community and faith sector and tackle inequality within the community.</li> </ul>

DIRECTORATE	Co-operatives and Neighbourhoods
JOB TITLE	Head of Youth & Leisure <span style="float: right; border: 1px solid black; padding: 2px;">28</span>
SALARY 01.01.2015	£60,001 - £65,000
OTHER PAYMENTS	Nil
GRADE	SM1
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• Responsible for the delivery and development of Youth Services, Sports and Extended Services.</li> <li>• To contribute to the implementation of the broader vision for Children, Young People and Families within the Every Child Matters agenda.</li> </ul>

DIRECTORATE	Co-operatives and Neighbourhoods
JOB TITLE	Head of Music Service <span style="float: right; border: 1px solid black; padding: 2px;">29</span>
SALARY 01.01.2015	£50,001 - £55,000
OTHER PAYMENTS	Nil
GRADE	Soulbury
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• To provide professional leadership for the Music Service which secures its success and improvement ensuring high quality education for all its pupils and good standards of learning and achievement, both in schools and in the Music Centre.</li> <li>• To assume all of those duties that are incumbent upon a head teacher in a school that relate to teaching and learning, safeguarding and the leading and management of staff.</li> <li>• To Manage the Music Service as a stand-alone business unit and all tasks relating to its operations.</li> </ul>

DIRECTORATE	Co-operatives and Neighbourhoods
JOB TITLE	Service Manager: Outdoor Education <span style="float: right; border: 1px solid black; padding: 2px;">30</span>
SALARY 01.01.2015	£50,001 - £55,000
OTHER PAYMENTS	Nil
GRADE	Youth
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• To Manage the OEES staff team and be responsible for the safe and effective running of the Council's outdoor education centre (the Castleshaw Centre).</li> <li>• To act as Outdoor Education Adviser for Oldham Schools, Youth Service and other settings including Looked After Children. To contribute to and support cross-Departmental teams on specific policies/projects related to outdoor learning and school visits.</li> </ul>

DIRECTORATE	Economy & Skills
JOB TITLE	Head of Strategic Regeneration & Development <span style="float: right; border: 1px solid black; padding: 2px;">31</span>
SALARY 01.01.2015	£60,001 - £65,000
OTHER PAYMENTS	Nil
GRADE	SM1
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• Responsible to the Director of Development &amp; Investment for the management of a team undertaking work in relation to the delivery of key projects identified within the Council's capital programme including engagement with private sector partners to deliver major regeneration projects and engagement with district partnerships to ensure that neighbourhood regeneration goals are captured and delivered.</li> <li>• To actively work with Housing Associations to develop comprehensive neighbourhood investment frameworks and responsible for the liaison with other public sector bodies such as TfGM and AGMA.</li> </ul>

DIRECTORATE	Economy & Skills
JOB TITLE	Team Leader – Strategic Regeneration <span style="float: right; border: 1px solid black; padding: 2px;">32</span>
SALARY 01.01.2015	£50,001 - £55,000
OTHER PAYMENTS	£4,983.44 Honorarium £500 Essential Car Allowance
GRADE	SM2
CONTRACT TYPE	Permanent
RESPONSIBILITIES	<ul style="list-style-type: none"> <li>• Manage and coordinate the Council's professional property team and to advise the Council on suitable strategies, including acquisitions and disposals to maximise receipts and meet all objectives.</li> <li>• Responsible for managing, implementing and delivering all aspects of property, developments and investments, utilising when appropriate the Council's assets, working collaboratively with public and private partners, to ensure that the Council's wider strategic objectives are achieved. To support the Council and its partners in bidding for external funds.</li> <li>• Be a source of specialist professional property advice and guidance on major projects to other divisions, directorates and partners.</li> </ul>

DIRECTORATE	Economy & Skills
JOB TITLE	Head of Housing Services. <span style="float: right; border: 1px solid black; padding: 2px;">33</span>
SALARY 01.01.2015	£60,001 - £65,000
OTHER PAYMENTS	Nil
GRADE	SM1
CONTRACT TYPE	Permanent
RESPONSIBILITIES	<ul style="list-style-type: none"> <li>• Responsibility for the Council's strategic housing service. This includes ensuring effective delivery and monitoring of 2 major Private Finance Initiative (PFI) housing schemes totalling £243M as well as other capital schemes.</li> <li>• Responsibility for preparation and delivery of key housing strategies, projects and programmes with partners, overseeing initiatives to improve neighbourhoods, tackle fuel poverty and improve home energy efficiency. The role is also responsible for overseeing the Council's homelessness/ housing needs services, improving the choice and access to housing and partnership working with housing providers and</li> </ul>



	others.
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DIRECTORATE	Economy & Skills
JOB TITLE	Service Manager (Planning & Building Control) <span style="float: right; border: 1px solid black; padding: 2px;">34</span>
SALARY 01.01.2015	Vacant
OTHER PAYMENTS	Nil
GRADE	SM1
CONTRACT TYPE	
RESPONSIBILITES	<ul style="list-style-type: none"> <li>Responsible for the efficient and effective provision of a number of related services that shape the natural and built environment of the Borough including areas of Planning Applications, Building Control Permits, Enforce planning and building control contraventions, Strategic Planning &amp; Policy and Transport strategy and delivery plans.</li> </ul>

DIRECTORATE	Economy & Skills
JOB TITLE	Head of Asset Management & Estates <span style="float: right; border: 1px solid black; padding: 2px;">35</span>
SALARY 01.01.2015	£55,001 - £60,000
OTHER PAYMENTS	Nil
GRADE	SM1
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>To lead and manage the group of services in the Corporate Property Client function and act as the client manager for the Unity Partnership in relation to assets management and property</li> <li>To work with key partners to ensure the provision of efficient services which give the public value for money.</li> </ul>

DIRECTORATE	Economy & Skills
JOB TITLE	Head of Facilities Management <span style="float: right; border: 1px solid black; padding: 2px;">36</span>
SALARY 01.01.2015	£55,001 - £60,000
OTHER PAYMENTS	Nil
GRADE	SM1
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• To lead and manage the group of services in Facilities Management, Cleaning and Catering Service and act as the client manager for the Unity Partnership in relation to facilities management</li> <li>• To work with key partners to ensure the provision of efficient services which give the public value for money.</li> </ul>

DIRECTORATE	Economy & Skills
JOB TITLE	Head of Service – Economy & Skills <span style="float: right; border: 1px solid black; padding: 2px;">37</span>
SALARY 01.01.2015	£50,001 - £55,000
OTHER PAYMENTS	Nil
GRADE	SM2
CONTRACT TYPE	Permanent
RESPONSIBILITES	<p>To lead and manage the group of services in co-ordinating the delivery of outcomes for local people in terms of supporting a more sustainable economy and in particular in relation to :</p> <ul style="list-style-type: none"> <li>• Business growth</li> <li>• Higher skills levels for all ages</li> <li>• Reduced worklessness</li> <li>• Increased employment</li> </ul>

DIRECTORATE	Economy & Skills
JOB TITLE	Head of Lifelong Learning <span style="float: right; border: 1px solid black; padding: 2px;">38</span>
SALARY 01.01.2015	£60,001 - £65,000
OTHER PAYMENTS	Nil
GRADE	Soulbury
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>Responsible for the implementation and development of the Council's Lifelong Learning Plan in order to provide an economic, effective and efficient community education service for the public.</li> </ul>

DIRECTORATE	Economy & Skills
JOB TITLE	Team Leader - Strategic Investment <span style="float: right; border: 1px solid black; padding: 2px;">39</span>
SALARY 01.01.2015	£55,001 - £60,000
OTHER PAYMENTS	Nil
GRADE	SM1
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>To lead and manage the functions of the Strategic Investment Service to ensure that the Council's long term economic growth aspirations are supported.</li> <li>The development and delivery of a high quality and effective long term place making strategy.</li> <li>To improve the profile of Oldham on the regional, national and international stage to secure significant investment, visits and attract new residents.</li> <li>The development and delivery of major relevant strategies that impact on economic viability such as the Town Centre Strategy.</li> </ul>

DIRECTORATE	Economy & Skills
JOB TITLE	Head of Performance Schools & Learning Setting's <span style="float: right;">40</span>
SALARY 01.01.2015	£65,001 - £70,000
OTHER PAYMENTS	Nil
GRADE	Soulbury
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• To secure high standards across a range of performance indicators in schools and learning settings through effective data analysis, challenge and intervention.</li> <li>• To broker and commission support for schools at risk of underperformance.</li> <li>• To inform the commissioning of high quality provision for all children.</li> </ul>

DIRECTORATE	Economy & Skills
JOB TITLE	Head of Inclusion and Vulnerable Groups <span style="float: right;">41</span>
SALARY 01.01.2015	£60,001 - £65,000
OTHER PAYMENTS	Nil
GRADE	Soulbury
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• This is a core strategic role to improve all outcomes for children and young people identified as vulnerable and at risk of underachievement.</li> <li>• Champion the interest of children and young people at risk of underachievement and lead improvement and innovation in outcomes for vulnerable learners.</li> <li>• Contribute to the Learning and Attainment Agenda in Commissioning and contribute to the overall strategic leadership of Oldham's Children's Services with accountability for developing support and provision for vulnerable groups.</li> </ul>

DIRECTORATE	Economy & Skills
JOB TITLE	Assistant Headteacher (Outreach: Jigsaw) <span style="float: right;">42</span>
SALARY 01.01.2015	£50,001 - £55,000
OTHER PAYMENTS	Nil
GRADE	Soulbury
CONTRACT TYPE	Permanent
RESPONSIBILITIES	<ul style="list-style-type: none"> <li>• Support the Local Authority's monitoring, challenge and intervention strategy by supporting schools to build on their capacity to support children presenting behaviour challenges so that they can access learning and make appropriate progress.</li> <li>• Reduce levels of poor behaviour, fixed term or permanent exclusions in targeted schools</li> <li>• Assist the Lead for Vulnerable groups in providing professional leadership and management ensuring that standards of learning, pupil achievement and behaviour improve.</li> <li>• Promote effective education for pupils with special educational needs/social emotional and behavioral difficulties within the framework with regard to all statutory requirements.</li> </ul>

DIRECTORATE	Economy & Skills
JOB TITLE	Head of Early Years <span style="float: right;">43</span>
SALARY 01.01.2015	£60,001 - £65,000
OTHER PAYMENTS	Nil
GRADE	Soulbury
CONTRACT TYPE	Permanent
RESPONSIBILITIES	<ul style="list-style-type: none"> <li>• Responsibility for the strategic overview, leadership and direction of early education and childcare services to children aged 0-5 years in Oldham.</li> <li>• Work with partners and agencies internal and external to the council, in order to raise standards and develop service provision in creative, cost effective ways that offer early help and support to families with needs</li> <li>• Build and develop infrastructures to support a collective vision and strategy for early years and childcare services in Oldham</li> <li>• Lead in the establishment of multi-agency teams to deliver effective and efficient outcomes for all young</li> </ul>

	children and their families.
DIRECTORATE	Economy & Skills
JOB TITLE	Schools & Learning Settings Performance Advisor
SALARY 01.01.2015	£50,001 - £55,000
OTHER PAYMENTS	Nil
GRADE	Soulbury
CONTRACT TYPE	Permanent
RESPONSIBILITIES	<ul style="list-style-type: none"> <li>• To ensure that all young children become effective and successful learners and to raise standards across all Early Years Settings through:</li> <li>• Challenging schools and early years and childcare settings to improve Oldham's Early Years Foundation Stage Profile results</li> <li>• Leading the development of plans to improve school readiness</li> <li>• Leading the development and delivery of Oldham's Early Years Foundation Stage Profile Moderation programme</li> <li>• Monitoring and evaluating the performance of schools and early years and childcare settings</li> <li>• Encouraging schools and early years and childcare settings to work collaboratively and inclusively in partnership across each local district and with the Local Authority</li> </ul>

44

DIRECTORATE	Health & Wellbeing
JOB TITLE	Associate Assistant Director - Adults
SALARY 01.01.2015	£70,001 - £75,000
OTHER PAYMENTS	Nil
GRADE	AD2
CONTRACT TYPE	Fixed term to 31/03/15
RESPONSIBILITIES	<p>To manage and lead a group of community care services including:</p> <ul style="list-style-type: none"> <li>• Self-directed support</li> <li>• Joint care management</li> <li>• Strategic lead mental health</li> <li>• To monitor and quality assure services provided by other providers that have been commissioned.</li> <li>• To develop strong inter-agency relationships within Oldham.</li> </ul>

45

DIRECTORATE	Health & Wellbeing
JOB TITLE	Head of Service – Care Management <span style="float: right;">46</span>
SALARY 01.01.2015	£50,001 - £55,000
OTHER PAYMENTS	£1,575 Stand by
GRADE	SM2
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>To lead and develop services for adults to meet the highest standards through the effective provision of care management services in Oldham.</li> </ul>

DIRECTORATE	Health & Wellbeing
JOB TITLE	Head of Service – Mental Health <span style="float: right;">47</span>
SALARY 01.01.2015	£50,001 - £55,000
OTHER PAYMENTS	£974 Stand by
GRADE	SM2
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>To lead and develop services for adults to meet the highest standards through the effective provision of care management services in Oldham.</li> </ul>

DIRECTORATE	Health & Wellbeing
JOB TITLE	Head of All Age Disability Service <span style="float: right;">48</span>
SALARY 01.01.2015	£60,001 - £65,000
OTHER PAYMENT	Nil
GRADE	SM1
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>Responsible for the delivery of SEN services, children's disability and short break services.</li> <li>To contribute to the implementation of the broader vision for Children, Young People and Families within the Every Child Matters agenda.</li> </ul>

DIRECTORATE	Health & Wellbeing	
JOB TITLE	Lead Educational Psychologist	49
SALARY 01.01.2015	£50,001 - £55,000	
OTHER PAYMENT	Nil	
GRADE	SM1	
CONTRACT TYPE	Permanent	
RESPONSIBILITES	<ul style="list-style-type: none"> <li>To be responsible for the leadership and management of the Educational and Child Psychology Service (ECPS) ensuring the delivery of quality assured psychological services which promote the attainment and healthy emotional development of children and young people from 0 -19 in partnership with their families, carers and other relevant agencies.</li> </ul>	

DIRECTORATE	Health & Wellbeing	
JOB TITLE	Senior Educational Psychologist	50
SALARY 01.01.2015	£50,001 - £55,000 FTE £46, 208.10 (90% of FTE)	
OTHER PAYMENT	Nil	
GRADE	SM1	
CONTRACT TYPE	Permanent	
RESPONSIBILITES	<ul style="list-style-type: none"> <li>Contribute to the leadership and management of the Educational and Child Psychology Service (ECPS) ensuring the roles and functions of an Educational and Child Psychologist within the All Age Disability Service are fulfilled.</li> </ul>	



DIRECTORATE	Health & Wellbeing
JOB TITLE	Head of Service – Children’s Fieldwork
SALARY 01.01.2015	£60,001 - £65,000
OTHER PAYMENTS	Nil
GRADE	SM1
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• To ensure a high quality service provision for children subject to assessment (including Section 47), children in need and children subject to a child protection plan.</li> <li>• To respond to national child protection safeguarding enquiries.</li> <li>• To ensure that children and young people of Oldham have their needs analysed, risks managed and life outcomes optimised.</li> </ul>

51

DIRECTORATE	Health & Wellbeing
JOB TITLE	Head of Service – Looked After Children
SALARY 01.01.2015	£55,001 - £60,000
OTHER PAYMENTS	£1,025.93 Honorarium £1,350 Stand by
GRADE	SM1
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• To lead the strategic management and development of services for looked after children and young people. To ensure services meet the highest standards for children and families through the effective provision of looked after children and care leavers, fostering, adoption and residential children’s services in Oldham.</li> </ul>

52

DIRECTORATE	Health & Wellbeing
JOB TITLE	Head of All Age Safeguarding Service
SALARY 01.01.2015	Vacant
OTHER PAYMENTS	Nil
GRADE	SM1
CONTRACT TYPE	Permanent
RESPONSIBILITIES	<ul style="list-style-type: none"> <li>• Lead the strategic and quality agenda across the Safeguarding Agenda for both Children's and Adults.</li> <li>• Responsible for the LSCB and OASB and its safe delivery across the borough.</li> <li>• Ensure Services meet the highest standards for adults through the Safeguarding Team and MASH, and within children's through the Safeguarding Team, Schools, Education, LADO, the IRO Service, Safeguarding Officer.</li> <li>• Lead the Local authority's strategy on CSE, ensuring that we collect, with our partners, an accurate picture of the full extent of CSE in our area and that we are making a positive difference in the prevention, protection and prosecution of CSE.</li> </ul>

53

DIRECTORATE	Health and Wellbeing
JOB TITLE	Consultant (Commissioning, SMT & Childrens Trust)
SALARY 01.01.2015	£80,001 - £85,000
OTHER PAYMENTS	Nil
GRADE	NHS
CONTRACT TYPE	Permanent
RESPONSIBILITIES	<ul style="list-style-type: none"> <li>• Provide expert public health advice and leadership to support and inform an evidence based approach within ethical frameworks for commissioning and developing high quality equitable services, across primary, secondary healthcare and social care, services providing interventions that will promote health and wellbeing across sectors including local authorities, voluntary organisations etc.</li> <li>• Develop and utilise information and intelligence systems to underpin public health action across disciplines and organisations, leading to collation and interpretation of relevant data.</li> </ul>

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DIRECTORATE	Health and Wellbeing
JOB TITLE	Consultant (Performance, Jensa, EPPRS) <span style="float: right;">55</span>
SALARY 01.01.2015	£80,001 - £85,000
OTHER PAYMENTS	Nil
GRADE	NHS
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• Provide expert public health advice and leadership to support and inform an evidence based approach within ethical frameworks for commissioning and developing high quality equitable services, across primary, secondary healthcare and social care, services providing interventions that will promote health and wellbeing across sectors including local authorities, voluntary organisations etc.</li> <li>• Develop and utilise information and intelligence systems to underpin public health action across disciplines and organisations, leading to collation and interpretation of relevant data.</li> </ul>

DIRECTORATE	Health and Wellbeing
JOB TITLE	Medical Consultant GCC Liaison <span style="float: right;">56</span>
SALARY 01.01.2015	£90,001 - £95,000
OTHER PAYMENTS	Nil
GRADE	NHS
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• Provide expert public health advice and leadership to support and inform an evidence based approach within ethical frameworks for commissioning and developing high quality equitable services, across primary, secondary healthcare and social care, services providing interventions that will promote health and wellbeing across sectors including local authorities, voluntary organisations etc.</li> <li>• Develop and utilise information and intelligence systems to underpin public health action across disciplines and organisations, leading to collation and interpretation of relevant data.</li> </ul>

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DIRECTORATE	Corporate & Commercial Services
JOB TITLE	Assistant Borough Solicitor
SALARY 01.01.2015	£70,001 - £75,000
OTHER PAYMENTS	£4,175.87 Honorarium for acting as Monitoring Officer for GMWDA
GRADE	AD2
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>Responsible to the Borough Solicitor for leading, developing and managing a team of professionally qualified staff to provide high quality legal services for the Council.</li> <li>The provision of sound legal advice and advocacy on behalf of the Council.</li> </ul>
NUMBER OF EMPLOYEES	18
NET BUDGET POSTHOLDER RESPONSIBLE FOR	£1,522,920

57

DIRECTORATE	Corporate & Commercial Services
JOB TITLE	Group Lawyer (Policy)
SALARY 01.01.2015	£50,001 - £55,000
OTHER PAYMENTS	Nil
GRADE	SM2
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>To provide a wide range of effective legal advice to a high standard to a number of stake holders</li> <li>To manage and develop a team of professionally qualified staff to provide high quality legal services for the Council.</li> </ul>

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DIRECTORATE	Corporate & Commercial Services
JOB TITLE	Group Lawyer (Community) <span style="float: right;">59</span>
SALARY 01.01.2015	£50,001 - £55,000
OTHER PAYMENTS	Nil
GRADE	SM2
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• To provide a wide range of effective legal advice to a high standard to a number of stake holders</li> <li>• To manage and develop a team of professionally qualified staff to provide high quality legal services for the Council.</li> </ul>

DIRECTORATE	Corporate & Commercial Services
JOB TITLE	Group Lawyer (Environment) <span style="float: right;">60</span>
SALARY 01.01.2015	£50,001 - £55,000
OTHER PAYMENTS	Nil
GRADE	SM2
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• To provide a wide range of effective legal advice to a high standard to a number of stake holders</li> <li>• To manage and develop a team of professionally qualified staff to provide high quality legal services for the Council.</li> </ul>

DIRECTORATE	Corporate and Commercial Services	
JOB TITLE	Assistant Head of People Services	61
SALARY 01.01.2015	£70,001 - £75,000	
OTHER PAYMENTS	Nil	
GRADE	AD2	
CONTRACT TYPE	Fixed Term to 31/03/2015	
RESPONSIBILITES	<ul style="list-style-type: none"> <li>Assists with ensuring that mechanisms are in place so that the business has the right people with the right capabilities in the right role with appropriate terms and conditions of employment.</li> <li>Accountable for ensuring that services are provided with specialist advice and guidance to managers, at all levels, on any people related issue.</li> </ul>	

DIRECTORATE	Corporate and Commercial Services	
JOB TITLE	Development Academy Manager	62
SALARY 01.01.2015	Vacant	
OTHER PAYMENTS	Nil	
GRADE	SM1	
CONTRACT TYPE		
RESPONSIBILITES	<ul style="list-style-type: none"> <li>To lead and manage the Development Academy Service and support the Director of People in the strategic management and improvement of the division which includes the implementation of significant business change to establish and determine delineation, priorities and cross fertilisation between development activity and operational requirements.</li> <li>Responsible for the development of robust performance management systems, workforce planning techniques to enable the effective deployment of team and financial resource and through effective systems, demonstrate value for money and return on investment from all development activity.</li> </ul>	

DIRECTORATE	Corporate and Commercial Services	
JOB TITLE	Business Partner Adults and Children's Sector Development	63
SALARY 01.01.2015	£50,001 - £55,000	
OTHER PAYMENTS	£10,500 Protection	
GRADE	SM2	
CONTRACT TYPE	Permanent	
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• To establish, lead and manage the Council's Adult and Children's Development Service</li> <li>• To be responsible for the strategic management and coordination of workforce development activity for both the adult and childrens sectors in Oldham. To lead joint planning and working with partners at local, sub-regional and regional level.</li> <li>• To act as the Council's Workforce Lead for social care, representing the council with the Department of Health, Department for Education and regulatory and professional bodies as required.</li> </ul>	

DIRECTORATE	Corporate and Commercial Services	
JOB TITLE	Head of Repositioning Oldham Programme Management Office	64
SALARY 01.01.2015	£55,001 - £60,000	
OTHER PAYMENTS	Nil	
GRADE	SM1	
CONTRACT TYPE	Permanent	
RESPONSIBILITES	<p>To lead the development and operation of the Programme Management Office to provide :</p> <ul style="list-style-type: none"> <li>• a service to the Council Executive Directors and Programme Boards</li> <li>• a structured project and programme process for planning, approval, delivery and benefits realisation</li> <li>• support, challenge and advice for project and programme managers as well as Sponsors and Council Directors</li> <li>• effective co-operation between change programmes and with external partners</li> </ul>	

DIRECTORATE	Corporate and Commercial Services
JOB TITLE	Head of Sourcing and Services <span style="float: right; border: 1px solid black; padding: 2px;">65</span>
SALARY 01.01.2015	£60,001 - £65,000
OTHER PAYMENTS	Nil
GRADE	SM1
CONTRACT TYPE	Permanent
RESPONSIBILITIES	<ul style="list-style-type: none"> <li>• Lead the sourcing activity for the Council with accountability for managing all aspects of the sourcing lifecycle ensuring that the highest professional standards of procurement practice and compliance with legislation are maintained.</li> <li>• Lead the development of the strategy and plan for Sourcing Services as a key component of that corporate strategy; ensuring that the approach is aligned to the Council's business objectives and that it reflects best practice in strategic category management.</li> <li>• Successfully deliver the Sourcing Strategy including the achievement of agreed annual savings targets and service KPIs whilst maintaining required service levels</li> </ul>

DIRECTORATE	Corporate and Commercial Services
JOB TITLE	Head of Strategic Relationship Management <span style="float: right; border: 1px solid black; padding: 2px;">66</span>
SALARY 01.01.2015	£50,001 - £55,000
OTHER PAYMENTS	Nil
GRADE	SM2
CONTRACT TYPE	Permanent
RESPONSIBILITIES	<ul style="list-style-type: none"> <li>• Develop and manage the SRM service which manages the commercial relationships between the Council and its strategic delivery partners. Accountability for ensuring professional standards of commercial best practice, value for money and compliance with contractual agreements.</li> <li>• Achieve agreed annual savings targets, whilst maintaining required service levels, and Service KPI's.</li> </ul>



DIRECTORATE	Corporate and Commercial Services
JOB TITLE	HOS Integrated Commissioning (Children's) <span style="float: right; border: 1px solid black; padding: 2px;">67</span>
SALARY 01.01.2015	£55,001 - £60,000
OTHER PAYMENTS	Nil
GRADE	SM1
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>The post holder will be responsible for developing, leading and overseeing strategic commissioning priorities and plans across an agreed range of services in conjunction with other key partners, service user/carers ensuring that a comprehensive range of quality, equitable, evidence based services are commissioned with available resources.</li> </ul>

DIRECTORATE	Corporate and Commercial Services
JOB TITLE	HOS Integrated Commissioning (Adult's) <span style="float: right; border: 1px solid black; padding: 2px;">68</span>
SALARY 01.01.2015	£55,001 - £60,000
OTHER PAYMENTS	Nil
GRADE	SM1
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>The post holder will be responsible for developing, leading and overseeing strategic commissioning priorities and plans across an agreed range of services in conjunction with other key partners, service user/carers ensuring that a comprehensive range of quality, equitable, evidence based services are commissioned with available resources.</li> </ul>

DIRECTORATE	Corporate and Commercial Services
JOB TITLE	Chief Information Officer
SALARY 01.01.2015	£60,001 - £65,000
OTHER PAYMENTS	£1332.25 Honorarium
GRADE	SM1
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• The main contact point for ICT services between the Council and Unity ICT. This role leads the team that will provide effective monitoring, management and governance of Unity ICT on behalf of the Council.</li> <li>• The role is also leads for the Council's Information Governance team, who are responsible for all information security, records management, information governance, and the management of all Subject Access Requests and Freedom of Information Requests.</li> </ul>

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DIRECTORATE	Corporate and Commercial Services
JOB TITLE	Assistant Borough Treasurer - Special Projects & VFM
SALARY 01.01.2015	£70,001, £75,000
OTHER PAYMENTS	Nil
GRADE	AD2
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• To lead and manage the Special Projects and VFM section and Schools Finance Team.</li> <li>• To lead commercial and financial negotiations for all BSF, PFI and other special projects, undertaking complex financial modelling and maximising value for money techniques and School finance.</li> <li>• Giving technical advice and guidance to senior officers and Elected Members.</li> </ul>

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DIRECTORATE	Corporate and Commercial Services	
JOB TITLE	Senior Finance Manager	71
SALARY 01.01.2015	£55,001 - £60,000	
OTHER PAYMENTS	Nil	
GRADE	SM1	
CONTRACT TYPE	Permanent	
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• Responsible to the Borough Treasurer for leading, developing and managing a team of professionally qualified staff.</li> <li>• To provide a high quality accountancy service including the provision of financial and advocacy on behalf of the Council.</li> </ul>	

DIRECTORATE	Corporate and Commercial Services	
JOB TITLE	Senior Finance Manager	72
SALARY 01.01.2015	£55,001 - £60,000	
OTHER PAYMENTS	Nil	
GRADE	SM1	
CONTRACT TYPE	Acting to 20/01/2015	
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• Responsible to the Borough Treasurer for leading, developing and managing a team of professionally qualified staff.</li> <li>• To provide a high quality accountancy service including the provision of financial and advocacy on behalf of the Council.</li> </ul>	

DIRECTORATE	Corporate and Commercial Services
JOB TITLE	Assistant Borough Treasurer - Financial Management <span style="float: right;">73</span>
SALARY 01.01.2015	£65,001 - £70,000
OTHER PAYMENTS	Nil
GRADE	AD2
CONTRACT TYPE	Fixed term to 31/03/15
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• To lead and manage the financial management section of the Council's finance service.</li> <li>• Directing the preparation, monitoring and closing down of service budgets.</li> <li>• Giving technical advice and guidance to senior officers and Elected Members.</li> </ul>

DIRECTORATE	Corporate and Commercial Services
JOB TITLE	Senior Finance Manager <span style="float: right;">74</span>
SALARY 01.01.2015	£55,001 - £60,000
OTHER PAYMENTS	Nil
GRADE	SM1
CONTRACT TYPE	Secondment to 31/03/2015
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• Responsible to the Borough Treasurer for leading, developing and managing a team of professionally qualified staff.</li> <li>• To provide a high quality accountancy service including the provision of financial and advocacy on behalf of the Council.</li> </ul>

DIRECTORATE	Corporate and Commercial Services	
JOB TITLE	Senior Finance Manager	75
SALARY 01.01.2015	£60,001 - £65,000	
OTHER PAYMENTS	Nil	
GRADE	SM1	
CONTRACT TYPE	Permanent	
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• Responsible to the Borough Treasurer for leading, developing and managing a team of professionally qualified staff.</li> <li>• To provide a high quality accountancy service including the provision of financial and advocacy on behalf of the Council.</li> </ul>	

DIRECTORATE	Corporate and Commercial Services	
JOB TITLE	Assistant Borough Treasurer – Corporate Finance	76
SALARY 01.01.2015	£70,001 - £75,000	
OTHER PAYMENTS	£5,975.03 Honorarium	
GRADE	AD2	
CONTRACT TYPE	Permanent	
RESPONSIBILITES	<ul style="list-style-type: none"> <li>• To develop the Council's Medium Term Financial Strategy.</li> <li>• To co-ordinate strategies in relation to external funding and treasury management to maximise the Council's resources.</li> <li>• Responsible for the financial management of the capital programme.</li> </ul>	

DIRECTORATE	Corporate and Commercial Services
JOB TITLE	Head of Corporate Governance <span style="float: right;">77</span>
SALARY 01.01.2015	£60,001 - £65,000
OTHER PAYMENTS	£4,175.87 Honorarium for acting as the Deputy Section 151 Officer of GMWDA
GRADE	SM1
CONTRACT TYPE	Permanent
RESPONSIBILITIES	<ul style="list-style-type: none"> <li>• Responsible to the Borough Treasurer for the management of the Audit/Counter Fraud and Insurance/Risk section, setting out and delivering the strategic vision for the service and co-ordinating the production of the Audit and Counter Fraud Plan, Corporate Register and Annual Governance Statement, delivering these in accordance with agreed plans.</li> <li>• Provision of strategic advice to Elected Members and officers in respect of the Authority's corporate governance arrangements and overall internal control environment.</li> </ul>

DIRECTORATE	Corporate and Commercial Services
JOB TITLE	Audit & Counter Fraud Manager <span style="float: right;">78</span>
SALARY 01.01.2015	£55,001 - £60,000
OTHER PAYMENTS	Nil
GRADE	SM1
CONTRACT TYPE	Permanent
RESPONSIBILITIES	<p>To support the Director of Finance by :</p> <ul style="list-style-type: none"> <li>• Leading and managing a group of services in the division</li> <li>• Making a strategic contribution to the Councils internal control environment, financial strategies and major projects</li> <li>• Assisting the Head of Corporate Governance in co-ordinating the planning, delivery, monitoring, reporting processes and other projects for the relevant service</li> </ul>

DIRECTORATE	Corporate and Commercial Services
JOB TITLE	Head of Customer and Business Support Services
SALARY 01.01.2015	£60,001 - £65,000
OTHER PAYMENTS	Nil
GRADE	SM1
CONTRACT TYPE	Permanent
RESPONSIBILITES	<ul style="list-style-type: none"> <li>Responsible to the Borough Treasurer for the Management of the Customer and Business Support Services in line with the Council's change and transformation programmes. This includes the management of Customer Services, the Client function for Customer Services and Revenues and Benefits with the Unity Partnership and the Council wide Business Support function.</li> </ul>

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# Pay Policy Statement

## Table Two: JNC Chief Officer's basic salary





1<sup>st</sup> January 2015

EXECUTIVE MANAGEMENT TEAM	CORRESPONDING NUMBER FROM TABLE ONE	JOB TITLE	SALARY AT 01.01.2015	TOTAL ADDITIONAL ANNUAL PAYMENTS (EXPLAINED IN TABLE 1)
Chief Executive	1	Chief Executive	160,000	
Economy and Skills	2	Executive Director – Economy and Skills	138,000	
Health and Wellbeing	3	Executive Director – Health and Wellbeing	120,000	
Corporate and Commercial Services	4	Executive Director – Corporate & Commercial Services and Managing Director of Unity	132,000	
Co-operatives and Neighbourhoods	5	Executive Director – Co-operatives and Neighbourhoods	Vacant	
SENIOR MANAGEMENT TEAM	CORRESPONDING NUMBER FROM TABLE ONE	JOB TITLE	SALARY AT 01.01.2015	TOTAL ADDITIONAL ANNUAL PAYMENTS (EXPLAINED IN TABLE 1)
Policy & Governance	6	Director of Policy and Governance	80,001 – 85,000	
Chief Executive	7	G M Director of Environment	75,001 – 80,000	
Co-operatives and Neighbourhoods	8	Director of Environmental Services	80,001 – 85,000	
Co-operatives and Neighbourhoods	9	Director of Community Services	80,001 – 85,000	
Economy and Skills	10	Director of Economic Development	80,001 – 85,000	16,020
Economy and Skills	11	Director of Enterprise and Skills	Vacant	
Economy and Skills	12	Director of Education & Early Years	Vacant	
Health and Wellbeing	13	Director of Adults and Social Care	80,001 – 85,000	16,020
Health and Wellbeing	14	Director of Safeguarding	75,001 – 80,000	2,600
Health and Wellbeing	15	Director of Public Health	80,001 – 85,000	
Corporate & Commercial Services	16	Director of Legal Services	90,001 – 95,000	
Corporate &	17	Director of Commercial and		

Commercial Services		Transformation Services	Vacant
Corporate & Commercial Services	18	Director of People Services	80,001 – 85,000
Corporate & Commercial Services	19	Director of Finance	Vacant

SENIOR MANAGERS	CORRESPONDING NUMBER FROM TABLE ONE	JOB TITLE	SALARY AT 01.01.2015	TOTAL ADDITIONAL ANNUAL PAYMENTS (EXPLAINED IN TABLE 1)
Policy & Governance	20	Head of Co-operatives, Partnerships & Policy	50,001 – 55,000	
Policy & Governance	21	Head of Business Intelligence	55,001 – 60,000	
Co-operatives and Neighbourhoods	22	Head of Highways Operations, Waste & Fleet Management	60,001 - 65,000	
Co-operatives and Neighbourhoods	23	Head of Street Scene & Parks	55,001 – 60,000	
Co-operatives and Neighbourhoods	24	Head of Public Protection	60,001 - 65,000	
Co-operatives and Neighbourhoods	25	Head of Libraries, Heritage and Arts	60,001 - 65,000	
Co-operatives and Neighbourhoods	26	Library & Information Manager	50,001 – 55,000	
Co-operatives and Neighbourhoods	27	Head of Stronger Communities Services	60,001 - 65,000	
Co-operatives and Neighbourhoods	28	Head of Youth & Leisure	60,001 - 65,000	
Co-operatives and Neighbourhoods	29	Head of Music	50,001 – 55,000	
Co-operatives and Neighbourhoods	30	Service Manager: Outdoor Education	50,001 – 55,000	
Economy and Skills	31	Head of Strategic Regeneration & Development	60,001 - 65,000	
Economy and Skills	32	Team Leader – Strategic Regeneration	50,001 – 55,000	4,983.44 500
Economy and Skills	33	Head of Housing Services	60,001 - 65,000	
Economy and Skills	34	Service Manager (Planning & Building Control)	Vacant	
Economy and Skills	35	Head of Asset Management	55,001 – 60,000	
Economy and Skills	36	Head of Facilities Management	55,001 – 60,000	

Economy and Skills	37	Head of Service – Economy & Skills	50,001 – 55,000	
Economy and Skills	38	Head of Lifelong Learning	60,001 – 65,000	
Economy and Skills	39	Team Leader – Strategic Investment	55,001 – 60,000	
Economy and Skills	40	Head of Performance Schools & Learning Setting's	65,001 – 70,000	
Economy and Skills	41	Head of Inclusion and Vulnerable Groups	60,001 – 65,000	
Economy and Skills	42	Assistant Headteacher (Outreach: Jigsaw)	50,001 – 55,000	
Economy and Skills	43	Head of Early Years	60,001 – 65,000	
Economy and Skills	44	Schools & Learning Settings Performance Advisor	50,001 – 55,000	
Health and Wellbeing	45	Associate Assistant Director - Adults	70,001 – 75,000	
Health and Wellbeing	46	Head of Service – Care Management	50,001 – 55,000	1,575
Health and Wellbeing	47	Head of Service – Mental Health	50,001 – 55,000	974
Health and Wellbeing	48	Head of All Age Disability Service	60,001 – 65,000	
Health and Wellbeing	49	Lead Educational Psychologist	50,001 – 55,000	
Health and Wellbeing	50	Senior Educational Psychologist	50,001 – 55,000 FTE 46,208.10 actual	
Health and Wellbeing	51	Head of Children's Fieldwork	60,001 – 65,000	
Health and Wellbeing	52	Head of Looked After Children	55,001 – 60,000	1,025.93 1,350
Health and Wellbeing	53	Head of All Age Safeguarding Service	Vacant	
Health and Wellbeing	54	Consultant (Commissioning, SMT & Children's Trust)	80,001 – 85,000	
Health and Wellbeing	55	Consultant (Performance, Jensa, EPPRS)	80,001 – 85,000	
Health and Wellbeing	56	Medical Consultant GCC Liaison	90,001 – 95,000	
Corporate & Commercial Services	57	Assistant Borough Solicitor	70,001 – 75,000	4,175.87
Corporate & Commercial Services	58	Group Lawyer (Policy)	50,001 – 55,000	
Corporate & Commercial Services	59	Group Lawyer (Community)	50,001 – 55,000	
Corporate & Commercial Services	60	Group Lawyer (Environment)	50,001 – 55,000	
Corporate & Commercial Services	61	Assistant Head of People Services	70,001 – 75,000	
Corporate & Commercial Services	62	Development Academy Manager	Vacant	
Corporate & Commercial Services	63	Business Partner Adults and Children's Sector Development	50,001 – 55,000	10,500
Corporate & Commercial Services	64	Head of Repositioning Oldham Programme Management Officer	55,001 – 60,000	
Corporate &	65		60,001 –	

Commercial Services			Head of Sourcing and Services	65,000	
Corporate & Commercial Services		66	Head of Strategic Relationship Management	50,001 – 55,000	
Corporate & Commercial Services		67	Head of Integrated Commissioning (Children's)	55,001 – 60,000	
Corporate & Commercial Services		68	Head of Integrated Commissioning (Adults)	55,001 – 60,000	
Corporate & Commercial Services		69	Chief Information Officer	60,001 – 65,000	1,332.25
Corporate & Commercial Services		70	Assistant Borough Treasurer – Special Projects & VFM	70,001 – 75,000	
Corporate & Commercial Services		71	Senior Finance Manager	55,001 – 60,000	
Corporate & Commercial Services		72	Senior Finance Manager	55,001 – 60,000	

Corporate & Commercial Services		73	Assistant Borough Treasurer – Financial Management	65,001 – 70,000	
Corporate & Commercial Services		74	Senior Finance Manager	55,001 – 60,000	
Corporate & Commercial Services		75	Senior Finance Manager	60,001 – 65,000	
Corporate & Commercial Services		76	Assistant Borough Treasurer – Corporate Finance	70,001 – 75,000	5,972.03
Corporate & Commercial Services		77	Head of Corporate Governance	60,001 – 65,000	4,175.87
Corporate & Commercial Services		78	Audit & Counter Fraud Manager	55,001 – 60,000	
Corporate & Commercial Services		79	Head of Customer & Business Support Services	60,001 – 65,000	

# Pay Policy Statement

## table three:

### Chief Executive's salary expressed as a ratio of other salaries

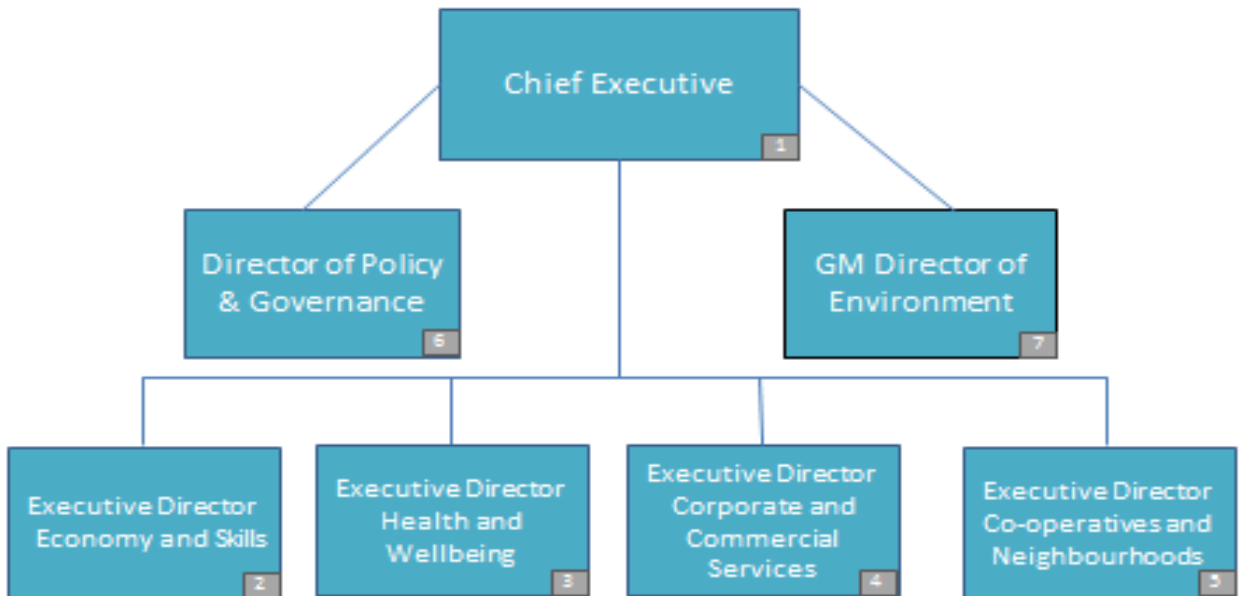
**Table Three**

#### **CHIEF EXECUTIVE'S SALARY EXPRESSED AS A RATIO OF OTHER SALARIES**

	£	RATIO
CHIEF EXECUTIVE	£160,000	-
MEDIAN SALARY	£20,849	1 : 7.67
MEAN SALARY	£23,936	1 : 6.68
LOWEST SALARY	£14,283	1 : 11.20

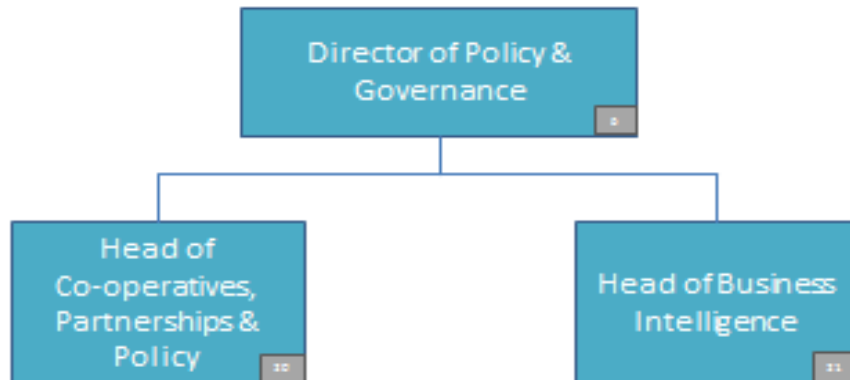
Figures are based on full time equivalent salaries & last updated 1<sup>st</sup> January 2015

First & Second Tiers



Last update: 1<sup>st</sup> January 2015  
Inclusive of new Executive Director structure, as agreed at Full Council on Sept 10<sup>th</sup> 2014

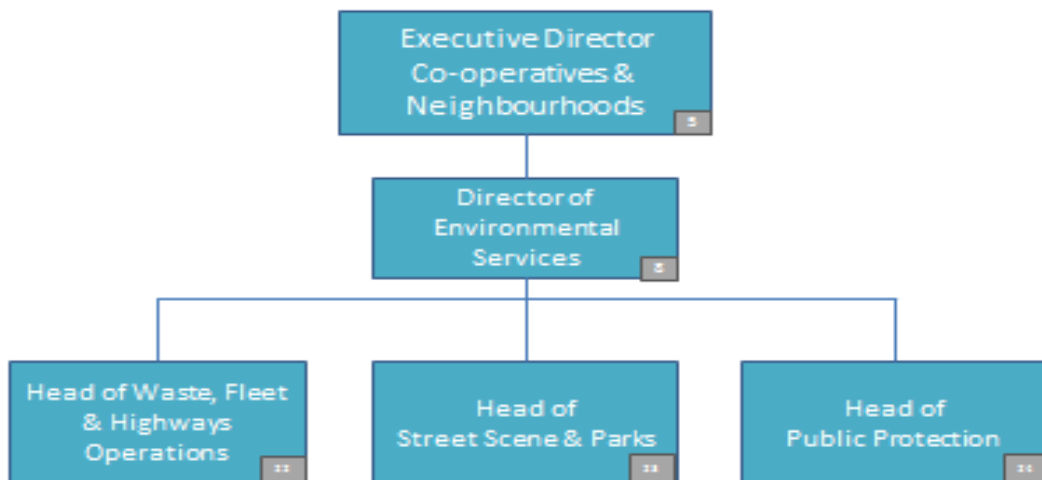
Roles in the Policy & Governance Division earning £50,000+



Last update: 1<sup>st</sup> January 2015

To be updated once the recruitment exercise for Senior Managers has been completed (end of the financial year)

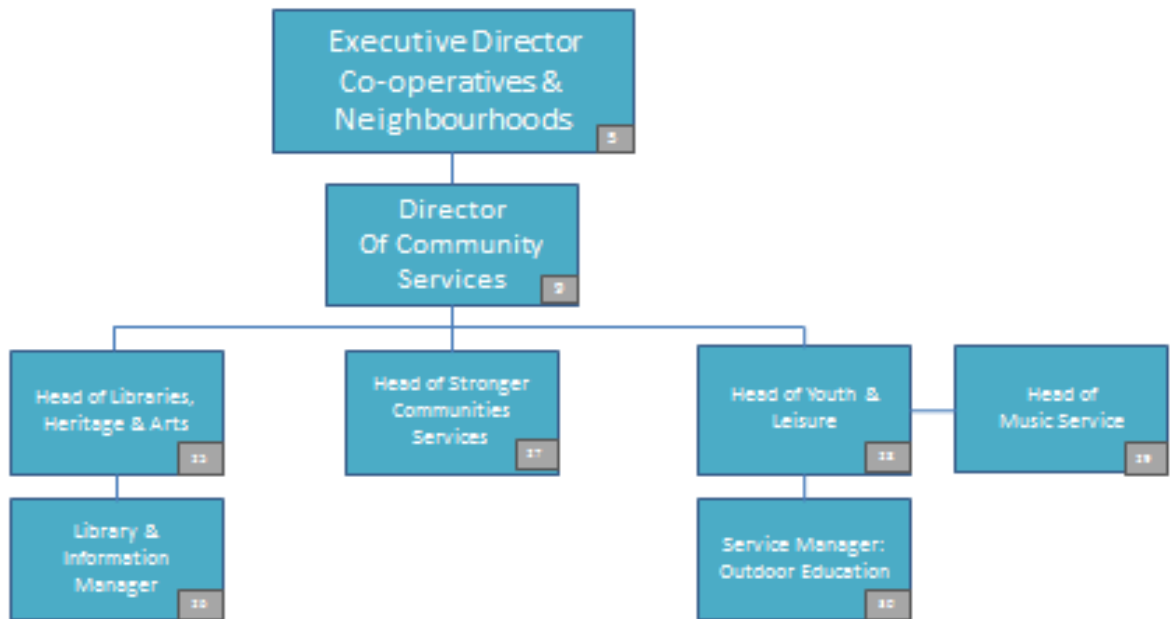
Roles within the Co-operatives & Neighbourhoods Directorate earning £50,000+ (Page 1 of 2)



Last update: 1<sup>st</sup> January 2015

To be updated once the recruitment exercise for Senior Managers has been completed (end of the financial year)

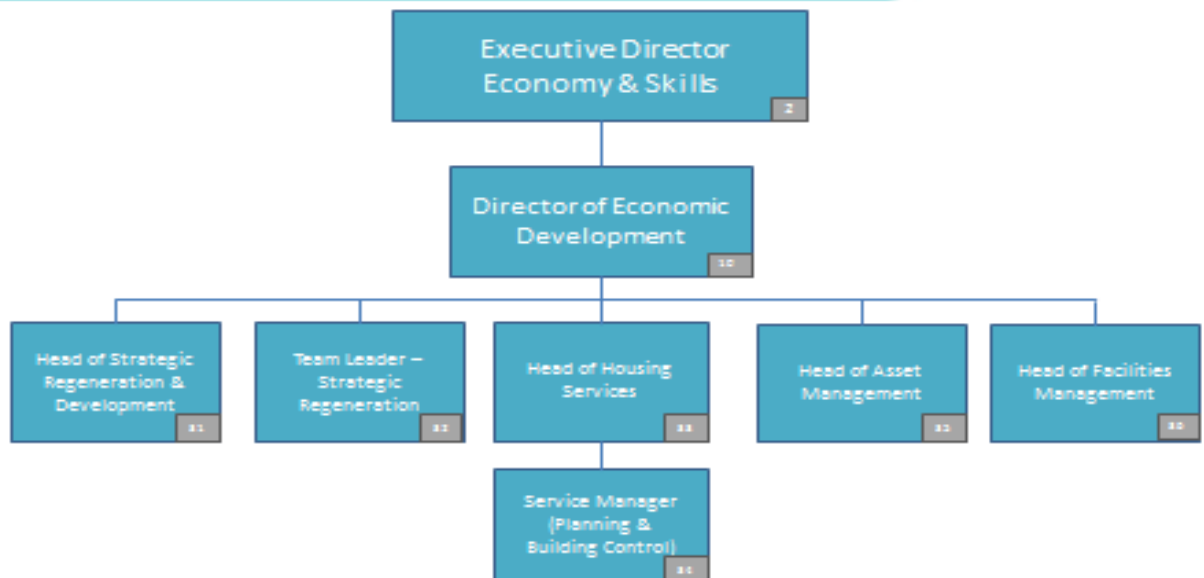
Roles within the Co-operatives & Neighbourhoods Directorate earning £50,000+ (Page 2 of 2)



Last update: 1<sup>st</sup> January 2015

To be updated once the recruitment exercise for Senior Managers has been completed (end of the financial year)

Roles within the Economy & Skills Directorate earning £50,000+ (Page 1 of 3)

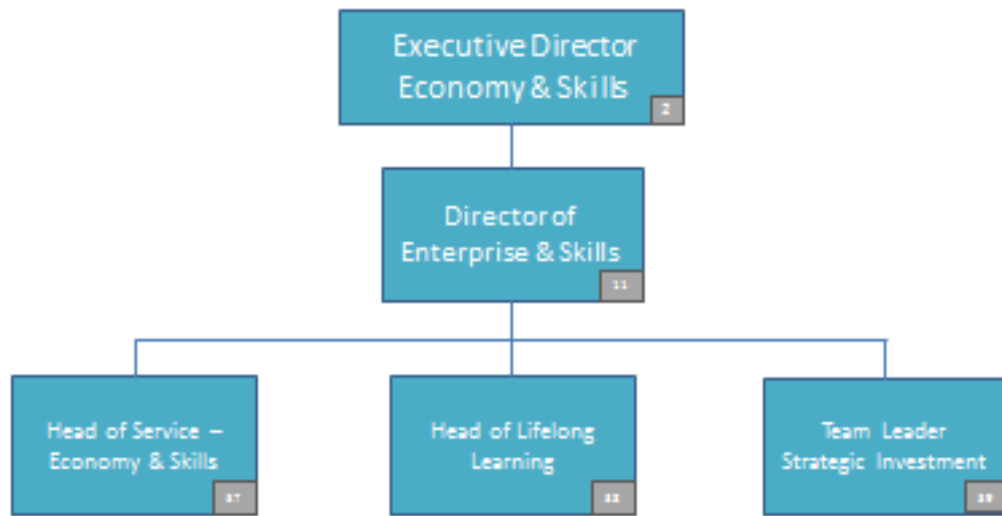


Last update: 1<sup>st</sup> January 2015

To be updated once the recruitment exercise for Senior Managers has been completed (end of the financial year)



Roles within the Economy & Skills Directorate earning £50,000+ (Page 2 of 3)



Last update: 1<sup>st</sup> January 2015

To be updated once the recruitment exercise for Senior Managers has been completed (end of the financial year)

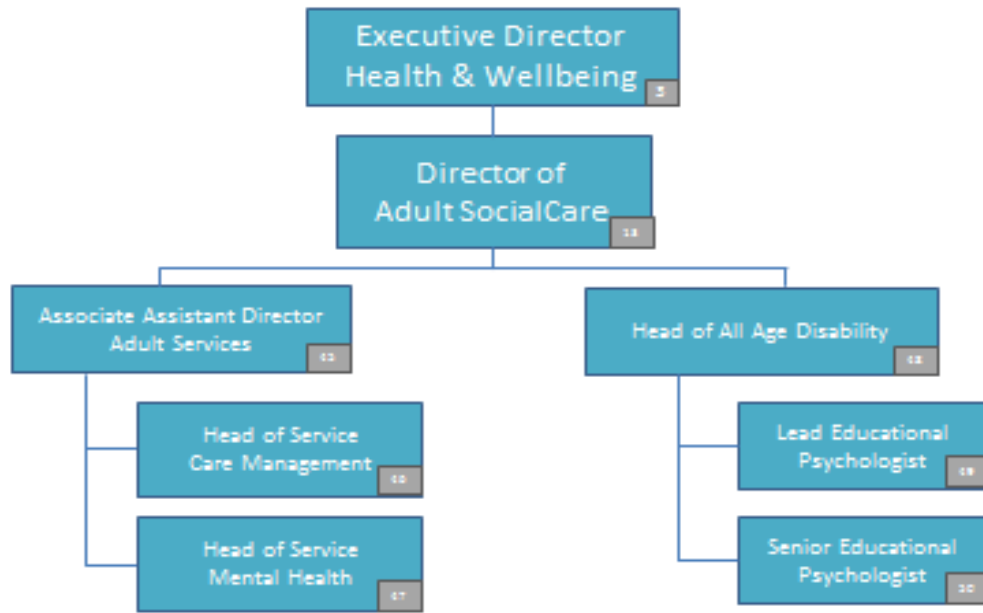
Roles within the Economy & Skills Directorate earning £50,000+ (Page 3 of 3)



Last update: 1<sup>st</sup> January 2015

To be updated once the recruitment exercise for Senior Managers has been completed (end of the financial year)

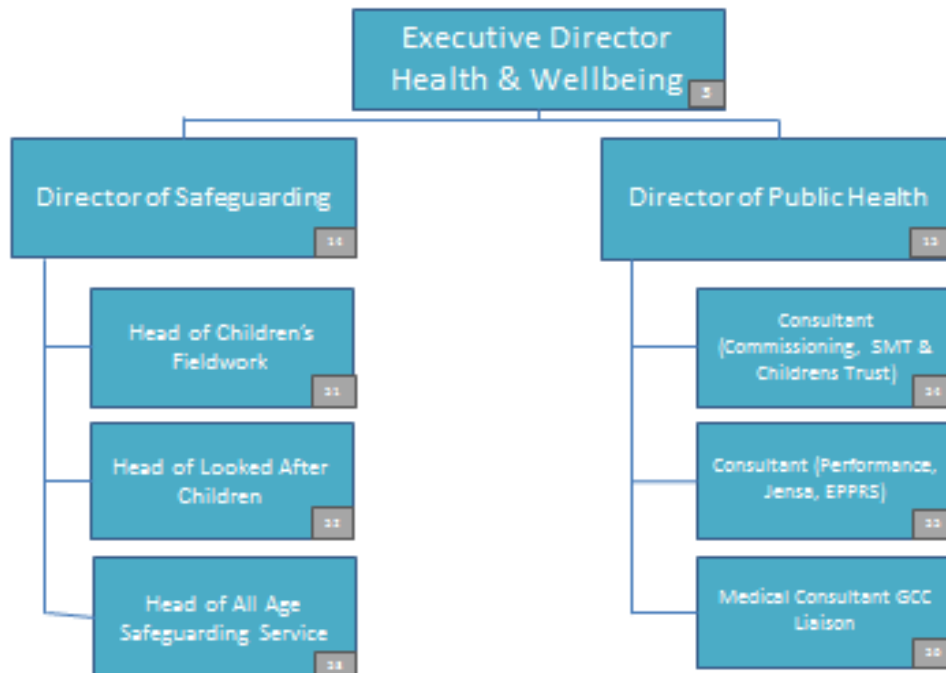
Roles within the Health & Wellbeing Directorate earning £50,000+ (Page 1 of 2)



Last update: 1<sup>st</sup> January 2015

To be updated once the recruitment exercise for Senior Managers has been completed (end of the financial year)

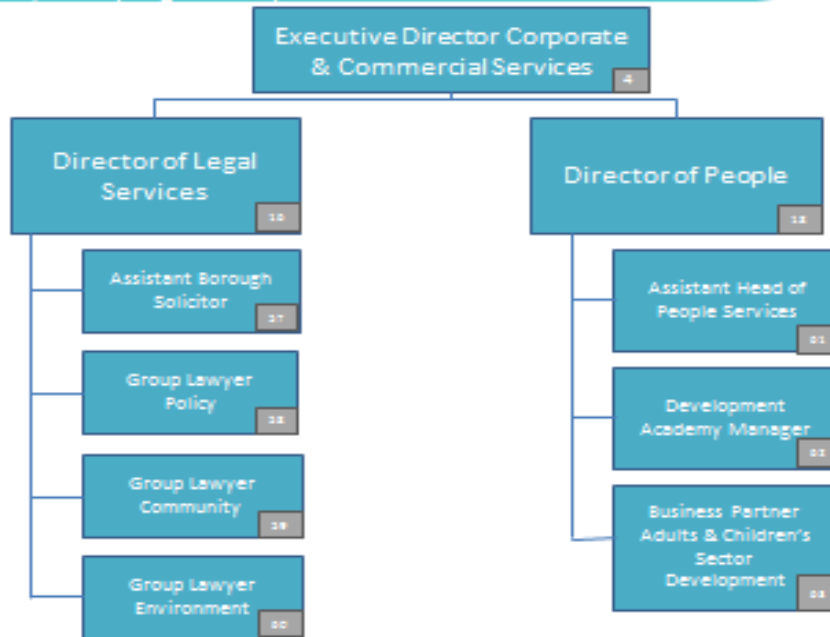
Roles within the Health & Wellbeing Directorate earning £50,000+ (Page 2 of 2)



Last update: 1<sup>st</sup> January 2015

To be updated once the recruitment exercise for Senior Managers has been completed (end of the financial year)

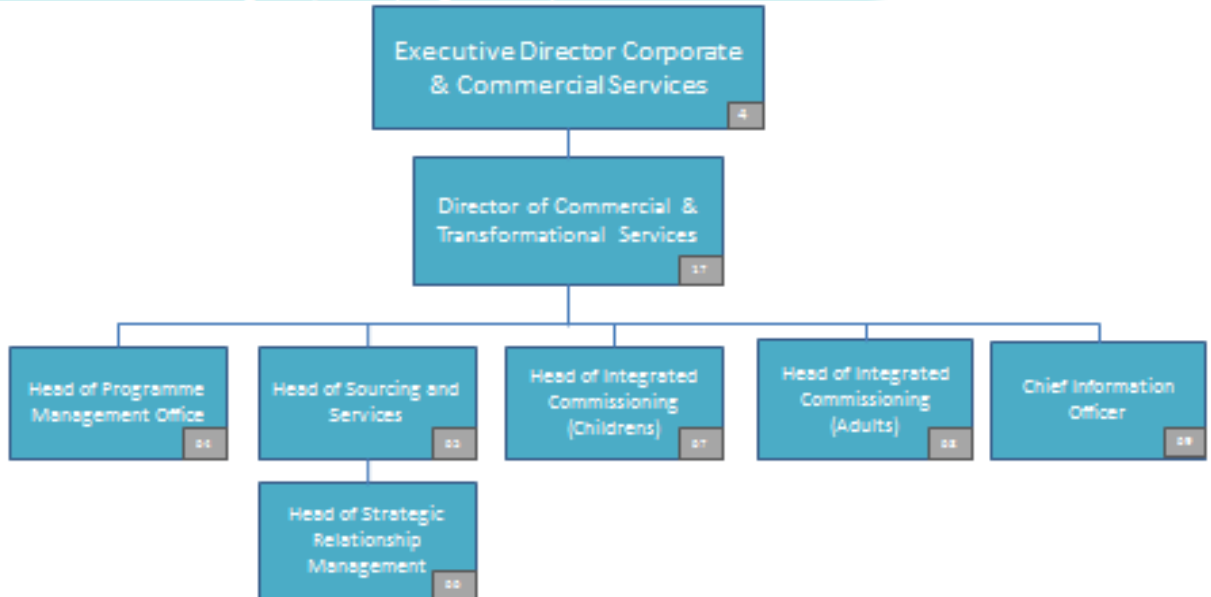
**Roles within the Corporate & Commercial Services Directorate earning £50,000+ (Page 1 of 3)**



Last update: 1<sup>st</sup> January 2015

To be updated once the recruitment exercise for Senior Managers has been completed (end of the financial year)

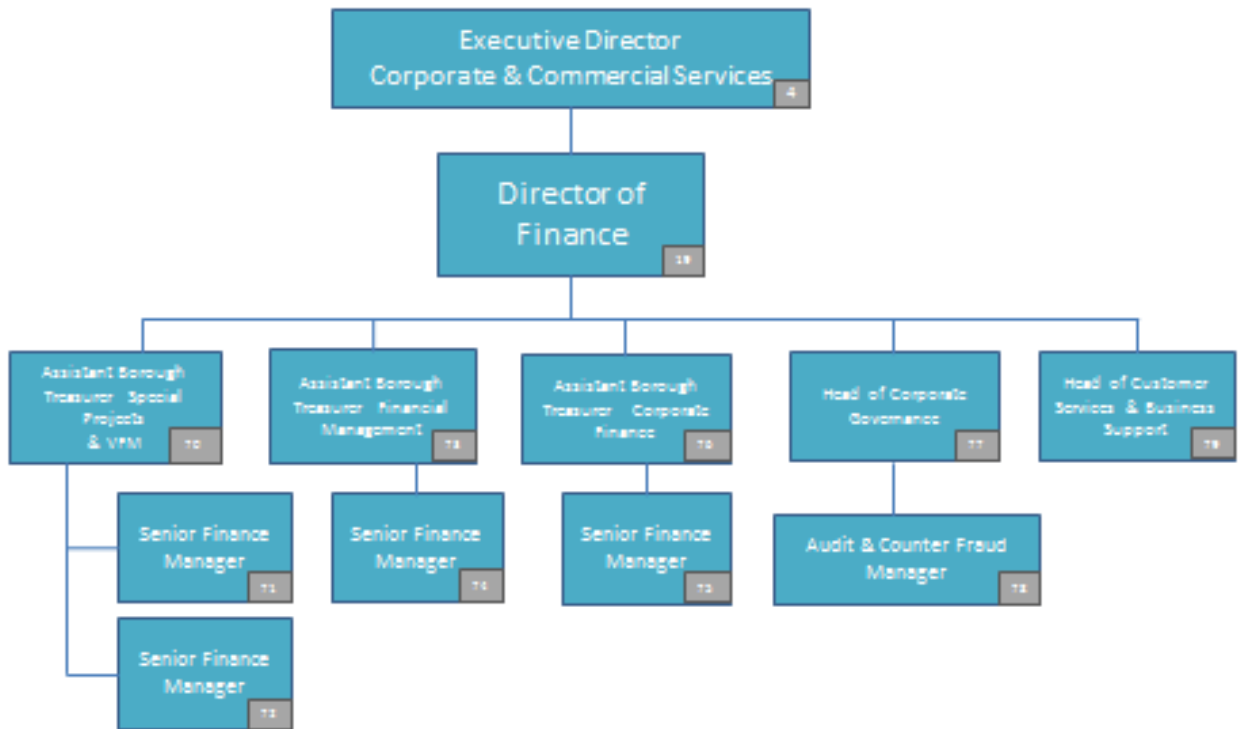
**Roles within the Corporate & Commercial Services Directorate earning £50,000+ (Page 2 of 3)**



Last update: 1<sup>st</sup> January 2015

To be updated once the recruitment exercise for Senior Managers has been completed (end of the financial year)

Roles within the Corporate & Commercial Services Directorate  
earning £50,000+ (Page 3 of 3)



Last update: 1<sup>st</sup> January 2015

To be updated once the recruitment exercise for Senior Managers has been completed (end of the financial year)

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# **Appendix J**

## **Summary of Consultation Responses**

## **Summary**

Since August 2014 the council has been talking to residents, businesses and partners about the budget challenge we face. We have also been asking for their ideas for how we can work together to make savings and transform how we deliver services.

Responses have been gathered from the council website, from social media, by post and from an internal forum for council staff.

In total we have received 134 suggestions to date. These have been split into the following themes.

### **Regeneration:**

Many comments focus on improvements to Oldham Town Centre and ask the council to focus on bringing more businesses and visitors into the area. However, a number of comments ask the council to review spend on regeneration projects and review the current use of some buildings.

### **Salaries, Pensions and staff benefits:**

A number of comments focus on staff salaries with many asking for a review of senior manager pay. A small number of residents suggest reviewing staff benefits and pensions. A very small number suggested cutting overtime.

### **Organisational structure and staffing:**

Some comments suggested a review of departments and layers within the council to ensure they are necessary and fit for purpose.

### **Contracts and suppliers:**

A number of comments suggest ways that the council could save money by reviewing contracts and suppliers. Some suggestions centre around sharing council services with other local authorities or trading them to other organisations.

### **Better ways of working:**

A number of residents have asked us to review our services to make sure they are joined up and more efficient. Some asked to reduce unnecessary bureaucracy, like internal billing. Some suggested more online and electronic transactions. A few residents want to see fewer corporate trips and less money wasted on unnecessary purchasing. A very small number suggested more efficient shift working and better care of physical resources e.g. highways maintenance equipment.

### **Waste and recycling:**

A number of residents made suggestions about how we could change our waste and recycling service, including less frequent collections, increased recycling facilities and recycling league tables across different areas of the borough to encourage friendly competition.



**Clean Streets:**

A number of suggestions centred on better communication of penalties, as well as better bulky recycling facilities. One resident suggested we sweep the streets less frequently.

**Removal of unnecessary services / activities:**

A number of residents would like to see the removal of Bloom and Grow, Borough Life, Warm Homes Oldham, the EON street lighting project and our translation services.

**Councillors:**

Some residents suggesting reviewing the amount of councillors in each ward and their expenses.

**Council Tax:**

A very small number of residents suggested increases to Council Tax and improving collection rates.

**Other ideas:**

A number of comments suggested other ideas across various themes and services. These include:

Sell off the council's stake in Manchester Airports Group

Crowd funding for projects

Selling land and assets

Online public notices instead of in the press

Commercial advertising on vehicles and buildings

Lease artwork to museums

Encourage resident sign up to Mail Preference Service

Turn down the heating thermostats in council buildings

Reduce opening hours of branch libraries

Borough Raffle for Christmas or even an Oldham Lottery with, for example, a monthly draw

Extend and develop neighbourhood groups

Permanent, sustainable Christmas trees

Flat-rate fare of 50p per journey on buses for those aged 60+

Reintroduce single rate parking charges

Switching off streetlights on smaller roads on non-peak hours

Generate and sell green energy

Keep on top of the travellers' litter problem

**Adults and Children's Services and Public Health:**

There was a specific section of the website dedicated to the consultation around the Adults and Children's Services and Public Health which allowed members of the public to submit comments and suggestions in response to overarching questions. There was also a mailbox that could be used to submit general feedback, comments and suggestions.

## Adults Services

Some residents felt that more could be done to help keep people safe and supported at home for as long as possible. A number of residents felt that people could be supported to live at home by neighbours, volunteers and community groups.

Suggestions for how this could be achieved included offering an incentive, such as a reduction in Council tax or free car parking/public transport within the borough, to those who are willing to volunteer help to neighbours and communities and working with social landlords to help them to support tenants so that they can stay at home for as long as possible. However, it was also highlighted that support for older people needs to be consistent, regulated and of a sufficient quality.

## Children's Services

All of the residents who responded in relation to Children's Services agreed that the Council were right in making it a priority to ensure that Looked After Children (children in residential and foster care) have the same opportunities to succeed in life as any other child/young person. It was suggested that continuing to build on successful joint working and good communication across agencies plus sharing expertise and good practice would help to achieve this aim. Most residents who responded agreed that the council and its partners are right to aim to support parents to give every child in Oldham the 'best start in life' and one resident suggested that this could be built on by offering all 2 year olds a place in a childcare setting.

## Public Health

Suggestions in relation to improving Public Health services included:

- Providing opportunities for people to connect with their community and other local residents at social events.
- Promoting activities to improve people's physical fitness that appeal to young adults such as family bike rides
- Helping residents to grow fruit, vegetables and herbs by expanding out digging for health
- Continuing to work closely with health partners

**Council**

## **Budget Amendment Proposal 2015/16**

**Amendments of the Deputy Leader of the Main Opposition,  
Liberal Democrat Group, Councillor John McCann**

25 February 2015

**Officer Contact:** David Hodgkinson, Assistant Borough Treasurer

### **Purpose of Report**

This paper presents the Oldham Liberal Democrat Group's Alternative Budget proposals to Council. The report sets out seven budget options and four investments which amend the Administration's proposed budget.

### **Executive Summary**

There are seven savings proposals and four investment proposals put forward totalling £439k in 2015/16 and £272k in 2016/17.

### **Recommendations**

Council is recommended to consider the budget proposals as set out.

## **1 Background**

- 1.1 This report sets out the budget options of the main Opposition Party, The Liberal Democrats, which are submitted for consideration by Members of the Council.
- 1.2 The Oldham Liberal Democrat Group is determined to act as a responsible Opposition to the Labour Administration.
- 1.3 Following examination by Overview and Scrutiny, some points have been clarified or expanded. There are no new options or changes in the text to incorporate into the presentation to the council, which have arisen from the O&S PVfM discussion.
- 1.4 The Group will be proposing 7 additional savings and 4 investments to amend the Administration's proposals. The investments are to be funded by additional savings options. This follows on from the approach taken for 2014/15.
- 1.5 Accordingly, we accept the vast bulk of the Administration's savings and have no wish to make work. There are inevitably proposals where we would have done things differently in detail but it is not a good use of time to pick at details. Thus the documentation in this paper relates only to changes and additional proposals for savings and investments.
- 1.6 We recognise that the environment within which Local Government has to work is currently particularly challenging and is likely to remain so for a number of years to come. Cross party working and consensus has a major part to play in ensuring the future success of the Borough, and consistency of decision making is vital if we are to ensure the best possible future for our citizens, irrespective of changes in political control of the Council.
- 1.7 In the interests of putting the Borough first, we have deliberately called upon our extensive knowledge and experience gained from three years running the Council. In order to add value to the current Administration's proposals, we present a set of proposals which we consider to be the natural successor to our budgets when in administration.
- 1.8 Clearly there are a number of proposals within the Administration's budget which they themselves flag up as difficult or unpalatable. We recognise that and agree that in an ideal world those would not be under consideration.
- 1.9 That said, we recognise the hard work which both members and officers have put into this budget, and the difficult choices made.
- 1.10 We remain consistent in our long term approach to budgets. We continue to support the principle of keeping Council tax as low as

possible and in the years when Oldham's own resources do not permit it and Government does not provide subsidies to keep the Council tax rise down, our commitment is to keep any Council tax rises at inflation or below. We are pleased that the administration has accepted the Council Tax freeze grant this year, and will use it to avoid an increase in 2015/16.

- 1.11 We believe that in addition to ensuring the Council lives within its means, there is a real need to seek ways of increasing the size of the cake, rather than cutting it ever more finely.
- 1.12 Our Budget suggestions take cognizance of what Oldham needs to do to deal with the headwinds it will face in the next few years. We will co-operate with the administration and will continue to work with them on the long term solutions which address the problems of 2015/16 and beyond.
- 1.13 This paper sets out the Liberal Democrat opposition's proposals for the council budget for the coming year, 2015/16.
- 1.14 The Liberal Democrats have experience of running the Council from 2008/9 to 2010/11, and are therefore confident of making an authoritative contribution. We have a strong track record.
- 1.15 The Alternative Budget mechanism is a vehicle for the opposition to provide:
  - Constructive challenge to the Administration's proposals.
  - Ideas for alternatives which the administration is welcome to adopt, as both parties have done in the past.
  - A disciplined debate in which proposals for extra/alternative investment must be balanced with corresponding savings.
- 1.16 Opposition members have held a series of meetings with senior finance officers, to consider proposals put forward by officers and reach agreement on benefits and feasibility. When published, the Administration's proposals are similarly explored. The package is then put together with assistance from finance officers before being submitted to the Section 151 officer (the Interim Director of Finance) for certification. This procedure ensures rigour and also provides valuable experience for future Section 151 officers. We received excellent support from our officers this year and thank them for their hard work and professionalism.
- 1.17 There are limitations. The opposition team necessarily relies heavily on the main work stream commissioned by the administration, so the full picture is not available to them until publication late in the process. The

opposition's research is thus always supplementary, and does not purport to be a complete alternative working.

- 1.18 The upshot is that these suggestions are more limited in scope than in previous years. Nonetheless, we put it forward in the spirit of constructive challenge and to flag up where extra savings are possible.

## **2.1 Interim Director of Finance Comments**

- 2.1 I confirm in my role as Responsible Officer under Section 151 of the Local Government Act that the budget amendments as presented are robust and deliverable.
- 2.2 As it is an alternative set of budget options the opportunity for testing the risks associated with the proposals are more limited and it is therefore necessary to afford a level of caution in presenting these alternatives.

(Anne Ryans)

## **3 Continuity and Agreement**

- 3.1 The Administration's budget as a whole includes a large core of both policy and specific savings and investment which the Liberal Democrats agree with and will lend public support.
- 3.2 The reason is simple; much of the current work on savings takes forward initiatives begun by the Liberal Democrats. These include:
- Reducing to the minimum resource spent on back office administration.
  - Rationalising duplication of effort with partners, especially the NHS.
  - Transferring the emphasis to capability and independence for areas in social care
  - Reducing layers of management and bureaucracy
  - Having fewer buildings and using office space more effectively, e.g. hot-desking
  - Promoting self-service on-line
  - Reducing waste on energy and other utilities
  - Modernising and rationalising computer systems
  - Multi-skilling the workforce

3.3 Similarly, there are many initiatives the Liberal Democrats invested in which are thriving and taking Oldham forward, for instance:

- Metrolink – The reopened line and the Town Centre route
- Mahdlo
- The Regional Science Centre
- Bloom and Grow
- Oldham Town Hall
- New housing
- Energy efficiency – homes and street lighting
- Refurbishing the Coliseum

3.4 We are pleased to see these initiatives keep moving forward and achieving greater efficiency and/or improved service for Oldham's citizens. Oldham Council is at its best when the political parties act in the common interest.

3.5 Accordingly, we accept the vast bulk of the Administration's savings and have no wish to challenge them. There are inevitably proposals where we would have done things differently in detail but it is not a good use of time to pick at details. Thus the documentation in this paper relates only to changes and additional proposals for savings and investments or prudent delays in implementation of change.

3.6 Having had a chance to ask questions at Overview and Scrutiny regarding risks and mitigations, we judge that we can rely on them.

#### **4 Liberal Democrat ideals and practicality**

4.1 Having set out where we agree, we now turn to the areas where we are distinctive.

4.2 Liberal Democrats believe that we want to help residents by giving them a hand up rather than a hand out, which means in everyday terms, we must:

- Focus on the future by improving the life chances of citizens, especially the young
- Support and strengthen individuals and communities to work in partnership

- Protect the vulnerable
- Provide quality essential services which are value for money

4.3 In the present economic climate, shifting resource has become more challenging, but that is all the more reason to back our ideals with efficiency and consistency. As usual we have set out to find additional savings we could recycle. We believe that serving the citizens means leaving no stone unturned in the quest for the best use of every penny of public money.

4.4 The savings and investments are put forward to Council. Some savings have no impact on the public; others involve sacrifice. Budgeting is not about perfect solutions but about weighing the pros and cons of different courses of action. We have found £439k within 2015/16, and an additional £272k in 2016/17, which could and should be better used.

## **5 Saving and investment proposals**

5.1 In compiling our amendment to the Administration's budget we have continued to focus on:-

- The reduction of Elected Members from 60 to 40, and a wider review of the cost of democracy within the council. While this is not applicable for 2015/16 we wish to put this forward as an 'in principle' decision for 2016/17.
- Efficiencies in the Street Lighting contract
- Reduced Management and Administration
- Reduction in non-staffing expenditure such as publications and subscriptions

5.2 The shift is modest compared to past years. This is inevitable given the straitened nature of the budget and a leaner organisation. It is also a function of the council's stage of development which focuses on the radical reconfiguration of whole services. In these cases, the entire enterprise is a work in progress and not susceptible to meaningful adjustment.

### **5.3 Savings**

5.3.1 Our proposal to reduce the number of councillors reflects public opinion, repeatedly expressed in consultations and in the press. We consider that modern communications, the provision of paid caseworkers and a much-reduced number of committees have reduced the load on councillors. Although no savings could accrue in



2015/16, it is high time to initiate an open and democratic debate with full public participation.

- 5.3.2 The street lighting project has been bedevilled by problems and needs radical consideration to improve both efficiency and performance. Further money can be saved by a reduction in the intensity of lighting in appropriate locations. In fact many residents have said that the new lights are too bright near houses. The proposal suggests further savings in streetlighting over the next 2 financial years. There is an acknowledgement that there could be risks to decreasing the lighting further however as per the savings proposal officers would work closely with members and other stakeholders to minimise any risk to safety.
- 5.3.3 The Lifelong Learning Centre will be set an additional income target of £50k through external funding.
- 5.3.4 We would discontinue publication of Borough Life, Family Life and the leaflet that is included within the Council Tax bill because we do not believe these represent value for money. Our feedback from the public is that it is seen as propaganda, and lacking in useful information. Whilst we recognise that the public need to be informed alternative communication methods should be utilised such as those addressed in channel shift programmes. Particularly in relation to Family Life, we believe that schools have the most highly developed literacy for IT with all children having access to computers. Also, the introduction of electronic billing could result in savings but with the investment required it is likely that savings would not accrue until 2018/19. In addition there would be a savings target set in relation to internal communication campaigns. The total saving target for the items identified above is £93k in 2015/16 and an additional £10k in 2016/17.
- 5.3.5 The Civic and Political Support Manager Role is currently vacant. It is proposed that this post is deleted.
- 5.3.6 A savings target for the Authority would also be set in relation to conferences and subscription costs at 10% with a total saving expected of £9k.
- 5.3.7 Within the 2015/16 proposed budget there is a Revenue Priorities budget of £1.475m. This has been set aside by the Administration as during the current financial year a number of central government grants have been reduced in-year and additional pressures have been identified. It is proposed that £210k of this is utilised in the financial year for our proposed investments whilst still retaining a budget of £1.265m for other pressures which is good financial management.

#### 5.4 **Investments**

- 5.4.1 A savings proposal was put forward by the current Administration in relation to a reduction in devolved revenue budgets to District Executives with a saving of £180k. It is proposed that this saving is rescinded. This will ensure that the Districts are able to continue to support priority themes such as Get Oldham Working and that joint commissioning between Districts on initiatives can continue.
- 5.4.2 Investment in gulley cleaning is to reinstate provision to its level under the Liberal Democrats. The administration's cut is a false economy because of the erosion of roads when gullies become blocked; the disproportionate cost of digging out blocked gullies; and the serious hazard of ice or surface water on roads.
- 5.4.3 Our proposal for investment in enforcement and street cleaning reflects public demand. Complaints about dumped rubbish and household items form a significant part of current casework loads. Detection and enforcement should lead the way but detection is not always possible, so clearance is necessary to protect public health. Poor street cleanliness hampers regeneration and was a major reason for the very poor image of Oldham which we are still working to dispel.
- 5.4.4 The savings identified above would enable an investment in youth services in 2016/17. An estimated £272k would be shared between the district partnerships. This would enable the district partnerships to commission youth services according to local need. These could be commissioned from MAHDLO or other local providers.

## **6 The Capital Programme**

- 6.1 The opposition is not putting forward an alternative Capital Programme, but proposes some important changes in principle to the process. The Administration's programme contains a number of attractive options, but the desirability of the objective does not of itself mean that the project is sound. The Liberal Democrat members have scrutinised the administration's proposals and have a number of concerns as to their viability and prudence. We would prefer to see more realistic timeframes and cost-benefit analyses. Savings arise from this approach. They are not a driver but can be quantified and reallocated to other priorities.
- 6.2 One concern is the repayment cost, especially should the schemes be funded through additional borrowing. The scale of the potential impact is documented in Treasury Management Strategy reports. This is not to argue against investment, but to make clear the magnitude of the capital programmes impact on the revenue budgets and the choices to be made.

## 7 Amendment Financial Analysis

Reference	Cluster	Proposal	2015/16 (£'000)	2016/17 (£'000)
<b>BUDGET INVESTMENTS</b>				
D040	Policy and Governance	Ward revenue cut reversals	(180)	0
OPB INV1	Cooperatives and Neighbourhoods	Extra street-cleaning & enforcement	(94)	0
OPB INV2	Cooperatives and Neighbourhoods	Gully Cleaning teams	(165)	0
OPB INV3	Cooperatives and Neighbourhoods	Investment in youth services	0	(272)
<b>TOTAL BUDGET INVESTMENTS</b>			<b>(439)</b>	<b>(272)</b>
<b>BUDGET OPTIONS</b>				
OPB SAV2	Corporate and Commercial Services	Lifelong Learning Income	50	0
OPB SAV3	Policy and Governance	Removal of Civic and Political Support Manager Role	37	0
OPB SAV4	Commissioning	Streetlighting reductions & dimming	40	50
OPB SAV5	Cooperatives and Neighbourhoods	Reduction of council publications and reduction in spend on internal communications	93	10
OPB SAV6	Policy and Governance	Reduction in Councillors and associated savings	0	212
OPB SAV9	Council Wide	Reduction in revenue priorities allocation	210	0
OPB SAV10	Council Wide	Council-wide Reduction in conferences and subscription costs	9	0
<b>TOTAL BUDGET OPTIONS</b>			<b>439</b>	<b>272</b>
<b>IMPACT ON MTFS</b>			<b>0</b>	<b>0</b>

## 8 Equality, community cohesion and crime implications

8.1 The Liberal Democrats support the procedures adopted for the production and scrutiny of Equality Impact Assessments. We have given careful consideration to the EIAs published by the administration and used these in our evaluation of options, together with our own questions to officers.

8.2 We are satisfied that all options have been carefully evaluated in accordance with legislation.

8.3 The effect of the alternative budget on community cohesion is entirely positive.

## 9. Public consultation

9.1 The public expects as a co-operative borough that the fullest possible consultation before and during the formulation of budget options and

before their implementation is essential to the democratic process. The budget is the implementation of the council's policy framework and priorities.

- 9.2 Statutory consultation with Social Services users, their families and carers follows a set pattern and we are satisfied that it has been properly conducted and fully reported. We are likewise satisfied that there has been due consultation with the Voluntary Sector.

**Administration proposal for information – investment for Opposition budget would see the reversal of this saving**



**Oldham**  
Council

**REFERENCE: D040 (Review District Arrangements)**

**TOTAL SAVING: 2015/16 £180k; 2016/17 £0k**

**FTE IMPACT (2015/16): 0 (Savings through transformation)**

**What service area/s does this proposal relate to?**

Commercial Services / Neighbourhoods  
Legal & Democratic Services / Neighbourhoods

**What is the proposal?**

This saving proposal has come forward following a strategic review of the costs associated to running the democratic processes of the council. The review, led by the Borough Solicitor and the Deputy Leader, looked at governance, administrative budgets and staffing costs, at the corporate centre and at a district level. The review covered all the costs associated with supporting the democratic and electoral process including support to elected members.

**Background to the proposed savings applied to District Executives**

In May 2012 at Annual Council the Building A Co-operative Future – Devolution to Districts was approved. This set out a fundamental shift by devolving services, budgets and decision making to a local district level.

A Local Leaders programme was also put in place, which set out to enhance members' skills in leading and championing local causes and working with communities towards a Co-operative borough - where everyone does their bit and everyone benefits.

In addition a small core team was also established in each district to support the District Executives, manage services and coordinate partnership activity and community engagement at a local level. The teams also deliver corporate as well as local events and campaigns such as Love Where You Live , Welfare Reform ,Illegal money lending (Loan Shark) campaigns, the teams connect with communities and make campaigns real on the ground

## **Saving Proposals – Total £ 180k**

### **1. Reduction in devolved revenue budgets to District Executives – Saving £180,000**

The current position is that each district has a devolved budget equivalent to £25,000 per ward. Total budget across all 20 wards is £500,000. In addition, each Councillor receives £3,000 as an individual budget to support local ward priorities. Total for all Councillors is £180,000

Current overall total of devolved ward and individual budgets = £680,000

This proposal is to reduce the devolved ward budget from £25,000 to £10,000, reducing the Borough total to £200,000. In addition, increase the individual Councillor budget from £3,000 to £5,000 = £300,000

### **Financial Impact**

Local commissioning by District Executives will be reduced and the ability for Districts to pool and commission against agreed priorities could be limited. District priority themes such as Get Oldham Working, where Districts have taken on apprentices and invested in local opportunities will be reduced. The capacity to jointly commissioning across Districts will also diminish such as current joint arrangements between Districts on the provision of welfare rights, environmental and crime reduction schemes. The increase in individual budgets could see a greater number of smaller grants given to groups and individual organisations at a ward level.

### **What impacts might the proposal have in terms of:**

- **The ability of the service to deliver its expected outcomes?**

The reduction in district budgets will impact on the local capacity to commission on a larger scale on district and corporate issues and to enhance service provision such as wider environmental schemes.

Through increased individual budgets Members will have flexibility to target local smaller ward and neighbourhood based projects

- **Communities?**

Communities could see an increase in smaller neighbourhood and local ward based schemes that local people prioritise, funded through the increase in Councillor budgets. Communities will see a decrease in wider commissions tackling District and area based issues such as health inequalities and worklessness.

- **Organisational Impact?**

The reduction in District Executive budgets will see an impact on services such as Children's, Adult Social Care and Environmental Services who have all received funding to add local value to wider service provision.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	Yes /No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	Yes
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	Yes
EIA to be completed by:	Colette Kelly
Date:	January 2015

**Consultation information**

Discussions have taken place at the District Chairs and Vice Chairs session with the Executive Portfolio Holder for Co Operatives and Neighbourhoods. Chairs and Vice Chairs are feeding back to the Executive Member on the potential impact locally in their districts. Discussions with ward members in each district are also complete.

**REFERENCE: OPB INV-1**  
**TOTAL INVESTMENT: 2015/16 £94k; 2016/17 £0k**  
**FTE IMPACT (2015/16): 3**



## **Investment through transformation**

**What service area/s does this proposal relate to?**

Environmental Services

**What is the proposal?**

To increase the provision of Enforcement and Street Cleaning teams within the Borough.

**Financial Impact**

£94k in 2015/16

**What impacts might the proposal have in terms of:**

- **The ability of the service to deliver its expected outcomes?**

The outcome of the proposal is to increase the number of teams to invest in the up keep of neighbourhoods and reduce problems with street litter.

- **Communities?**

The proposed investment would give greater efficiency of cleaning over and above the recommended standard.

The enforcement team would reduce the amount of litter dropped.



- **Workforce?**

The investment is calculated to be £94k which covers the cost of 3 FTE with the remainder of the funding being used to purchase operational materials.

- **Organisational Impact?**

There will be no impact on other services.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	NA
Date:	NA

### **Consultation information**

There is no requirement for consultation in respect of this proposal.

**REFERENCE: OPB INV-2**  
**TOTAL INVESTMENT: 2015/16 £165k; 2016/17**  
**£0k**



**Oldham**  
Council

**FTE IMPACT (2015/16): 4**  
**Investment through transformation**

**What service area/s does this proposal relate to?**

Highway Operations

**What is the proposal?**

To increase the provision of gully teams within the Borough

**Financial Impact**

£165k

**What impacts might the proposal have in terms of:**

- **The ability of the service to deliver its expected outcomes?**

The outcome of the proposal is to increase the number of teams to invest in the up keep of neighbourhoods and reduce problems with drainage.

- **Communities?**

This proposed investment would give greater efficiency of cleaning over and above the recommended standard.

Also, if there was a flood event the service would be able to deal with the situation more quickly due to the increased capacity.

- **Workforce?**

The investment is calculated to be £165,000 which covers the cost of four Grade 4 employees and one vehicle

- **Organisational Impact?**

There will be no impact on other services.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	NA
Date:	NA

**Consultation information**

There is no requirement for consultation in respect of this proposal.

**REFERENCE: OPB INV-3**  
**TOTAL INVESTMENT: 2015/16 £0k; 2016/17 £272k**

**FTE IMPACT (2015/16): NIL**  
**Savings through transformation**



**What service area/s does this proposal relate to?**

Neighbourhoods – District Youth

**What is the proposal?**

To allocate additional funding to District Executives to commission /fund Youth activities in each District

**Financial Impact**

Allocate £272,000 over the 6 Districts (£45,333 each District)

**What impacts might the proposal have in terms of:**

- **The ability of the service to deliver its expected outcomes?**

To enhance the local offer of Youth activity in each District. This will enable locally flexibility to support the local VCF sector and mitigate the impact of the reduction in Council delivery of youth services .

- **Communities?**

The impact to all communities within the borough will be positive, as the proposed investment allows each district to allocate ring-fenced funding to the provision of youth activity as they see fit.

- **Workforce?**

There are no Council staff implications but sessional workers in the VCF will benefit from local commissions This will be decided on a district-by-district basis.

- **Organisational Impact?**

There will be no impact on other services.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	NA
Date:	NA

**Consultation information**

There is no requirement for consultation in respect of this proposal.
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**REFERENCE: OPB SAV-2**  
**TOTAL SAVING: 2015/16 £50k; 2016/17 £0k**  
**FTE IMPACT (2015/16): NIL**  
**Savings through transformation**



**What service area/s does this proposal relate to?**

Oldham Lifelong Learning Service

**What is the proposal?**

Lifelong Learning option to generate extra £50k income from a range of external funding.

**Financial Impact**

£50k in 15/16

**What impacts might the proposal have in terms of:**

- **The ability of the service to deliver its expected outcomes?**

There should be little impact on the Service's ability to deliver outcomes and meet targets. The high quality of the service will be maintained and outcomes and targets will remain in line with Skills Funding Agency (SFA) and Council requirements.

The development of a non SFA element of delivery may help to diversify the offer from the Service.

The Service currently:

- Is graded as outstanding by OFSTED
- Has circa 14,500 enrolments and engages circa 8,000 learners per year
- Contributes significantly to the Council's Get Oldham Working ambitions, the Public Service Reform agenda and our Health and Wellbeing ambitions by delivering provision which focuses on people who are:
  - Unemployed
  - Seeking work
  - Jobcentre Plus clients
  - Hard to reach and most disadvantaged
  - Parents and families
  - Minority ethnic groups
  - Experiencing learning difficulties and/or disabilities
  - Full level 2 learners
- Delivers vocational learning, English, Maths and English for Speakers of Other Languages (ESOL), Family English, Maths and Language (FEML), ICT, community learning and community engagement, health and wellbeing
- Works closely with key partners to deliver the Council's vision and priorities these

include:  
 Oldham College  
 Jobcentre Plus  
 Work Programme providers  
 Positive Steps  
 National Careers Service  
 Work Clubs  
 Union learning representatives  
 Workforce development service  
 Schools  
 Children's centres  
 Voluntary and Community sector  
 Local businesses

- **Communities?**

Learners are already largely taking responsibility for their own learning. The only exceptions are Job Centre Plus clients who may be participating simply because they are mandated to attend.

- **Workforce?**

New skills and additional capacity would be required in terms of bid writing, submission and delivery, which will be met in-house. There will be no additional cost to service.

- **Organisational Impact?**

There will be no impact on other services.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	N/A
Date:	N/A

**Consultation information**

There is no requirement for consultation in respect of this proposal.





**REFERENCE: OPB SAV-3**

**TOTAL SAVING: 2015/16 £37k; 2016/17 £0k**

**FTE IMPACT (2015/16): 1.0 FTE**

## **Savings through transformation**

**What service area/s does this proposal relate to?**

*Commercial Services – Civic & Political Support*

**What is the proposal?**

*Removal of Civic and Political Support Manager Role*

**Financial Impact**

*Net saving of £37k in 15/16 if post is deleted*

**What impacts might the proposal have in terms of:**

- **The ability of the service to deliver its expected outcomes?**

The post is currently vacant with interim arrangements in place to cover the management of the team and the services provided. The management of civic and political support is important and a review is scheduled to take place to assess whether the interim arrangements have not affected detrimentally the provision of the services to identify whether the post is required.

- **Communities?**

N/A

- **Workforce?**

Impact of loss of 1 FTE.

- **Organisational Impact?**

There will be no impact on other services.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	NA
Date:	NA

### **Consultation information**

There is no requirement for consultation in respect of this proposal.



**REFERENCE: OPB-SAV4**  
**TOTAL SAVING: 2015/16 40k; 2016/17 50k**  
**FTE IMPACT (2015/16): Nil**  
**Savings through transformation**

**What service area/s does this proposal relate to?**

*Neighbourhoods and Commercial Services*

**What is the proposal?**

The Council has entered into a PFI agreement to replace 80% of the Boroughs street lights over a 5 year period. The newly installed lights have the ability to reduce the light output at preset times to reduce energy costs and the Council's carbon footprint. This is referred to as a variable lighting strategy.

The reduced lighting levels have already been determined and the impact is being monitored; however this exercise is to evaluate the feasibility of reducing the light output of street lights even further.

The current variable lighting strategy reduces the lighting level in residential areas from 100% to 50% between 22:00 hrs and 05:00hrs and traffic routes from 100% to 75% at 22:00, then to 50% between 24:00hrs and 05:00hrs. This proposal was put forward on the basis that the lighting levels have been designed to provide the correct level of light at switch on and would only be reduced when there was a change in the environment – ie reduced traffic and pedestrian use. This would ensure that the appropriate level of light is being provided at all times during the hours of darkness. It also ensures that the provision of light is not being wasted, through over-lighting.

It is not advisable to reduce the lighting levels below 50% as the light source would become unstable; however it is 'technically' possible to reduce the light level earlier than 22:00hrs and later than 05:00hrs. If the light was reduced throughout the full hours of darkness to 50%, it is estimated that there would be a further saving of £41k in 2015/16 and £90k in 2016/17.

The risk associated with reducing the lighting level earlier than the current regime is that it may put the public at risk. The new street lights are designed in accordance with British and European Lighting Standards to provide the required level of light to illuminate the highway and associated footways (ie not over lighting and not under lighting). The designed lighting levels remain at 100% at switch-on and are only reduced once the environment changes. The changes in environment are related to the levels of pedestrian activity and traffic volumes. It is considered that this approach helps to safeguard the public and would provide the council with a defence if a claim was presented as a result of the lighting level not meeting the required standard. If the lighting levels were to be reduced further the lighting would not accord to any lighting standard and may put the public at further risk of accident and increase the risks associated with wider community safety.

Council officers would work closely with Members and other stakeholders prior to

any proposal being implemented to minimise any risk to safety.

### Financial Impact

The current variable lighting strategy presents financial savings to the Council. If the decision was taken to reduce the light levels further, any savings realised could be offset by claims against the Council and has potential implications for partners in terms of managing community safety.

### What impacts might the proposal have in terms of:

- **The ability of the service to deliver its expected outcomes?**

Outcomes and service provision may be compromised – please see risk section above.

- **Communities?**

Maintaining the current variable lighting strategy will minimise further impact on Communities

Reducing the lighting levels further may impact on the safety of communities

- **Workforce?**

Not applicable as the Service is delivered by the external PFI Service Provider

- **Organisational Impact?**

*There will be no impact on other services.*

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	Yes
Disabled people	Yes
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	Yes
Groups with particular faiths/beliefs	No

EIA required:	Yes
EIA to be completed by:	Jonathan Hartley
Date:	5 February 2015

**Consultation information**

There is no requirement for consultation in respect of this proposal.
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## Stage 1: Initial screening

Lead Officer:	Jonathan Hartley
People involved in completing EIA:	
Is this the first time that this project, policy or proposal has had an EIA carried out on it? If no, please state date of original and append to this document for information.	Yes  Date of original EIA:

## General Information

1a	Which service does this project, policy, or proposal relate to?	OPB-SAV4 Street Lighting
1b	What is the project, policy or proposal?	Reduction in lighting levels for street lighting
1c	What are the main aims of the project, policy or proposal?	Savings on energy as a result of a reduction in lighting levels.
1d	Who, potentially, could this project, policy or proposal have a detrimental effect on, or benefit, and how?	The proposal is for a reduction in lighting levels for the Authority's street lighting. There is a possibility that this could disproportionately impact on some groups. However, until detailed work is completed and a decision was made about which areas will be affected this is not possible to assess in detail.

1e. Does the project, policy or proposal have the potential to disproportionately impact on any of the following groups? If so, is the impact positive or negative?

	None	Positive	Negative	Not sure
Disabled people	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Particular ethnic groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Men or women (include impacts due to pregnancy / maternity)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People of particular sexual orientation/s	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

People on low incomes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People in particular age groups	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Groups with particular faiths and beliefs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
<i>E.g. vulnerable residents, individuals at risk of loneliness, carers or serving and ex-serving members of the armed forces</i>		<input type="checkbox"/>	<input type="checkbox"/>	

1f. What do you think that the overall NEGATIVE impact on groups and communities will be?	<b>None / Minimal</b>	<b>Significant</b>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
1h	How have you come to this decision?	A review would need to be undertaken with a focus on safety and risk. As part of this review the Council would need to consider equality impacts on the groups highlighted above.



**REFERENCE: OPB-SAV5**

**TOTAL SAVING: 2015/16 £93k; 2016/17 £10k**

**FTE IMPACT (2015/16): NIL**

## **Savings through transformation**

**What service area/s does this proposal relate to?**

Policy and Communications

**What is the proposal?**

Deletion of council publications and reduction in spend on internal communications

**Financial Impact**

Borough Life deletion £43k saving in 15/16

Family Life deletion £19k savings in 15/16

Discontinue the publication of Council tax leaflet from 16/17, £10k saving

Reduction in internal communication and events £31k in 15/16

**What impacts might the proposal have in terms of:**

- **The ability of the service to deliver its expected outcomes?**

Oldham Council produces a quarterly newsletter (Borough Life), to keep the residents of Oldham informed about council services and developments within the borough. It is a full colour paper, of approximately 12 pages. It is produced and distributed to all 93,000 households within the borough and delivered to key locations like libraries, doctor's surgeries, cafes and pubs. It is also available as a PDF document on the council website.

The council also produces a newsletter for families (Family Life) which is distributed through schools three times a year to coincide with major school holidays. Family Life updates parents about youth activities, signposts to available services for children and young people and promotes public health initiatives like immunisation and oral health.

The proposal is to remove both of these publications publication from circulation, to deliver a budget saving from all associated costs of the production and distribution of both magazines.

The council also has a duty to inform residents about the services we provide and use of alternative media will need to be considered to fulfil the council's commitments.

Readership of local newspapers has drastically reduced over the last five years and use of the council website, while increasing steadily, is not widespread in some areas of the community. Direct mail to each household is the only way to guarantee that every resident has the opportunity to access information about council services. As Family Life is distributed through schools (in every pupil's bookbag) it is the primary way to guarantee important messages reach all parents.



Removing Borough Life and Family Life may have a detrimental impact on levels of awareness and take-up of council services and could lead to reduced resident satisfaction.

In addition, the council produces an A5 booklet which is distributed to every resident alongside council tax bills.

We use our council tax leaflet to outline to residents how their council tax is spent, highlight the breadth of services available to residents and to explain how they access them. Research shows that perception of value for money is one of the major drivers of satisfaction with the council and the local area. Removing the council tax leaflet could lead to reduced resident satisfaction and impact on awareness and take-up of council services.

The council currently spends £31k on internal communication campaigns. This work helps to ensure that all of the council's 3,000 employees are provided with information relevant to them on issues such as health and safety, that they have the opportunity to learn about the wider work of the organisation and are informed about the significant changes being delivered as part of our budget challenge.

During periods of change it is vital to ensure staff are well informed and engaged as research shows that staff who are well engaged are more productive and motivated.

- **Communities?**

Lack of direct communication could lead to lower awareness and take-up of key council services particularly in areas or among groups with lower levels of online access.

There is a risk that this could be detrimental to the image of the council within communities, which could provide a drop in satisfaction levels.

- **Workforce?**

A reduction in internal communication spend during a significant period of change could lead to lower staff morale and reduced levels of engagement, productivity and motivation.

- **Organisational Impact?**

There will be no impact on other services.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact

on any of the following groups:	
	Yes
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	Yes
People in particular age groups	Yes
Groups with particular faiths/beliefs	No

EIA required:	Yes
EIA to be completed by:	Shelley Kipling
Date:	16 February 2015

### Consultation information

There is no requirement for consultation in respect of this proposal.

# Equality Impact Assessment Tool

Lead Officer:	Shelley Kipling
People involved in completing EIA:	
Is this the first time that this project, policy or proposal has had an EIA carried out on it? If no, please state date of original and append to this document for information.	Yes x No  Date of original EIA: 16/02/15

## General Information

1a	Which service does this project, policy, or proposal relate to?	Communications and Marketing
1b	What is the project, policy or proposal?	Proposal to reduce spend on communication and marketing activity.
1c	What are the main aims of the project, policy or proposal?	<p>To stop the publication of the council's newspaper – Borough Life and Family newsletter - Family Life and to reduce spend on internal communication which would achieve the following savings:</p> <ul style="list-style-type: none"> <li>• Borough Life deletion £43k saving in 15/16</li> <li>• Family Life deletion £19k savings in 15/16</li> <li>• Discontinue the publication of Council tax leaflet from 16/17, £10k saving</li> <li>• Reduction in internal communication and events £31k in 15/16</li> </ul>
1d	Who, potentially, could this project, policy or proposal have a detrimental effect on, or benefit, and how?	<p>The council's Borough Life newspaper is delivered to every household in the borough four times a year. It is intended to inform residents about how their council tax is spent and how to access council services. Without Borough Life residents would have to rely on the council website and the local press for information about the council.</p> <p>Readership of the Oldham Evening Chronicle as fallen 46% over the last five years and the Manchester Evening News has recently announced that it will no longer be publishing the Oldham Advertiser which will be replaced by a Manchester wide weekly newspaper with very little Oldham content.</p> <p>The number of residents with access to the internet in Oldham is growing steadily, however, some groups are</p>

		<p>less likely to have access including older people and those on lower incomes.</p> <p>A communications strategy reliant on digital could potentially make it more difficult for these groups to access information about the council and its services.</p>
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1e. Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups? If so, is the impact positive or negative?				
	None	Positive	Negative	Not sure
Disabled people	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Particular ethnic groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Men or women (include impacts due to pregnancy / maternity)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People of particular sexual orientation/s	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People on low incomes	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
People in particular age groups	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Groups with particular faiths and beliefs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
<i>E.g. vulnerable residents, individuals at risk of loneliness, carers or serving and ex-serving members of the armed forces</i>		<input type="checkbox"/>	<input type="checkbox"/>	

**If the answer is “negative” or “not sure” consider doing a full EIA**

<p>1f. What do you think that the overall <b>NEGATIVE</b> impact on groups and communities will be?  <u>Please note that an example of none / minimal impact would be where there is no negative impact identified, or there will be no change to the service for any groups.</u>            Wherever a negative impact has been identified you should consider completing the rest of the form.</p>	<b>None / Minimal</b>	<b>Significant</b>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
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1h	How have you come to this decision?	If these publications were ceased then officers would work with members and stakeholders to find alternative methods of delivering the information. The equality groups identified – low income and particular age groups – would be targeted to improve their access to this information through focussed communication methods and through the use of our libraries and our digital inclusion programme.
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**REFERENCE: OPB-SAV6**  
**TOTAL SAVING: 2015/16 £0k; 2016/17 £212k**  
**FTE IMPACT (2015/16): NIL**  
**Savings through transformation**

**What service area/s does this proposal relate to?**

Commercial services - Democracy

**What is the proposal?**

Reduction in Councillors & associated savings

**Financial Impact**

£211,900 saving in 16/17 (12 month delay in implementation due to complexity and dependent upon outcome of Local Government Boundary Commission review).

Saving is £196k For reduction in Cllr's, through savings in he cost of elections and democracy and £15k Associated savings through IT and infrastructure

**What impacts might the proposal have in terms of:**

- **The ability of the service to deliver its expected outcomes?**

Currently, the Council operates election by thirds, which means that in a four year cycle, we elect a third of councillors in each of the first three years, and the fourth year is then a fallow year – meaning there is no election. Councillors serve a four year term of office. There are currently 60 Councillors serving 20 wards i.e. 3 Members per ward.

Currently, the legislation does not permit metropolitan councils, such as Oldham, to have elections on a biennial basis and the recommendation requires representations to be made to the Secretary of State to give this additional power to metropolitan councils.

The Council would require an Electoral Review to execute the proposal. The Review would be carried out by the Local Government Boundary Commission for England (LGBCE). The objective of the Review would be to consider and identify the appropriate number of Councillors for each Ward.

There would be a need for a review application to be made to the Local Government Boundary Commission for England outlining the reasons why the review is required. The Commission follow a timetable which is approximately 10-14 weeks long.

Based on the timelines from the Boundary Commission this process would take at least 12 months from the Council approving the in principle decision.

If agreed, there would also be a change to the frequency pattern of local elections, resulting in a saving of one local election every 4 years.

The reduction in the number of Councillors will lead to a reduction in the Basic Allowances budget. The proposed saving would be approximately £196,000. This would of course reduce or increase if there was any movement in the basic allowance.

- **Communities?**

By reducing the number of Councillors from 60 to 40 it has the potential to limit the access constituents currently have with Councillors. Members will need to consider their approach to managing their constituency workloads. A reduction in the number of Councillors may also impact on the number of outside bodies' places that Oldham Council currently have.

Support would need to be put into place for members if there were a reduction to enable a successful transition to new ways of working. One way would be through the Local Leader's programme.

Each Member will have to review their constituency base and their workload arrangements.

There may be potential implications for ways of working within the District Partnerships.

- **Workforce?**

N/A

- **Organisational Impact?**

There will be no impact on other services.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	Yes
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	Yes
People in particular age groups	No

Groups with particular faiths/beliefs	No
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EIA required:	Yes
EIA to be completed by:	Paul Entwistle
Date:	11 February 2015

**Consultation information**

There is no requirement for consultation in respect of this proposal.
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# Equality Impact Assessment Tool

## Stage 1: Initial screening

Lead Officer:	Paul Entwistle
People involved in completing EIA:	
Is this the first time that this project, policy or proposal has had an EIA carried out on it? If no, please state date of original and append to this document for information.	Yes ✓ No  Date of original EIA:

## General Information

1a	Which service does this project, policy, or proposal relate to?	Civic and Political Support
1b	What is the project, policy or proposal?	Proposed reduction in the number of members
1c	What are the main aims of the project, policy or proposal?	Reduction in the number of members
1d	Who, potentially, could this project, policy or proposal have a detrimental effect on, or benefit, and how?	The reduction in the number of Councillors could impact on the ability of people to get access to help and information. While this reduction would be across all areas of the borough, it is likely that more vulnerable residents (such as those on low incomes) would be likely affected by the proposal more than others.

1e. Does the project, policy or proposal have the potential to disproportionately impact on any of the following groups? If so, is the impact positive or negative?

	None	Positive	Negative	Not sure
Disabled people	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Particular ethnic groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Men or women (include impacts due to pregnancy / maternity)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People of particular sexual orientation/s	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People who are proposing to undergo, are	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

undergoing or have undergone a process or part of a process of gender reassignment				
People on low incomes	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
People in particular age groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Groups with particular faiths and beliefs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
<i>Vulnerable residents (such as those with low incomes or those with complex needs)</i>		<input type="checkbox"/>	<input checked="" type="checkbox"/>	

1f. What do you think that the overall NEGATIVE impact on groups and communities will be?	<b>None / Minimal</b>	<b>Significant</b>
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
1h	How have you come to this decision?	It is difficult to estimate whether the proposal will have a significant impact given that it is difficult to estimate the level of reliance on councillors of our most vulnerable residents. There will also be the District Teams and two ward members in place to help with these enquiries.



**REFERENCE: OPB SAV-9**  
**TOTAL SAVING: 2015/16 £210k; 2016/17 £0k**  
**FTE IMPACT (2015/16): NIL**

## **Savings through transformation**

### **What service area/s does this proposal relate to?**

This does not affect any particular savings area

### **What is the proposal?**

Within the 2015/16 proposed budget there is a Revenue Priorities budget. In the current financial year, central government grants have been reduced in-year and additional pressures have been identified. In order to enable these budget issues to be addressed, a revenue priorities budget has been set up.

It is proposed that £210k of this is utilised in the financial year for other investments.

### **Financial Impact**

Reduction of £210k in the revenue priorities budget, reducing this to £1.265m.

### **What impacts might the proposal have in terms of:**

- **The ability of the service to deliver its expected outcomes?**

N/A as this budget is not allocated to any particular service.

- **Communities?**

N/A as this budget is not allocated to any particular service.

- **Workforce?**

N/A as this budget is not allocated to any particular service.

- **Organisational Impact?**

This budget is set aside for potential reduction in funding and additional pressures. Ongoing financial management will be required to ensure that the 2015/16 is balanced.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:

	No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	NA
Date:	NA

### **Consultation information**

There is no requirement for consultation in respect of this proposal.

**REFERENCE: OPB SAV-10**  
**TOTAL SAVING: 2015/16 £9k; 2016/17 £0k**  
**FTE IMPACT (2015/16): NIL**



## **Savings through transformation**

### **What service area/s does this proposal relate to?**

Council wide saving across portfolios

### **What is the proposal?**

To reduce spending on newspapers, periodicals, subscriptions to printed media, and attendance of conferences by 10% across the council.

### **Financial Impact**

£9k saving in 2015/16

### **What impacts might the proposal have in terms of:**

- **The ability of the service to deliver its expected outcomes?**

There is currently a total of £54k budgeted spend across the council for Periodicals and subscriptions, £22k in Cooperatives and Neighbourhoods & £32k in Corporate and Commercial Services. A 10% reduction in these budgets would have minimal impact on the services ability to deliver, although managers would have to carefully prioritise and manage savings in the affected areas.

£38K is budgeted for conferences across all portfolios. A 10% reduction in these budgets would have minimal impact on the services ability to deliver, but would mean a lower attendance rate at conferences to achieve the saving.

- **Communities?**

Not Applicable

- **Workforce?**

No impact

- **Organisational Impact?**

The impact is council wide, across the organisation, although minimal.

- **Equality Impact Screening**

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	No
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths/beliefs	No

EIA required:	No
EIA to be completed by:	NA
Date:	NA

**Consultation information**

There is no requirement for consultation in respect of this proposal.

3 f)

**Council**

**25 February 2015**

## **Medium Term Financial Strategy 2015/16 to 2019/20**

**Portfolio Holder: Councillor Jabbar, Cabinet Member for Finance and HR**

**Officer Contact: Anne Ryans, Interim Director of Finance  
Ext. 4902**

### **Purpose of Report**

To present the Medium Term Financial Strategy (MTFS) for the financial years 2015/16 to 2019/20 having regard to the uncertainties around a number of issues including the level of reductions in future funding from Central Government and the consequent changes required of the Council.

### **Executive Summary**

The report advises that the Council, based on current information, trends and demand pressures will continue to be required to make considerable revenue budget savings over the MTFS period of 2015/16 to 2019/20.

By having regard to the projections in the report, the Council will however, be well placed, to prepare in an appropriate manner for the challenges ahead and therefore be able to respond accordingly.

### **Recommendations**

It is recommended that Council approves the MTFS attached at Appendix 1.

## **1 Background**

- 1.1 Each year, the Council has to identify what it needs to spend on Council services for the following year and also identify provisional spending plans for future years. This ensures its spending plans are balanced and match the money it will receive from Government, council tax payers and business rate payers. These plans form part of the Council's Medium Term Financial Strategy (MTFS).
- 1.2 The MTFS is designed to build on the work and achievements of previous years and to help meet the challenges of the future
- 1.3 The MTFS is one of the key strategic plans of the Council setting out the proposed revenue spending plans for the next five years together with the key factors which influenced the strategy.

## **2 Current Position**

### **The National Context**

- 2.1 Following the banking crisis of 2008, the country faced a severe economic challenge. The economy slipped into recession, unemployment increased and this led to a need for long term restructuring of the economic base of the UK. More recently, the country moved out of recession in quarter three of 2012 and economic growth increased but significant financial challenges still remain.
- 2.2 When the Government came into power in 2010 it anticipated that it would have reduced the actual deficit to £37 billion by the end of the financial year 2014/15. In successive financial assessments this figure has been revised and is currently estimated to have increased to £91 billion.
- 2.3 A key strand of the Government's strategy to reduce the national deficit has been to reduce public sector expenditure (particularly in the financing of Local Government). The impact of this was felt within weeks of the Coalition Government assuming power in May 2010 with significant in year grant reductions in 2010/11 and reduced funding via the Local Government Finance Settlement thereafter.
- 2.4 The latest projections are that funding reductions which will impact on the Council could continue for another 5 years which will mirror the lifetime of the next Parliament. The impact of these spending reductions will mean a further reduction in Government grant funding.
- 2.5 This evidence suggests that public services will have to respond to these financial challenges by delivering services differently.

### **The Council's Challenge**

- 2.6 On 18 December 2014, the Minister for Local Government, announced the Provisional Local Government Finance Settlement (PLGFS) to Parliament. This provided Local Authorities with their provisional funding allocations for 2015/16.
- 2.7 The Final Local Government Finance Settlement (LGFS) was received on 3 February 2015 resulting in a net increase of £475k in grant funding to the Council over that



notified in the Provisional Settlement. The figures reported within the MTFS reflect this revised position.

- 2.8 Although work has been on-going during 2014/15 to identify and embed savings for the 2015/16 financial year, the LGFS and other key financial information including levies enabled the Council to confirm that these targets have been broadly in line with estimates.
- 2.9 The spending reductions included in the MTFS mean that the Council will have to continue to significantly transform its business and organisational arrangements over future years in order to meet the funding reductions and demand pressures. The Council's ambition is for a co-operative future for Oldham, one where citizens, partners and staff work together to improve the borough with the focus continuing to ensure a productive borough with confident communities supported by a Council that works co-operatively to drive change and add value.
- 2.10 The MTFS projects that in addition to the £35.229m savings target for 2015/16, the Council will have to find another estimated £58.791m over the 2016/17 (£29.489m) and 2017/18 (£29.302m) period. Given the General Election is to be held in May 2015, there could be some significant changes to funding allocations if there is a new Government and estimates would need to be revised. In addition at a regional level, the Devolution agenda for Greater Manchester, which has recently been approved could change service provision and resource allocation. At present, pending the details of the Devolution initiative, a neutral position can only be assumed.
- 2.11 The preparation of the MTFS sets the framework for the challenges ahead and using the information it contains will therefore enable the Council to determine an appropriate course of action to meet the financial challenge it faces.
- 2.12 The MTFS also contains projections for the Housing Revenue Account, capital programme, levies, precepts and information on the Treasury Management Strategy and schools funding, all of which are influential in the Council's financial planning framework.

### **3 Options/Alternatives**

- 3.1 The alternatives are to adopt this MTFS or to let the existing MTFS run unchanged.

### **4 Preferred Options**

- 4.1 The preferred option is that the MTFS attached at Appendix 1 is approved.

### **5 Consultation**

- 5.1 The Council has consulted on its budget proposals to achieve the 2015/16 savings target included in the MTFS by a number of means which are more fully detailed in the Budget Report for 2015/16 on this agenda.
- 5.2 The MTFS was presented for review to the Overview and Scrutiny Performance and Value for Money Select Committee on 22<sup>nd</sup> January 2015 and was also considered and approved by Cabinet on 16<sup>th</sup> February 2015.

### **6 Financial Implications**

- 6.1 Dealt with in full in the report

## **7 Legal Services' Comments**

- 7.1 The Council has a legal obligation to pass a resolution to agree its budget and Council Tax resolutions by 10 March 2015

## **8 Cooperative Agenda**

- 8.1 The revenue, capital and HRA budget projections have been prepared so that they embrace the Council's cooperative agenda with resources being directed so that the aims, objectives and cooperative ethos of the Council are enhanced.

## **9 Human Resources Comments**

- 9.1 Any outcomes arising from the MTFs which directly or indirectly impacts employees or their employment in this and future years will be considered and dealt with in accordance with the councils practices, policies and procedures in place at that time. This will include proper and meaningful engagement with the trades unions and staff. (Sally Blackman)

## **10 Risk Assessment**

- 10.1 There are a whole range of issues which could impact on the MTFs and projections. A regular review of projections will ensure that any key changes are highlighted immediately. The MTFs addresses financial resilience at Section 5.

## **11 IT Implications**

- 11.1 Any impacts on IT will be factored into the budget proposals identified in order to meet the savings targets shown in the MTFs.

## **12 Property Implications**

- 12.1 Any impacts on asset management will be factored into the budget proposals identified in order to meet the savings targets shown in the MTFs.

## **13 Procurement Implications**

- 13.1 Any budget proposals required to achieve the savings targets included in the MTFs that impact on the procurement of goods, services etc. will be addressed in full liaison with procurement and in compliance with all necessary Council and statutory requirements.

## **14 Environmental and Health & Safety Implications**

- 14.1 Any budget proposals required to achieve the savings targets included in the MTFs that impact on Environmental and Health and Safety issues will be dealt with so that the impact is minimised.

## **15 Equality, community cohesion and crime implications**

- 15.1 There is a positive duty on all public bodies, including councils, to promote race, gender and disability equality. The Council meets the requirements.

## **16 Equality Impact Assessment Completed?**

- 16.1 Not applicable

**17 Key Decision**

17.1 Yes

**18 Forward Plan Reference**

18.1 CFHR-23-14

**19 Background Papers**

19.1 The following is a list of the background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents, which would disclose exempt or confidential information as defined by that Act.

File Ref: Background papers are provided in Appendix 1 to the report

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**20 Appendices**

Appendix 1 Medium Term Financial Strategy

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## **APPENDIX 1**

# **Oldham Metropolitan Borough Council**

## **Medium Term Financial Strategy**

**2015/16 to 2019/20**



## **Investing in Oldham**

### **Foreword to the Medium Term Financial Strategy**

The Medium Term Financial Strategy is a core part of the Council's strategic framework and has a vital role to play in enabling the translation of the Council's ambition and priorities into action. This Medium Term Financial Strategy (MTFS) principally focuses on taking a forward look over a five year timeframe (2015/16 to 2019/20) at a range of major issues affecting the financing of Oldham Council.

The strategy considers:

- international and national economic influences on Oldham Council
- local factors which influence policy within the Council including the Administrations priority of regenerating the borough and creating jobs
- key Council policy areas
- the influence of Central Government policy and strategy

The strategy brings together the key issues affecting the revenue budget, Housing Revenue Account budget, treasury management strategy, statement on reserves and robustness of estimates, capital strategy and capital programme. It projects the level of available resources and budget pressures relating to both capital and revenue funding streams. It therefore highlights the budget issues that will need to be addressed by the Council over the coming financial years.

This is a challenging time for Local Government. The Central Government drive to reduce the national deficit has led it to significantly decreasing the level of resources made available to fund the Local Government sector. Councils such as Oldham that are still heavily reliant on Government grant funding are especially hard hit and have to make substantial savings in order to set a balanced budget. This is evidenced in this document by the level of savings required over each of the five years of the MTFS

More details of the Council's budget are contained in the Revenue Budget report that will be considered alongside this document.

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## 1 INTRODUCTION

### 1.1 Purpose of the Medium Term Financial Strategy

The Medium Term Financial Strategy is a core part of the Council's strategic framework and has a vital role to play in enabling the translation of the Council's ambition and priorities into action. The purpose of the Medium Term Financial Strategy is:

**“To identify how the Council wishes to structure and manage available resources over the medium term (five years), and to ensure that resource allocation is aligned with and supports Council priorities, and objectives contained within the Corporate Plan.”**

The Medium Term Financial Strategy (MTFS) is an assessment of the Council's current financial position and a determination of the financial position the Council wishes to be in the medium term (five years) given the environment the Council operates in and what it wishes to achieve. In this way the Council not only secures delivering essential public services in the present, but also makes sure it is in a sustainable position to do so over the medium term and for the future.

The Medium Term Financial Strategy is currently orientated towards the analysis and review of revenue budgets. The Capital Strategy and Treasury Management Strategy deal in more detail with capital assets and the consequences of borrowing for capital purposes, however where these strategies have an influence on the revenue budgets and reserves, the implications have been included within this strategy.

The Council has approached budget setting for 2015/16 and 2016/17 as a two year budget setting exercise and has highlighted a headline £60m budget challenge over the two years. It has also had regard to the financial challenges in future years but in the main focus has been concentrated on balancing the budget for 2015/16 and identifying as many savings as possible to contribute towards the savings target for 2016/17.

The Council will approve its 2015/16 budget on 25 February 2015. The budget is developed and agreed within the context set by the Medium Term Financial Strategy.

### 1.2 Links to Key Corporate Objectives

The Medium Term Financial Strategy is framed by the Council's ambition for a cooperative future where everyone does their bit to create a confident and ambitious borough. The Council has agreed three corporate objectives that focus the activity of the Council in delivering against this ambition. These are:

- **A productive place** to invest where business and enterprise thrive;
- **Confident communities** where everyone does their bit; and
- **Co-operative Council** creating responsive and high quality services.

These objectives reflect the on-going commitment to ensure the Council works to serve the people of Oldham in all that it does and provides strong leadership for the borough. Such leadership is essential if the borough is to be able to meet the immediate



challenges faced in a way that means it is stronger and able to make the most of opportunities in the future. The Council has, as would be expected, approached its budget setting and financial planning processes with the achievement of corporate objectives underpinning decision making.

As in previous years, a thematic approach has been taken to identify savings for 2015/16 & 2016/17 and this has been applied around four main areas, which link to the corporate objectives. These four theme areas are:

- Improved economy by stimulating growth and increasing productivity
- Independent, self-reliant and resilient communities
- People safe, active and healthy in their homes and communities
- Effective democratic accountability supported by strong corporate governance

The work around each theme has been led by an Executive Director and has been focused on transformational change.

### **1.3 National and External factors**

#### **The National Context**

For over five years the UK has been experiencing economically challenging times. The challenges have been felt across the public sector but particularly in Local Government.

When the Government came into power in 2010 it immediately introduced an emergency budget and in that budget statement the Chancellor anticipated that the deficit would have reduced to £37 billion by the end of the financial year 2014/15. In successive financial assessments this figure has been revised upwards and in the Autumn Statement 2014 the Chancellor announced that the deficit stood at £91 billion. Clearly, the actions of the Government have not had the impact that was anticipated.

The latest projections are that funding reductions affecting the Council could continue for another 5 years which will mirror the lifetime of the next Parliament. This will have a significant impact on Oldham Council as it is still reliant on substantial Government grant funding to support its revenue budget.

The Government's austerity measures aimed at addressing the UK budget deficit have been a major influence in the budget setting processes for 2015/16 and have influenced the forecasts of revenue funding for 2016/17 to 2019/20.

Economists' projections also suggest that public finances will continue to be strained in the longer term. This is largely as a direct result of changing demographics and in particular as a result of an ageing population which will mean the percentage of Gross Domestic Product (the total size of all economic output), spent on items such as healthcare and pensions will rise. This strain is compounded by the fact that revenues are likely to decline.

Public services have been responding to these financial challenges by delivering services differently, particularly around the public sector reform agenda. However, the work will need to continue with more cross organisational working and joined up service

delivery. Oldham has already made an effective start, working with Health Service organisations and other public sector agencies.

Another significant influence on the financial year 2015/16 is the General Election that will be held in May. Whilst reducing the national deficit will be a priority for all political parties, the means by which this will be achieved is less clear if there is a change in Government. The issuing of a Local Government Finance Settlement for one year only has added to the uncertainty. A continuation to the reduction in Local Government funding is expected. The extent to which this will impact on Oldham is less clear. The assumptions included in the MTFs have therefore to be considered in this context.

### **What Does This Mean for Local Government Funding?**

The 2014/15 Local Government Finance Settlement provided indicative funding allocations for 2015/16. This has therefore helped to frame the financial forecast for 2015/16 and provide background information for forecasts for 2016/17 and future years.

The Chancellors Budget in March 2014, provided little additional information to influence financial planning, neither did the limited Local Government Finance consultation papers issued during 2014. The continuation and acceleration of joint Local Government/NHS initiatives is evident with further announcements around the Better Care Fund operation, the new responsibilities for the Council arising from the Care Act 2014 and the transfer of 0-5 Health Visitor Services and the operation of the Independent Living Fund. These have all been built into the preparation of the budget for 2015/16.

The Autumn Statement 2014 provided minimal detail in relation to Local Government funding, but did confirm that there will be an extensive review of business rates, with a report before the Budget 2016. This could leave open the possibility of another major change to the business rates regime. The Statement also confirmed in relation to Business Rates, the extension into 2015/16 of the extra small business rate relief that has been given for the past few years; keeping the 2% business rates cap in place for 2015/16 and an increase in the Retail Relief from £1,000 to £1,500 in 2015/16. Although Department Expenditure Limits were not published as part of the Autumn Statement the information released confirmed that there will be further cuts in public spending with the expectation that some government departments will remain protected such as International Aid; Education and Health. This will mean other departments receiving a greater share of the reduction in funding – this is likely to include the Department for Communities and Local Government.

The 2015/16 Provisional Local Government Finance Settlement was released on 18<sup>th</sup> December 2014. It was issued by Local Government Minister Kris Hopkins MP, setting out the Government's formal proposals for funding English Local Authorities for 2015/16. The 2015/16 Provisional Settlement provided information for only 2015/16 and no indicative figures have been issued for 2016/17. This is significant not only in the context of the General Election but because it reduces the opportunities for a more informed assessment of future Government grant support.

The Final Local Government Finance Settlement (LGFS) was received on 3 February 2015 resulting in a net increase of £475k in grant funding to the Council over that announced on the provisional settlement. The figures reported within the MTFS reflect this revised position.

The Final Settlement advised that local authorities will face an overall reduction in spending power of 1.7% for 2015/16 and that no local authority would experience a decrease of more than 6.4%. The Oldham reduction in revenue spending power has been assessed as 4.34%. The use of spending power as a comparator is somewhat misleading as it includes funding paid to the Clinical Commissioning Group for Oldham, estimated grant funding (rather than confirmed and therefore subject to change) and Council Tax (which is clearly not funded by the Government).

### **Other key national factors**

The Government has continued along the work programme it set out in the National Coalition Agreement in May 2010. This has resulted in major changes to the role of, and arrangements for, local authorities. Key changes in the policy landscape include:

- **Public Service Reform**

Greater Manchester was one of four areas nationally to pilot Community Budgets. The pilot has focused on developing new investment and delivery models across public services in order to promote growth and productivity whilst reducing dependency driven demand. The key focus for this work is on prevention and supporting residents to be more independent and resilient enabling better outcomes for them and reducing the need for high-cost, reactive public services. This agenda has helped to shape some of the 2015/16 budget proposals and will have an increasing influence on service delivery in future years.

- **Changes to role and duties of Local Government**

These changes have included responsibility for Public Health transferring back to local authorities as well as delegation of a range of functions including administration of the Council Tax Reduction Scheme and parts of the Social Fund. Further services and functions will transfer from April 2015.

The Localism Act 2011 contained a range of opportunities for communities including the Community Right to both buy and take over community assets, as well as challenge how the Council runs certain services. The Act also gives communities the right to veto “excessive” council tax rises, in line with the annually set Government criteria for excessiveness.

De-centralisation is a key feature of the Government’s open public services policy. It aims to free up public bodies to deliver services differently and innovatively to balance the pressures of demand and reducing budgets. This provides the freedom to pursue an innovative public service reform agenda and is completely consistent with the Council’s transformation agenda.

- **Local Government Finance**

The Local Government Finance Act 2012 included a range of changes that fundamentally altered the way Local Authorities are financed. The Act permits local authorities to retain a proportion of locally generated business rates, thus aiming to connect Council financing to the local economic position. The Act provided the framework for the localisation of support for Council Tax in England. There is a requirement to consider the Council Tax localisation scheme on an annual basis with 2015/16 being the third year of operation. Council approved an amended 2015/16 scheme on 17th December 2014. In addition, the Act introduced changes to Council Tax rules in relation to charges on empty properties and the Council has utilised these new powers to support its localised Council Tax Reduction scheme.

- **Welfare Reform**

The Welfare Reform Act 2012 introduced fundamental changes to the social security benefit system. Universal Credit (UC) is becoming the main means-tested social security benefit for people of working age, replacing Housing Benefit, Income Support, Income-Related Employment and Support Allowance (ESA), Income-based Jobseeker's Allowance (JSA), Working Tax Credit and Child Tax Credit. UC is being phased in across the country between 2013 and 2017. However, the Council has acted as a pilot Authority for the new regime and as such is one of the first Local Authorities to phase in UC. As more elements of UC are introduced there are likely to be further implications for the Council and benefit recipients.

- **Changes to Health and Social Care**

There have been a number of significant changes to health and social care in England as follows:

- **Health and Social Care Act 2012**

The Health and Social Care Act introduced substantial changes to the way the NHS in England is organised and run.

The major changes introduced by the Act include:

- The abolition of Primary Care Trusts (PCTs) and the transfer of their commissioning functions to Clinical Commissioning Groups (CCGs), consisting of GPs and other clinicians.
- The transfer of responsibility for public health from PCTs to Local Authorities.
- The establishment of Health and Wellbeing Boards to provide a forum for key stakeholders to work together to improve the health of local populations.

- **Care Act 2014**

The Act introduced a cap on the costs that people will have to pay for care in their lifetime, as recommended by the Dilnot Commission on the Funding of Care and Support. The Act also pulls together threads from a number of different Acts into a single framework, taking forward most of the recommendations made by the Law Commission's review of existing care and support legislation. Part 1 of the Act aims to consolidate existing care and support legislation. It aims to refocus the law around the person not the service; strengthen rights for carers to access support, and; introduce a new adult safeguarding framework. The Council will take on the administration of the cap on care costs from April 2015 and is working towards addressing the requirements of the Act.

- **Better Care Fund**

The Better Care Fund (BCF) was established in 2013 and provides an opportunity to transform local services to provide better integrated care and support. Clinical Commissioning Groups (CCG's) and Local Authorities must jointly agree how the funds are spent, so it is essential to ensure the fund is developed in the interests of both parties. The financial year 2015/16 introduces some significant developments in the use of the BCF and the Council is working closely with CCG partners to ensure a smooth transition to new working arrangements. Savings proposals for 2015/16 utilise the BCF and the Council will take the necessary steps to ensure resources are deployed effectively.

#### **1.4 Key Assumptions**

A number of assumptions have been made in developing the MTFS. The accuracy of these assumptions is regularly and closely monitored and any necessary amendments made. As highlighted previously, there is some uncertainty around Government funding in particular and this has an impact on the way that some of the assumptions have been made

##### **Revenue Funding Assumptions**

The Council's revenue funding comes through a number of different sources including Central Government support.

Council Tax Income is the largest single revenue stream that is used to support the revenue budget. Council Tax income changes each year due to changes in the tax-base (increase/decrease in chargeable Band D equivalent properties) and the Council's annual decisions on the level of the tax.

The Revenue Support Grant is the largest unringfenced general fund grant that is provided by Central Government. As an unringfenced grant is used for underpin the provision of all services provided by the Council.

The Council also receives a range of other unringfenced grants, although each of them is aimed at addressing specific issues, they are also used to underpin the general operation of Council and not specific services.

Following from the changes introduced in 2013, the Council is also responsible for the collection and retention of Business Rates with additional support from Central Government via the Business Rates Top Up grant.

Key revenue funding assumptions are as follows:-

- Council Tax
  - Tax Base – the Tax Base (the number of Band D equivalent properties) has increased for 2015/16 as a result of, for example, new properties being built, less households claiming Single Person Discount, empty properties being brought back into use. A further increase has been assumed for 2016/17, after which time a stable position has been projected
  - No Council Tax increases have been assumed for 2015/16 and the following financial year, 2016/17. Future year's increases are assumed at 1.9%. It is assumed that for 2015/16 and 2016/17 that Central Government will compensate the Council for its action via the payment of Council Tax Freeze Grant. No change has been assumed to the referendum limits around raising Council Tax
- Revenue Support Grant estimates are calculated based upon the current Local Government Settlement and for later years are based on HM Treasury assumptions on the funding for the whole of the public sector, expert local government commentators advice and local experience and knowledge. This culminates in an assumption of a reduction of 35% for 2016/17 and 40% for 2017/18. The assumption in 2018/19 is the RSG, in its current format, will be replaced by another central government grant and paid at a nominal amount of £10.475m.
- Business Rates

The risk and reward of Business Rates now rests with the Council, however Central Government support via a top up grant is received, in view of the low business rates tax base

  - Top up Grant estimates are calculated based upon the current Local Government Settlement and for future years an increase of 2%.
  - Retained Business Rates are calculated using the Government's assessment announced in the Local Government Finance Settlement adjusted for local knowledge and experience of the collection rates in 2013/14 and 2014/15. During 2015/16, the Council will receive a range of grants paid under the powers of S31 of the Local Government Act 2003 to compensate for various reliefs given to business rate payers. These are assumed to end in 2015/16 and the impact of the discontinuance, an increase in actual Business Rates received, has been built into estimates for 2016/17 onwards.

- **Business Rates Pooling**

The Council has joined a Business Rates pool with the nine other Greater Manchester Councils and Cheshire East Council. This should bring some financial benefits. The resources available from the Business Rates pool are expected to be for use at GM level and no direct benefit to Oldham has been assumed at this time.

- Unring-fenced and non-specific grants are based on the allocations that have been advised via the current settlement and for later years are based on Treasury assumptions on the whole of public sector, expert local government commentators advice and local experience and knowledge. This culminates in an assumption of a reduction or discontinuance of all grants of from 2016/17 onwards.
- Ring-fenced grants are based on the allocations that have been notified by the funding body. Upon the cessation of the grant it is assumed that any corresponding expenditure will be ended.

### **Revenue Expenditure Assumptions**

The key assumption in calculating the revenue budget is that it is based upon the previous year's portfolio revenue allocations adjusted for any approved budget savings and growth items.

Key revenue expenditure assumptions are as follows:-

- Portfolios will not overspend against their approved allocations.
- Pressures other than those that are approved to be funded corporately are expected to be met from within the Portfolio's approved allocations.
- There will be a need to provide a budget allocation to address corporate pressures.
- Budget options presented to and approved by Council will be integrated into the base budget and be achieved via a range of thematic approaches, owned by the appropriate budget manager.
- Pay Inflationary increases have been based upon local and national experience and are included at 2%.
- Non-Pay Inflationary increases have been based on the Office for National Statistics assumptions and are included at an average of 2.1% with specific allowances for contractual changes
- Pension contributions are based upon the valuation and information provided by the Greater Manchester Pension Fund
- Levy payments are based upon the announcements made by the Greater Manchester Waste Disposal Authority (GMWDA) and the Greater Manchester Combined Authority (GMCA). Changes in the GMWDA levy will be financed in accordance with previous practice from the waste smoothing reserve. No change is assumed for 2016/17 but then a general inflationary increase at 2.7% for GMCA and increases based on indicative information for GMWDA, have been assumed from 2017/18.
- Capital financing interest payable and receivable are based on current market and economic outlook in line with the Treasury Management Strategy

## **Other Revenue Assumptions**

Other major areas that impact on the Medium Term Financial Strategy and the assumptions are outlined below:-

- Collection Fund is assumed to achieve a surplus of £382k in 2015/16 and a balanced position in all future years.
- Pensions and redundancy costs having to be met directly from revenue funds (there will be no capitalisation opportunities).
- The continued use of reserves to compensate for previously approved increases in waste disposal costs ceases after 2018/19.
- General Balances and reserves are managed on a risk based approach as outlined in Statement of the Chief Financial Officer on Reserves, Robustness of the Estimates and Affordability and Prudence of Capital Investments.
- The Housing Revenue Account continues to operate within the self-financing regime for the two PFI schemes and any surplus or deficit is financed via the Housing Revenue Account Reserve.
- The Dedicated Schools Grant (DSG) provides funding for schools and other pupil related services and is a ring-fenced specific grant. For the purposes of the MTFS it is assumed that all eligible expenditure will be met from this grant and any surplus or deficit from schools will be met from their own school balances.
- Funding linked to working with the CCG and around the BCF continues at planned levels
- Ringfenced Public Health Funding continues at expected levels with no burden falling on general Council resources
- A neutral impact from potential changes to the business rates regime arising from the recently announced review
- A neutral impact of the business rates revaluation planned for 2017



## **2 Analysis**

### **2.1 PESTLE Analysis**

In formulating the Medium Term Financial Strategy (MTFS) a review is undertaken of the Political, Economic, Social, Technological, Legal and Legislative and Environmental (PESTLE) issues that may impact on the Council's future revenue position. Annex A details this review and how areas have been identified and have been reflected within the MTFS, if appropriate.

The key items identified and dealt with within the MTFS are :-

- Local Government Finance Act – Retention and growing of Business Rates
- Health and Social Care Act – Public Health transition and Better Care Fund
- Academies Act 2010 and Education Act 2011 – Academy transfers and the impact on grants
- Economic downturn, continuing reduction in the national deficit

## 2.2 Stakeholder Analysis

The following tables detail the key stakeholders that are integral to supporting the Council in providing services. This analysis is used to assess the impact of the budget setting and medium term financial strategy would have on these key stakeholders.

### Key Stakeholder impact analysis

#### 1. Health & Wellbeing

Stakeholder	What potential impact might the Council have on them?	Key Joint Programmes	What potential impact might they have on the Council?	Level of potential influence over the Council	Level of interest in the Council's activity	Risks if they are not engaged
<b>Oldham Clinical Commissioning Group (CCG)</b>	<p>(i) Many services commissioned by the Oldham CCG have direct service delivery links with Oldham Council services - for example, health visitors linked with Children's Centres; Community Matrons with Adult Social Care etc. Any changes to (especially reductions in) the Council services that interact with CCG commissioned services may therefore require matched alterations in the CCG commissioned services to enable the joint offer to continue to be viable</p> <p>(ii) The Council commissions and delivers many services that help</p>	<p>Better Care Fund</p> <p>GM Healthier Together Programme</p>	<p>(i) Conversely, if the CCG changes the commissions for services that link closely with Council services, this may require matched alterations in Council services.</p> <p>(ii) There is the potential for Oldham CCG to choose to invest jointly with the Council (and potentially with Pennine Acute - see below) in supporting preventative services to continue, recognising the health benefits of doing this.</p>	High	High	Council spending reductions are likely to have a much more significant impact on outcomes for residents and the demand residents place on high-cost, reactive public services if we fail to engage effectively on a joint commissioning strategy with

	prevent demand on acute health services. If the Council is forced to cut these preventative services, this may ultimately increase demand on acute health services.					the CCG.
<b>Pennine Acute (Acute Health provider agency)</b>	The Council commissions and delivers many services that help prevent demand on acute health services. If the Council is forced to cut these preventative services, this may ultimately increase demand on acute health services.	GM Healthier Together Programme	There is potential for Pennine Acute, the Council and Oldham CCG to choose to jointly invest in supporting preventative services, recognising the health and social care benefits of doing this.	High	High	As the key commissioners, if the CCG choose to alter their commission, Pennine Acute will be bound to comply. However, their willingness in doing this will make it more likely to succeed.
<b>Pennine Care (Community Health Provider Agency)</b>	Many community health services have direct service delivery links with Oldham Council services - for example, health visitors linked with Children's Centres; Community Matrons with Adult Social Care etc. Any changes to (especially reductions in) the Council services that interact with CCG commissioned services may therefore require matched alterations in the CCG commissioned services to enable	GM Healthier Together Programme	There is potential for the Council and Pennine Care to work closely together to reconfigure services to achieve efficiencies and support residents to be more independent and self-reliant.	High	High	Close working between the Council and Pennine Care will be crucial in enabling us to re-design services locally to reduce demand on high-cost, reactive services.

	the joint offer to continue to be viable.					
<b>Oldham Community Leisure Limited (provider)</b>	OCLL receives the majority of its funding from Oldham Council. The Council's financial decisions may therefore have a direct impact on the OCLL contract value.	Active Oldham	The way OCLL delivers its services has the potential to support the Council's co-operative ethos and to support the move towards encouraging residents to be more independent and self-reliant	High	High	As the key commissioners, if the Council choose to alter their commission, OCLL will be bound to comply. However, their willingness in doing this will make it more likely to succeed.
<b>Positive Steps Oldham (Provider)</b>	PSO receives the majority of its funding from Oldham Council. This Council's financial decisions may therefore have a direct impact on the PSO contract value.		The way PSO delivers its services has the potential to support the Council's co-operative ethos and to support the move towards encouraging residents to be more independent and self-reliant	High	High	As the key commissioners, if the Council choose to alter their commission, PSO will be bound to comply. However, their willingness in doing this will make it more likely to succeed

## 2. Cooperatives and Neighbourhoods

Stakeholder	What potential impact might the Council have on them?	Key Joint Programmes	What potential impact might they have on the Council?	Level of potential influence over the Council	Level of interest in the Council's activity	Risks if they are not engaged
<b>Housing Providers</b>	The Council provides a range of support to tenants in Social Housing - for example, employment-related support; social care support. If these services are altered, Oldham Housing Investment Partnership (OHIP) members would see a change in the services offered to their tenants.	Cooperative Housing Offer  Residential Strategy  Coops & Neighbourhoods Cluster	Social Housing Providers have significant influence over their tenants - a joint message supporting independence and self-reliance will increase the likelihood of achieving this objective; conversely, if we do not agree a joint message, there is the potential for us to undermine each other in work with social housing tenants.	Medium	Medium	Failure to agree a joint message may result in activity from both organisations being ineffective.
<b>Greater Manchester Fire &amp; Rescue Service (GMFRS)</b>	The Council commissions and delivers many services that help reduce demand on GMFRS. If the Council is forced to cut these preventative services, this may ultimately increase demand on GMFRS.	Troubled families	If GMFRS can support the Council in identifying people likely to place high demand on GMFRS, and to develop joint interventions to change residents' behaviours to reduce this demand, then this will benefit GMFRS by reducing demand and contribute to overall objectives of increasing residents' independence and self-reliance.	Medium	Medium	Failure to work jointly may result in resources being used ineffectively.

<b>Greater Manchester Police (GMP)</b>	The Council commissions and delivers many services that help reduce demand on GMP. If the Council is forced to cut these preventative services, this may ultimately increase demand on GMP.	Troubled families and Transforming Justice, MASH  Coops & Neighbourhoods Cluster	If GMP can support the Council in identifying people likely to place high demand on GMP, and to develop joint interventions to change residents' behaviours to reduce this demand, then this will benefit GMP by reducing demand and contribute to overall objectives of increasing residents' independence and self-reliance.	High	High	Failure to work jointly may result in resources being used ineffectively.
<b>Greater Manchester Probation Service</b>	The Council commissions and delivers many services that help reduce demand on the GM Probation Service. If the Council is forced to cut these preventative services, this may ultimately increase demand on GM Probation.	Transforming Justice	If the GM Probation Service can support the Council in identifying people likely to place high demand on GM Probation, and to develop joint interventions to change residents' behaviours to reduce this demand, then this will benefit GM Probation by reducing demand and contribute to overall objectives of increasing residents' independence and self-reliance.	Medium	Medium	Failure to work jointly may result in resources being used ineffectively
<b>Voluntary Action Oldham (VAO)</b>	The Council's co-operative ethos encourages us to work strongly with the voluntary and community sector to strengthen the community's ability to help themselves. This requires close liaison with the voluntary and community sector - both in terms of support from the Council and in	Society Works  Coops & Neighbourhoods Cluster	The Council and VAO are working together to enhance the co-operative ethos. VAO is able to provide advice, support and guidance to those voluntary organisations taking up the challenge and working collaboratively with the Council	Medium	High	Failure to work jointly may result in resources being used ineffectively.

	terms of the shape of the services offered through the voluntary and community sector, and how they relate to public sector services.					
<b>Oldham Citizens Advice Bureau</b>	CAB provides a vital advice and support service to the borough. The impact of cuts across the public sector is likely to have an impact on the demand for CAB services. In addition CAB do receive grant funding from Oldham Council		A reduction in CAB activity could mean residents don't have advice and support on a wide range of issues.	Medium		Failure to engage could have reputational impact

### 3. Economy & Skills

Stakeholder	What potential impact might the Council have on them?	Key Joint Programmes	What potential impact might they have on the Council?	Level of potential influence over the Council	Level of interest in the Council's activity	Risks if they are not engaged
<b>Economy &amp; Skills</b>						
<b>Education providers: Oldham Primary Heads, Oldham Secondary Heads, Oldham College &amp; Oldham Sixth Form College</b>	The Council commissions and provides a range of services that dovetail with those provided in formal education providers. For example, Lifelong Learning, the Wellbeing Service, Connexions service. Changes to these services may result in a need to reconfigure the links between the services and the education providers.	Oldham Co-operative Learning Partnership  Oldham Education Commission  Education & Skills Cluster	Education providers have significant influence over the life skills and employability skills of people accessing training with them. This goes beyond academic qualifications. A common ethos supporting the co-operative ambition and encouraging independence and self-reliance could therefore influence changing behaviours across this group of people, potentially reducing their demand on Council (and other public sector) services.	Medium	High	Failure to engage could disjoint education and skills from wider work areas.
<b>Job Centre Plus (JCP)</b>	One of the Council's key priorities is to support people into employment through Get Oldham Working. The relationship with Job Centre Plus is crucial in the success of this endeavour. In addition, JCP are likely to be direct beneficiaries of the success of the Get Oldham Working programme.	Get Oldham Working	There is a strong synergy between the work of Job Centre Plus and the Council around its Get Oldham Working and other employment initiatives. By working with the Council joint objectives around improving the employability of Oldham residents can be delivered	Medium		Failure to work jointly may result in resources being used ineffectively.



<b>Oldham Business Leaders Group</b>	The group of business leaders are key in enabling business start-ups and enterprise and may benefit from any business start up/youth enterprise funding.	Youth Enterprise  GM LEP  Education & Skills Cluster	Potential impact in terms of influence and engagement with business and securing investment	Low to Medium	Low to Medium	Failure to work jointly has reputational impact
<b>Department of Work and Pensions</b>	The DWP is a key potential beneficiary if Oldham's focus on supporting people into employment is successful - we will reduce the numbers of people on benefits considerably if we meet our targets. Conversely, if the project is unsuccessful due to the need to make cuts in preventative services, DWP may experience increased costs from higher numbers of unemployed people. This is reflected in GM analysis showing that total public spend in GM has remained static 2008-present because DWP spend has increased as spend in proactive services has reduced.	Get Oldham Working  Education & Skills Cluster	There is the potential for DWP to choose to invest jointly with the Council in supporting Get Oldham Working, recognising the financial benefits of doing this. This could build on the Work Programme Leavers-type financial arrangements being trialed with GM.	Medium	Medium	Council spending reductions are likely to have a much more significant impact on outcomes for residents and the demand residents place on the welfare system if we fail to engage effectively on a joint approach to funding programmes to support people into work.

#### 4. Commercial/Wider

Stakeholder	What potential impact might the Council have on them?	Key Joint Programmes	What potential impact might they have on the Council?	Level of potential influence over the Council	Level of interest in the Council's activity	Risks if they are not engaged
<b>Economy &amp; Skills</b>						
<b>Department of Communities and Local Government (DCLG)</b>	The Council received funding and policy direction from DCLG. Softer implications relate to how willing they are to support the Council (via GM) in negotiations with other Government departments, especially DWP.	DCLG Transformation Fund	Ability to influence funding settlement for Local Government politically and influence of Oldham at the Local Government Association (LGA).	Medium	Low	Engagement is useful in terms of drawing down funding and resource
<b>The Association of Greater Manchester Authorities (AGMA)/GMCA</b>	Oldham plays a positive role within AGMA in key areas where it leads for example Public Sector Reform (PSR), transport and environment and is successful in drawing down funding from the city region.	PSR pilots GM LEP	As powers to AGMA increase AGMA and GMCA will impact further on councils activity particularly in PSR, skills and housing.	High	Medium	Failure to play positive role within AGMA may result in loss of resources and influence
<b>Unity (Strategic Service Delivery Partner)</b>	Funded by Oldham Council		In providing operational and strategic support on key services. This partnership can provide support, advice and guidance to the Council on the delivery of efficiencies and reducing costs.	High	High	Failure to work jointly may result in resources being used ineffectively and savings proposals not being achieved.

## 2.3 Non-Financial Information

The Council has a range of strategies, policies and work programmes that directly influence the day to day operations of the Council and indirectly the financial position. Some of the key elements that have an influence on the MFTS are set out in the following paragraphs.

### Corporate Plan and Oldham Plan

A revised and updated Corporate Plan is currently being prepared. This sets out our ambition and objectives over the period 2015/16 to 2017/18. Clearly the Plan can only be achieved by linking to the objectives to the resources available to the Council. This is much easier to align over a shorter timeframe where financial forecasts can be prepared with more certainty. The overarching ambition is to deliver a co-operative future, where everyone does their bit to create a confident and ambitious borough.

With its three corporate objectives the Council will focus its activity in delivering against this ambition. These are:

- **A productive place** to invest where business and enterprise thrive;
- **Confident communities** where everyone does their bit; and
- **Co-operative Council** creating responsive and high quality services

Similarly, a refreshed Oldham Plan is also being prepared which aligns the plans of the Council to other key organisations. It moves beyond individual organisations and institutions to create a shared vision for the borough and Oldham residents with the aim of making Oldham 'a place of ambition where people and communities flourish.

The Plan builds on the positive role that Oldham plays in Greater Manchester and the City Region which will become more important as we move down the path to greater devolution in the coming years.

### Co-operative Borough

Oldham is committed to developing a co-operative future; one where citizens, partners and staff work together to improve the borough and create a confident and ambitious plan. The Corporate Plan outlines the next steps to build on our achievements to date and open up more opportunities. Key initiatives to take forward the ambitions of the Co-operative borough include:-

- Launching of the Fair Employment Charter to secure better employment conditions for Oldham residents.
- Developing the blueprint for further embedding co-operative working across all services, identifying how we can make a co-operative difference in all that we do.
- Launching the Co-operative Customer Service Standards which will start to shift customer expectation and priorities, emphasising resilience and self-help.
- Introducing a Green Dividend which will fund new allotments and tree planting projects.

## **People Strategy**

Our overarching People Strategy is regularly reviewed and developed around 4 themes that focus on organisation design, building organisational capability, working towards being an employer of choice and our people infrastructure (people policies and processes) all of which are aligned to our cooperative ambition and underpinned by our cooperatives values and behaviours.

## **Capital Strategy**

The Capital Strategy provides a framework within which the Council's Capital Investment plans will be delivered. These plans are driven by the Council's Corporate Plan. The Capital Strategy has been prepared to take account of the ambition for the borough including major regeneration developments such as the Old Town Hall and redesign of the Leisure Estate, to ensure that new school buildings and extensions are delivered as well as ensuring that the highways network and corporate estate are adequately maintained

## **Treasury Management Strategy**

Treasury management is defined as "The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

The Strategy for 2015/16 highlights the Council's position in relation to prudential indicators arising from the capital strategy and also sets out the Minimum Revenue Provision (MRP) Policy Statement. It also highlights

- The Current Treasury Position
- Treasury Indicators for the three years 2015/16 to 2017/18
- The Borrowing Requirement
- Prospects for Interest Rates
- The Borrowing Strategy
- Policy on Borrowing in Advance of Need
- Debt Rescheduling
- The Investment Strategy
- Creditworthiness Policy
- Policy on use of external service providers

The strategy therefore determines how the Council makes the most efficient use of its cash resources by the careful management of borrowing and investments.

## **Medium Term Property Strategy (MTPS)**

The Medium Term Property Strategy (MTPS) (formerly the Asset Management Plan) sets out a framework for strategic management of the Council's land and property portfolio, reflecting corporate priorities, aims and objectives and driving transformational change in service

delivery. Aligned to individual service priorities, individual schemes are included within approved capital spending plans or are to be considered for a resource allocation over the period of the capital strategy.

The Council is currently reviewing the structure of the property function and anticipates making further changes which will improve the way in which the strategic property objectives can be delivered. This will enable the Council to accelerate progress and realise benefits within a shorter timeframe, whilst maximising regeneration and inward investment opportunities.

## **Procurement**

The Procurement Policy of the Council is about getting the most value from every pound spent from the public purse in Oldham. In a challenging economic environment where local public services are facing unprecedented reductions in their spending power, it is imperative that we go beyond our conventional way of thinking about value for money by considering how can secure the greatest possible social, economic and environmental benefit from our purchasing power.

## **Housing Strategy**

The Council is currently reviewing and consulting on its Housing Strategy, with a view to a new Oldham Housing Strategy 2015 -18, being approved by the end of March 2015.

The emerging themes of the new Strategy are in relation to –

- Residential Growth
- Healthy Homes
- Improving Neighbourhoods
- Building Stronger Communities

The new strategy will provide a framework to support other housing themed delivery plans relating to issues such as homelessness, residential development, private sector housing and affordable warmth. It also links in to other key council initiatives such as 'Invest in Oldham' and 'Get Oldham Working'.

## **Public Service Reform**

Greater Manchester was one of four areas nationally to pilot Community Budgets. Over the past year, the lessons from the pilot work have been incorporated into a wider approach to public service reform in Greater Manchester.

Within this Greater Manchester context, Oldham's approach to Public Service Reform (PSR) is focused on developing a model of services that are centred around a "place" and applying the cooperative values and principles to improve residents' self-reliance and resilience and reduce their need for public services.

To date, this has focused on work with troubled families and households with complex dependencies. Following a number of pilots (including the Family Focus Teams and Project

Solution, a joint project with Greater Manchester Police to reduce demand on the police), we have used the learning to develop an Early Help Offer, designed to intervene at the earliest possible point across a range of complex dependencies; understand the root cause of problems; and provide support to individuals and families to give them the skills to address these problems.

The Early Help Offer will reach around 3,500 households on a 1:1 basis and around another 4,000 through group-work and one-off appointments. It establishes a new delivery model for people with complex dependencies that reflects a person – and family-centred approach that provides interventions at the earliest possible opportunity. The approach builds on positive aspects and looks to strengthen resilience rather than solely focusing on needs and problems. The proposed approach recognises the complexities and vulnerability of individuals and families which do not fit neatly into single service offers around issues relating to mental health, drugs and alcohol, housing or parenting. The arrangements for implementing the Early Help offer are well advanced and on track to start delivery from 1<sup>st</sup> April 2015.

In parallel with implementing the Early Help Offer, we are also now exploring opportunities for applying the learning gained from this work to additional areas of activity, to further embed the ambition of a place-based approach to reform throughout the work.

### **Strategic Financial Management**

As part of the finance transformation programme, which aims to deliver a high class financial service that will of itself greatly assist in the robustness of the MTFs, finance has brought about well documented improvements in a number of areas. These include planning for a two year budget cycle, early closure of the accounts, reduction in debtors, undertaking all Fundamental Financial Systems (FFS) audits for external audit and working with managers on risks identified, greatly improved staff development and training, project management skills for all key staff among others

A key recent development is Self Service Transformation (SST) Programme which aims to improve systems and the way we work with a particular focus on Finance and People Services and embedding self-service in front line services. The programme will see the upgrade of the Finance Agresso system and the Peoples Services HR & Payroll system moving from Vision to an integrated Agresso system with Finance. This will result in a more efficient and intuitive system facilitating the take up of self service in line with the Councils efficiency agenda. The Programme will also address wider business transformation issues, looking at improvements to policies and procedures, management information and helping to create greater front line ownership of finance, HR etc. The programme will also ensure lean processes throughout.

### **3 The Councils Budget Challenge**

Oldham is well positioned to be able to adapt and adjust to meet some of the new challenges. Since 2008, the Council has been on a journey of recovery and improvement that has led to a number of positive outcomes and achievements recognised through the Most Improved Council award in March 2012. The improvement journey has also provided a firm base from which to reposition the Council. This means developing different ways of working and preparing for how the Council will deliver services in future, for example, moving from being a provider of services to more of a commissioner.

### 3.1 2014/15 Updated Position

The 2014/15 budget was approved by Council at the 5 March February 2014 Council meeting where it agreed a net revenue budget of £215.532m. This included a savings target of £23.004m to be achieved in the 2014/15 financial year. The net revenue budget changed during the year due to a number of factors including the amendment to existing allocation of the Central Education Support Services Grant plus the allocation of one off additional resources during the 2014/15 financial year and the technical adjustments for capital grants. In addition there is a further adjustment for the use of reserves of £672k. This had the effect of changing the funding profile of the 2014/15 budget and increasing the net revenue budget of the Council to £222.428m. Table 1 shows the position from the base to the updated net revenue position.

Table 1

2014/15 Revised Budget Position	£m	£m
Net Revenue Budget as at 5th March Report		215.532
<b>One off Adjustments - Grant Income</b>		
- Care Bill Implementation New Burdens Grant	0.125	
- SEN Adoption and Reform Grant	0.600	
- Multiplier Cap	0.613	
- Empty Property Relief	0.002	
- Long Term Empty Property Relief	0.020	
- Retail Relief	0.509	
- Small Business Rate Relief	1.328	
- Severe Weather Fund	0.513	
- Staying Put Grant	0.020	
- SEND Improvement	0.240	
- Single Fraud Investigation Grant	0.008	
	3.978	
<b>Amendments to existing allocations 2014/15</b>		
- Central Education Support Grant Reduction	(0.289)	
<b>Technical Accounting Adjustment 2014/15 only</b>		
- Capital Grants	2.535	
		6.224
<b>Use of Reserves</b>		0.672
<b>Total Revised Net Revenue Budget</b>		222.428

### 3.2 2015/16 Forecast Revenue Position

The 2015/16 budget is being presented to Council with a proposed net revenue budget of £195.800m. This includes savings of £35.229m. A range of options have been prepared to bridge this gap. The December 17<sup>th</sup> Council meeting approved, £27.471m of savings and the balance of £7.758m were noted. The balance, for approval within the Budget Report elsewhere on this agenda, has been scrutinised at the Overview and Scrutiny Performance and Value for Money (PVFM) Select Committee on 22<sup>nd</sup> January 2015 and approved at Cabinet on 16<sup>th</sup> February 2015. The position has changed from December where a net revenue budget of £192.277m was presented.

Following the receipt of the Final Local Government Settlement, related Government grant funding notifications, confirmation of the calculation of the Council Tax Base, Business Rates Tax Base, Collection Fund surplus and the review of business rates grants, the net revenue budget baseline for 2015/16 has changed from £192.277m by £3.523m to £195.800m. Table 2 below details the movements in funding.

Table 2

Changes to Funding After the Final Local Government Finance Settlement and Revision to Estimates	Expected Position £m	After Settlement £m	Difference £m
General Government Grants – Settlement	8.826	9.308	0.482
Business Rates Grants	2.472	2.619	0.147
Provisional Settlement Funding Assessment	108.002	108.868	0.866
Council Tax for Council Use	72.746	74.384	1.638
Collection Fund Surplus	0	0.382	0.382
<b>TOTAL CHANGE TO COUNCIL RESOURCES AVAILABLE</b>	<b>192.046</b>	<b>195.561</b>	<b>3.515</b>
Parish Precept – Ringfenced to Parishes	0.231	0.239	0.008
<b>TOTAL CHANGE TO BUDGET</b>	<b>192.277</b>	<b>195.800</b>	<b>3.523</b>

As a result of the changes, additional resources of £3.515m are available to the Council to address priority issues. This has allowed a revision to savings proposal D040 Review of District Arrangements and it has been reduced by £0.120m requiring some of the additional resources to be used to compensate for this change. A review has therefore taken place which identifies the use of the remaining additional resource as illustrated below.

- new burdens arising from Central Government allocation of new responsibilities – match of budget pressure to funding allocation (Local ringfencing of funding has already been agreed for these issues) at £1.248m
- additional expenditure pressures of £2.147m



Table 3

<b>New Burdens, Expenditure Pressures and New Proposal</b>	<b>2015/16 £m</b>
- SEND Implementation	0.160
- Adult Social Care New Burdens	1.088
<b>Total New Burdens</b>	<b>1.248</b>
Expenditure Pressures:	
- Realisation of Prior Year Savings	0.278
- Pay award	0.209
- Staying Put	0.185
- Revenue Priorities	1.475
<b>Total Expenditure Pressures</b>	<b>2.147</b>
<b>New Savings Option - D064C</b>	<b>0.120</b>
Less Resources Available	3.515
<b>Balance</b>	<b>0.000</b>

Taking all the issues into account, the revised 2015/16 budget is presented in table 4 below

<b>Table 4 2015/16 Net Revenue Budget</b>	<b>2015/16 £m</b>
<b>Prior Year Net Revenue Budget (2014/15)</b>	<b>222.428</b>
<b>Less one year adjustments in 2014/15</b>	(6.224)
<b>Less adjustment to Base Budget – Levy</b>	(0.477)
<b>Revised Base Position</b>	<b>215.727</b>
<b>Expenditure Pressures:</b>	
- Pensions	0.265
- Pay Award	0.899
- Inflation	2.847
- Investment Fund	4.953
- Demand Pressures	1.353
- Reduction for Local Welfare Provision Grant Loss	(1.022)
- Settlement New Burdens	1.248
- Further Expenditure Pressures	2.267
<u>Savings Proposals and Use of Reserves</u>	
- Agreed Use of reserves to support GMWDA Levy	(0.195)
- Identified Savings Proposals	(32.542)
<b>Total Expenditure</b>	<b>195.800</b>
<b>Funded By:</b>	
- Business Rates Top Up	29.987
- Revenue Support Grant	50.879
- Housing Benefit and Council Tax Administration	1.529
- Council Tax Freeze Grant	0.864
- Central Education Support Grant	3.126
- New Homes Bonus	2.086
- New Homes Bonus Adjustment	0.189
- Extended Rights to Free Travel (other grant)	0.023
- SEND Implementation Grant	0.160
- Adults Social Care New Burdens	1.088
- Council Tax New Burdens	0.066
- Lead Local Flood Authorities	0.026
- Settlement Funding Adjustment	0.641
- Department of Health Grant	0.151
- Additional Business Rates Grants	0.119
<b>Total Government Grant Funding</b>	<b>90.934</b>
- Retained Business Rates	27.674
- Council Tax Income	74.123
- Income Related Budget Proposals	2.687
- Collection Fund Surplus	0.382
<b>Revised Budget Funding</b>	<b>195.800</b>

Note that the income related budget proposals include increases in Council Tax (£0.500m) and Business Rates (£0.328m). Actual Council Tax income is £74.623m (including Parish Precepts) and Retained Business Rates income is £28.002m.

For clarity, Table 5 also shows that total savings of £35.229m are split between those that reduce the net revenue expenditure of the Council and those which increase the funding available.

<b>Table 5 Savings through Transformation</b>	<b>2015/16 £m</b>
Funding Gap	35.229
Savings through Transformation	-32.542
Income through Transformation	-2.687
<b>Total Expenditure Pressures</b>	<b>0.000</b>

### 3.3 2016/17 to 2019/20 Forecast Revenue Position

In order to provide a financial projection covering the five year period of the MTFs, in addition to the projection for 2015/16 highlighted above, estimates have been prepared for the four years 2016/17 to 2019/20.

The financial year 2016/17, is the second year of the two year budget setting timeframe that the Council has been working to. The initial estimate for savings was £25.096m. As can be seen from the table below, this has increased by a net £4.393m to £29.489m primarily as a result of increases in some of the expenditure pressures as detailed. As £9.398m of savings have already been identified the budget gap to be addressed has risen from £15.698m to £20.091m.

Table 6

<b>Expenditure Pressures:</b>	<b>Initial Estimate £m</b>	<b>Revised Estimate £m</b>	<b>Change £m</b>
- Increase in Base Budget	0.000	3.523	3.523
- Pay Award	0.908	1.717	0.809
- Inflation	2.914	3.818	0.904
- Increase in NI	0.000	2.363	2.363
- Fair Employment Charter	0.000	0.600	0.600
<b>Total increase in expenditure pressures</b>	<b>3.822</b>	<b>12.021</b>	<b>8.199</b>
<b>Less:</b>			
- Increase in Government Grant	0.000	1.299	1.299
- Increase in Retained Business Rates	0.000	0.360	0.360
- Increase Council Tax	0.000	2.147	2.147
<b>Overall Change</b>	<b>3.822</b>	<b>8.215</b>	<b>4.393</b>

As previously indicated, the lack of indicative Settlement figures for 2016/17 makes projections more uncertain and this uncertainty increases the further into the future that projections are made. The 2017/18 net revenue budget is estimated using calculations based on the key assumptions in section 1.4 at £164.673m (savings required of £29.302) reducing to £157.772m by 2019/20 (savings required £7.078m).

Table 7 below details the assumed financial pressures, grants and Council Tax and NNDR level for 2016/17 to 2019/20.

Table 7

Estimated revenue position 2016/17 to 2017/18	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
<b>Prior Year Net Revenue Budget</b>	<b>195.800</b>	<b>179.227 *</b>	<b>164.673</b>	<b>156.047</b>
<b>Expenditure Pressures:</b>				
- Pensions	0.263	0.346	0.346	0.346
- Pay Award	1.717	1.753	1.787	1.822
- Inflation	3.818	3.774	3.851	3.929
- Investment Fund	1.055	0.923	0.000	0.000
- Business Plan	1.500	0.500	0.500	0.500
- Levies	0.000	1.544	1.623	1.706
- Increase in NI Changes	2.363	2.363	0.000	0.000
- End of Change to Terms and Conditions	0.000	2.515	0.000	0.000
- Fair Employment Charter	0.600	1.030	1.240	0.000
- Use of Reserves ceases	0.000	0.000	0.000	0.500
<b>Total Expenditure</b>	<b>207.116</b>	<b>193.975</b>	<b>174.020</b>	<b>164.850</b>
<b>Funded By:</b>				
- Business Rates Top Up	30.587	31.198	31.822	32.459
- Revenue Support Grant	33.276	20.475	10.475	10.475
- Housing Benefit and Council Tax Administration	1.378	1.241	1.116	1.005
- Council Tax Freeze Grant	1.790	0.000	0.000	0.000
- Central Education Support Grant	2.266	2.111	1.900	1.710
- New Homes Bonus	2.000	1.500	1.115	1.004
- Multiplier Cap	0.641	0.000	0.000	0.000
- Adults Social Care	0.585	0.000	0.000	0.000
<b>Total Government Grant Funding</b>	<b>72.523</b>	<b>56.525</b>	<b>46.428</b>	<b>46.653</b>
- Retained Business Rates	29.980	30.680	30.680	30.680
- Council Tax Income	75.124	77.468	78.939	80.439
<b>Revised Budget Funding</b>	<b>177.627</b>	<b>164.673</b>	<b>156.047</b>	<b>157.772</b>
<b>Net Gap/Savings Requirement</b>	<b>29.489</b>	<b>29.302</b>	<b>17.973</b>	<b>7.078</b>
<b>Less Savings Already identified</b>	<b>-9.398</b>			
<b>Savings Yet to Find</b>	<b>20.091</b>			

\*2017/18 Prior Year Revenue Budget adjusted to reflect that £1.600m within the identified savings of £9.398m, increase the funding of the budget rather than reduce expenditure.

The information included in Table 7 shows the assumed expenditure pressures and financing. Due to the issues outlined below, these estimates will be revised quarterly and will be updated as outlined in section 4:

- volatility in central government grant funding;
- changes in public sector delivery of services i.e. NHS/Public Health/Local Authority joint working;
- impact of Public Service Reform;
- partnership working with other public sector organisations and AGMA Authorities;
- transfer of risk around the collection of Business Rates
- potential changes to the business rates regime arising from the recently announced review
- business rates revaluation planned for 2017
- Council Tax collection levels

In meeting the budget challenge for 2016/17 and future years, the approach and core principles that have been developed will be used as a framework. These are:

- Focussing on our purpose, delivering social value and maximum impact within the financial resources available
- Challenging all areas of the Council
- Working with partners as a Cooperative Borough – with shared aspirations for people and places
- Exploring different delivery and funding models
- Taking a 5 year view on investment and prevention

Working in themes to identify savings will continue but the theme groups have changed to reflect the Commissioning Clusters that are being pioneered as a new place leadership model. These are:-

1. Economy & Skills Cluster
2. Health & Wellbeing Cluster
3. Cooperatives & Neighbourhoods Cluster

With the addition of a fourth cluster for budget setting purposes of:

4. Corporate, Commercial and other central services

These work streams are established to challenge the current delivery models and identify the future service provision that is available within the financial resources. The work streams are also to analyse and review the value of commissioned and procured services, in order to maximise value of the contract and develop a system of penalties for non-delivery.

Future service delivery models and proposals that have been identified by the work streams will be subject to a series of challenge sessions to ensure their fit with corporate priorities and the future vision for the Council.

### 3.4 Forecast Capital Programme and Financing

Included within this agenda is the capital strategy for 2015/16 to 2019/20 and thereby the proposed 2015/16 capital programme including identified capital investment priorities, together with the indicative programme for 2015/20, having regard to the resources available for the five year life of the programme.

The Councils Capital Strategy and Programme are set over a five year timeframe. The proposed Capital Strategy and Programme for 2015/16 to 2019/20 take the essential elements of the previous year's strategies and programmes and moves them forward in the context of the financial and political environment for 2015/16. Also addressed are the issues arising from the priorities determined when the Councils investment programme that was approved in July 2012 and subsequent priority investment decisions.

Over recent years, Government grant funding for capital expenditure has generally been reducing as a result of the austerity agenda, however the downward trend in funding was stemmed during 2013/14 when the Council was successful in its bid for Targeted Basic need (TBN) grant, a Government initiative to fund a two year programme to address the increasing pressure on school places. The level of Government resources seen in the last few years remains buoyant with a number of grants having been announced in 2014/15 and more latterly in January and February 2015. The main source of grant income remains education related with the receipt of Formulaic Basic Need funding totalling £26.15m for the period 2015/16 to 2017/18 together with the remainder of the Targeted Basic Need funding of £2.868m now being applied in 2015/16. Further education related grants in the form of School Condition Allocation grant; £5.565m for the period 2015/16 to 2017/18 and Devolved Formula Capital of £452k in 2015/16 have been confirmed. The Council will also receive a grant allocation under the second phase of the Priority Schools Build Programme for Royton and Crompton school, the final amount is awaiting confirmation. In addition highways maintenance funding of £2.453m has been confirmed for 2015/16.

The table below sets out the current proposed capital programme for 2015/16 to 2019/20.

**Table 8 – Proposed Capital Programme**

<b>Proposed Capital Spending</b>	<b>2015/16 £000</b>	<b>2016/17 £000</b>	<b>2017/18 £000</b>	<b>2018/19 £000</b>	<b>2019/20 £000</b>
Neighbourhoods	7,812	3,051	2,380	2,173	2,173
Commissioning	1,950	400	400	400	400
Commercial Services	19,058	10,466	17,840	680	680
Development and Infrastructure	61,824	37,272	8,685	0	0
Deputy Chief Executive/ Corporate	0	0	0	0	0
<b>Total Expenditure</b>	<b>90,644</b>	<b>51,189</b>	<b>29,305</b>	<b>3,253</b>	<b>3,253</b>
<b>Total Funding</b>	<b>(88,144)</b>	<b>(53,683)</b>	<b>(29,311)</b>	<b>(3,253)</b>	<b>(3,253)</b>
<b>Balance of Resources available by year – Over/(Under) programming</b>	<b>2,500</b>	<b>(2,494)</b>	<b>(6)</b>	<b>0</b>	<b>0</b>
<b>Cumulative balance of resources – Over/(Under)</b>	<b>2,500</b>	<b>6</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>

The revenue impact of the prudential borrowing elements financing the capital programme has been fully budgeted for in the MTFs and is included in the baseline revenue budget.

### **3.5 Treasury Management**

The Treasury Management Strategy is part of the suite of reports submitted with this agenda.

#### Statutory Requirements

The Local Government Act 2003 and supporting regulations requires the Council to 'have regard to' the Prudential Code and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable'. The Act therefore requires the Council to set out its Treasury Strategy for borrowing and to prepare an Annual Investment Strategy. This sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.

#### CIPFA Requirements

The Council has adopted the Revised CIPFA Code of Practice on Treasury Management 2011. The primary requirements of the code are as follows:

- Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's Treasury Management activities
- Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives
- Receipt by the full Council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead, a Mid-year Review Report and an Annual Report (stewardship report) covering activities during the previous year
- Delegation by the Council of responsibilities for implementing and monitoring Treasury Management Policies and Practices and for the execution and administration of treasury management decisions. In Oldham, this responsibility is delegated to the Borough Treasurer
- Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body. In Oldham, the delegated body is Audit Committee.

As with the Capital Strategy and Programme the revenue implications of the Treasury Management Strategy has been fully budgeted for in the MTFs and is included in the baseline revenue budget.

## **4 Reporting Framework including when and how changes will be reported**

At present, the Medium Term Financial Strategy is approved by Full Council on annual basis. As the world in which we operate is becoming more volatile and more risk is being transferred to the Council, it is proposed that from 2015/16 there will be a quarterly refresh of the projections.

It is also envisaged that on a monthly basis any minor amendments will be reported within the Revenue Monitoring Report. These amendments are likely to revolve around cross- portfolio transfers of budgets.

The quarterly refresh will review all the major elements of the strategy including the PESTLE analysis, and the financial assumptions as well bringing in any Central Government announcements and legislation changes which have a financial impact. It will also allow the strategy to be amended for any emerging local issues or priorities.

## **5 Financial Resilience**

In order to monitor the present and future financial risks the Council a Finance Risk Register is prepared and updated on a regular basis. This highlights that in future financial years the on-going challenge to the Council in delivering a balanced budget are getting more difficult as the amount of year on year central government funding to support on-going expenditure reduces.

In order to support the production of the Annual Budget to the Council has adopted a system of assessing the annual level of general balances on the basis of risk that it requires at the beginning of the financial year. This is a key process in ensuring that the Council both has a contingency to meet unforeseen or unplanned costs including the non-delivery of efficiency savings and the council is financially resilient. This MTFS assumes that the Council delivers its savings targets. Failure to do this in any one financial year will result in the required savings for a future year increasing as the Council must demonstrate that it is financially resilient each financial year.

The closure of the accounts is a key process whereby the Council manages its risks to minimise future unplanned expenditure by considering whether any of these risks have a certain financial liability or a potential future financial impact (Contingent Liability). An early closure of the accounts enables the council to obtain its financial out-turn promptly which determines whether any problems have to be addressed in the new financial year. At the point when the accounts are closed there is a requirement on the council to set aside appropriate resources to meet known financial liabilities.

### Financial Resilience of the Council

In order to demonstrate that the Council can continue to operate on an on-going basis it needs to demonstrate that it is financially resilient at a point in time. Essentially this means ensuring it can continue to fund its day to day business. It does this by:

- Delivering a balanced budget year on year and tackling areas of overspend to ensure the problem is managed in year and in the long term.
- Maintaining a level of appropriate general balances assessed on the basis of financial risk and earmarked reserves to meet known commitments.
- Closing its accounts in a prompt manner to determine its out-turn and give the Council more time to address any overspends in the new financial year.
- Undertaking financial decisions in accordance with council's processes to ensure that risk is highlighted in advance of the decision being taken and the impacts are clear to decision makers.
- Releasing reserves to support the budget in a controlled manner.

Should the Council find itself in a position where it is not financially resilient it will need to increase its savings targets to build up funds to become financially sustainable.



The general financial resilience of the Council is supported by the availability of reserves. The Council's reserves are regularly reviewed and will be utilised to support the budget setting process as required.

## **6 CONCLUSION**

After allowing for the use of grant funding in 2015/16, funding pressures and the impact of the Local Government Financial Settlement, it is considered that the Council is able to approve a balanced budget for 2015/16. The anticipated net budget gap for 2016/17 is £29.489m with £20.091m of savings yet to be identified. The gap for 2017/18 is estimated to be a further £29.302m.

Given the level of change in the recent Local Government Financial Settlements and the impending General Election in 2015, the position for years beyond 2015/16 is hard to predict with any certainty.

The potential budget gap in future years will be largely dependent on the amount of Revenue Support Grant (RSG) (or its replacement) and other grants (e.g. Central Education Support Grant, NHS funding to support social care) received from Central Government. Whilst the Council is able to generate additional Business Rates and Council Tax through building the respective tax bases, the level of expected increase is significantly below the level of reduced Government funding.

The Council will therefore have to address the future financial challenges innovatively, increasingly working in collaboration and partnership but also in alignment with its cooperative ethos.

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## PESTLE Analysis

## Annex 1

In formulating the Medium Term Financial Strategy a review is undertaken of the Political, Economic, Social, Technological, Legal and Legislative and Environmental (PESTLE) issues that may impact on the Council's future revenue position. Table 1 below details this analysis.

**Table 1 PESTLE analysis on Council's MTFS**

	Theme	On the radar	Summary analysis	Impacts on LG considered in MTFS	MTFS review
<div style="font-size: 4em; font-weight: bold; color: #0056b3; margin-bottom: 10px;">P</div> <div style="writing-mode: vertical-rl; transform: rotate(180deg); font-weight: bold; color: #0056b3;">Page 701</div>	<p><b>Political</b> What are the key policy directions of the current government as it relates to our operating environment? What are the possible and likely alternative policy directions on the horizon? (of this and any future government)</p>	Localism and De-centralisation – changes to the role of local government	<p>Changes to the role and duties of local government in the last few years including responsibility for Public Health (PH) and the transfer of those budgets pertaining to PH.</p> <p>The Localism Act contains a range of opportunities for communities including the community right to both buy and take over community assets, as well as challenge the Council to run certain services. The Act also gives communities the right to veto excessive council tax rises.</p> <p>De-centralisation is a key feature of the Government's open public services policy. It aims to free up public bodies to deliver services in differently and innovatively to balance the pressures of demand and reducing budgets. This provides the freedom to pursue an innovative public service reform agenda.</p>	<ul style="list-style-type: none"> <li>• Transfer of Public Health and statutory duties</li> <li>• General Power of Competence – how can this be used?</li> <li>• Community Right to Challenge</li> <li>• Community Right to Buy</li> <li>• Community Right to Build</li> <li>• Reform of social housing allocations and tenure (New Homes Bonus)</li> <li>• Transfer and delegation to councils of functions of other public functions that are a high priority for their communities</li> <li>• Council tax referendums</li> </ul>	<ul style="list-style-type: none"> <li>• Public Health further transfers – expected that ringfenced grant will remain unchanged for future years. Current transformation of services includes provision for further transfer of statutory services for 0-4 within the 0-19 offer.</li> <li>• Council Tax assumptions are either no change or below the current level of veto</li> <li>• Budgets calculated transparently to allow scrutiny and review for transfers to other potential operating models</li> </ul>
		Local Government Finance Act	<p>The Local Government Finance Act 2012 included a range of changes that fundamentally alter the way that local authorities will be financed in future. The Act permits local authorities to retain a</p>	<ul style="list-style-type: none"> <li>• Localised Council Tax Support Scheme</li> <li>• Technical reforms to Council Tax in relation to second</li> </ul>	<ul style="list-style-type: none"> <li>• Approved 2015/16 Council Tax Reduction Scheme remaining unchanged in future years.</li> </ul>

	Theme	On the radar	Summary analysis	Impacts on LG considered in MTFS	MTFS review
			<p>proportion of the business rates generated in their area, connecting council finance to the local economic position. The Act provides the framework for the localisation of support for council tax in England. In addition, the Act introduces tax increment finance, which makes borrowing against future business rates growth possible, as well as introducing changes to council tax rules in relation to the council tax local authorities can charge on empty properties.</p>	<p>homes and empty properties</p> <ul style="list-style-type: none"> <li>• Generation of additional business rates linked to regeneration programme</li> <li>• Risk of non-collection of retained Business Rates</li> </ul>	<ul style="list-style-type: none"> <li>• Collection Fund, Council Tax, Business Rates and also New Homes Bonus are linked to local management information data and the regeneration plans of the Borough.</li> <li>• Review of the Council Tax and Business Rates collection has been undertaken and an action plan is in place to increase collection</li> </ul>
		Welfare Reform Act	<p>The Welfare Reform Act was introduced in 2012. It aims to reduce the welfare bill by £5.5bn over the next four years. The other stated aims of the Act are to make the system simpler and ensure the system is fair to those claiming benefits and to the taxpayer; provide a range of incentives to those coming off benefit and into employment to ensure they are not financially worse off; provide a stronger approach to tackling fraud and abuse of the welfare system. This has significant implications directly for residents in terms of the level of benefits they receive; it also impacts on the support that has to be offered from public services, both in terms of financial management, and overcoming often complex barriers to work.</p> <p>Further changes to welfare include the withdrawal of Local Welfare Provision monies and the Discretionary Housing Payments Scheme.</p>	<ul style="list-style-type: none"> <li>• Abolition of a number of benefits including income-based jobseekers allowance, Income-related Employment and Support Allowance, Income Support, Housing Benefit, Council Tax Benefit, Child Tax and Working Tax Credit and the introduction of a single Universal Credit</li> <li>• Changes to Housing Benefit including reductions in benefit for under-occupancy</li> <li>• Introduction of Benefit Cap to ensure that no-one on benefits gets more than the average working household</li> <li>• Change from Disability Living Allowance to Personal Independence Payments</li> <li>• Introduction of a new system of claimant conditionality including the introduction of new sanctions and investigation techniques, and</li> </ul>	<ul style="list-style-type: none"> <li>• Current assumptions within MTFS are that all Welfare Reform Act implications are fully funded. Demand impact reviews are continual and any identified that cannot be met from existing resources will be presented to Members for consideration.</li> <li>• Transfer of the operation of Housing Benefit to the Department for Work and Pensions (under the Universal Credit initiative) is also considered cost neutral.</li> </ul>

	Theme	On the radar	Summary analysis	Impacts on LG considered in MTFS	MTFS review
				<p>the speedier recovery of fraudulent overpayments</p> <ul style="list-style-type: none"> <li>• New system of child support designed to “put the needs of the child first”</li> </ul>	
		Public Service Reform/Early Help	<p>Oldham has taken a leading role in testing innovative ways of working that reduce demand on the public sector. This builds on our co-operative ethos, encouraging people to help themselves and each other wherever possible, with public services focusing more on helping people develop the skills to help themselves, rather than ‘fixing things’ for people.</p> <p>This work continues to fit into a wider Greater Manchester context, as Greater Manchester continues to lead conversations with Whitehall departments based on learning from the work carried out across Greater Manchester.</p> <p>This work is critical in meeting some of the challenges ahead of us, designing solutions to tackle issues innovatively and more importantly alongside partners and other key stakeholders to ensure a seamless, streamlined delivery to residents. The key focus for this work is on supporting residents to be more independent and self-reliant, so that they need high-cost, reactive public services less. This will support us in re-profiling our spend from high-cost, reactive services to more preventative activity.</p>	<ul style="list-style-type: none"> <li>• Further development of Partnership Investment agreements – such as the one currently in place to lift 1,000 people out of fuel poverty</li> <li>• Commissioning an All Age Early Help Offer, creating for the first time a single, holistic offer to support people to develop the skills to help themselves and prevent them from reaching crisis point.</li> <li>• Consideration of how savings are recouped when done in conjunction with one or more partner organisations</li> <li>• Realisation of longer term savings generated from preventative measures such as the All Age Early Help Offer.</li> </ul>	<ul style="list-style-type: none"> <li>• At this stage no long term direct impact on the MTFS, however as part of the Cooperative Transformation Group and budget review process, public sector reform has been considered and taken forward as an option to deliver services differently and meet the challenging budget gap.</li> </ul>

	Theme	On the radar	Summary analysis	Impacts on LG considered in MTFS	MTFS review
		Health and Social Care Act	<p>The Health and Social Care Act introduced substantial changes to the way the NHS in England is organised and run.</p> <p>The major changes introduced by the Act include:</p> <ul style="list-style-type: none"> <li>• <b>Primary Care Trusts</b> were abolished and their commissioning functions have now transferred to <b>Clinical Commissioning Groups (CCGs)</b>, made up of GPs and other clinicians.</li> <li>• <b>Strategic Health Authorities</b> have been abolished. NHS England has been established to support CCGs and hold them to account.</li> <li>• Responsibility for <b>public health</b> has transferred from PCTs to local authorities.</li> <li>• <b>Public Health England</b> has been established as a national body to provide advice and leadership on the public health agenda.</li> <li>• <b>Health and Wellbeing Boards</b> have been established to provide a forum for key stakeholders to work together to improve the health of local populations.</li> <li>• <b>Healthwatch England</b> has been established as the national voice for patients and services users in health and social care, and a <b>Local Healthwatch</b> organisation in Oldham has been established to provide information, support, advice and advocacy to patients</li> </ul>	<ul style="list-style-type: none"> <li>• Consideration of the effectiveness and completeness of the Public Health Transition Plan.</li> <li>• It will be important to consider the impact of the Better Care Fund (previously known as the Integration Transformation Fund) on local authority finance. This fund was announced in June as part of the 2013 spending round, and provides an opportunity to transform local services so that people are provided with better integrated care and support. CCG's and Local Authorities must jointly agree how the funds are spent, so it will be essential to ensure the fund is developed in the interests of both parties.</li> <li>• Following new guidance issued by the Department of Health on the 25<sup>th</sup> July 2014, local plans have been agreed with the CCG re the BCF. The Better Care Fund has a performance related element to the fund which is associated with achieving a reduction in non-elective hospital admissions.</li> </ul>	<ul style="list-style-type: none"> <li>• Current assumption in relation to the Public Health grant is that it remains static over the period of the MTFS. However the grant has been increased over the period for the transfer of Health Visiting (HV). The additional grant for HV is a ring-fenced grant of circa £2.164m.</li> <li>• The Better Care Fund has been dealt with working with the CCG and the current budget reflects the agreed position. All plans have been submitted to NHS England and the current budgets include the agreed position in relation to the Better Care Fund. The plans have received approval from the Oldham Health and Wellbeing Board and 'Approved with Support' by NHS England. £4.1m worth of Social Care services have been protected in 2015/16 by the fund. A further £1.8m is expected in 2016/17 through the joint identification of efficiencies. Both of these figures have been approved through the Council's budget process.</li> </ul>

	Theme	On the radar	Summary analysis	Impacts on LG considered in MTFS	MTFS review
			<p>and service users.</p> <ul style="list-style-type: none"> <li>• <b>Monitor</b> was created to become a sector-specific regulator for health.</li> </ul>		
		Care Act	<p>The Department of Health published the Care Bill earlier in 2013, which reached Royal Assent on the 14 May 2014. The Act aims to 'modernise the law to put people's wellbeing at the heart of the care and support system'. It introduces legislation which aims to provide protection and support to the people who need it most and to take forward elements of the government's initial response to the Francis Inquiry. It also aims to 'give people peace of mind that they will be treated with compassion when in hospital, care homes or their own homes'.</p> <p>The main provisions of the Act will come into force in April 2015, and the funding provisions in the Act will come into force in April 2016,</p> <p>The Act introduces a cap on the costs that people will have to pay for care in their lifetime, as recommended by the Dilnot Commission on the Funding of Care and Support. The Act also pulls together threads from a number of different Acts into a single framework, taking forward most of the recommendations made by Law Commission's review of existing care and support legislation. Taking forward the recommendations of the Law Commission's report, Part 1 of the Act</p>	<ul style="list-style-type: none"> <li>• The increase in requests for care assessments will create large additional demands on the care services the council currently provides. This is currently being assessed.</li> <li>• The financial elements of the Act will have far reaching and complex implications for Oldham and for Adult Social Care services. As such, work to assess the specific impact of these measures is currently underway. The scale of these reforms in policy and financial terms is very significant. Giving local authorities this level of additional responsibility at a time when the whole sector is downsizing makes the task of implementation even more challenging in terms of organisational capacity and financial risk.</li> <li>• The council is currently working on a model which will attempt to understand the financial implications of the Care Act across not only charging but the additional costs the new burdens will bring and additional service users the authority may</li> </ul>	<ul style="list-style-type: none"> <li>• The budget currently assumes a grant of £1.088m has been allocated for 2015/16 to cover the care cap assessment and deferred payment agreements. This is to be locally ringfenced. Ongoing assessments of funding have been included in the MTFS.</li> </ul>

	Theme	On the radar	Summary analysis	Impacts on LG considered in MTFS	MTFS review
			aims to consolidate existing care and support legislation. It aims to refocus the law around the person not the service; strengthen rights for carers to access support, and; introduce a new adult safeguarding framework.	<p>inherit. This is a very complex area and we are still lacking in information relating to certain key components of the jigsaw. This work is on-going and is being developed in partnership with other local peers and through national networks such as the CIPFA Finance Advisory Network.</p> <ul style="list-style-type: none"> <li>• A Programme Manager and a Project Manager have been appointed to lead on the implementation of the changes arising from the Act. Many new duties are placed on the Authority from April 2015 which are to be funded through a non ring-fenced revenue grant announced at £1.088m.</li> <li>• An internal and external communications strategy is also being developed to communicate the changes arising from the legislation and what this will mean for service delivery in Oldham.</li> </ul>	
		Anti-Social Behaviour, Crime & Policing Act	<p><b>The Act includes measures to:</b></p> <ul style="list-style-type: none"> <li>• Replace 20 powers with six to deal with anti-social behaviour.</li> <li>• Criminalise forced marriage</li> <li>• Introduce offences for owning dangerous dogs and illegal firearms</li> <li>• Introduce a new "community trigger", where police, councils and agencies would be forced to act if five</li> </ul>	<p>In order to retain current community protection orders that are currently applied to specific areas / communities (for example the designation of the town centre as a restricted area for alcohol consumption) the council will have to re-apply for them in order for these to be retained, and within a</p>	<ul style="list-style-type: none"> <li>• The MTFS currently assumes no additional pressures or savings in relation to this area.</li> </ul>



	Theme	On the radar	Summary analysis	Impacts on LG considered in MTFS	MTFS review
			<p>households made a complaint about anti-social behaviour.</p> <ul style="list-style-type: none"> <li>Introduce a "community remedy", which provides a greater say for victims in what form of sanction an offender can receive out of court.</li> </ul>	<p>period of three years. This will have significant resource implications for the Council.</p> <p>This merging of powers will increase the power that the council has to take action against individuals where there is no 'course of conduct' (where there is repeated mis-conduct over a period of time) but where conduct is sufficiently serious to warrant immediate legal action. The financial implications for such actions will need to be considered.</p> <p>It will also be pertinent to give further considerations to further funding issues arising from the implications of this Act, and in particular;</p> <ul style="list-style-type: none"> <li>Positive Requirements</li> <li>Crime Prevention Injunction applications</li> <li>Replacement of obsolete explanatory literature</li> <li>Training of Neighbourhood Resolution Panel members</li> </ul>	
		Local Audit and Accountability Act	<p><b>The Act includes measures to;</b></p> <ul style="list-style-type: none"> <li>Close down the Audit Commission and replace it with a new local audit framework for local government and health. Local authorities will need to set up independent panels with a majority of independent members to make recommendations on who should be appointed as their</li> </ul>	<p><b>The Council will have to:</b></p> <ul style="list-style-type: none"> <li>Deal with any concerns with the external auditor such as fee levels direct once the Audit Commission is abolished.</li> <li>Undertake procurement in 2016-17 to appoint its own external auditor as per the Bill. This could be a stand-alone</li> </ul>	<ul style="list-style-type: none"> <li>The MTFS currently assumes no additional pressures or savings in relation to this area.</li> <li>The impact of any changes to audit fees are insignificant in the context of the Council budget. Any change arising</li> </ul>

	Theme	On the radar	Summary analysis	Impacts on LG considered in MTFS	MTFS review
			<p>external auditors. Responsibility for value for money and preparation of the Code of Audit Practice will transfer to the National Audit Office. The Secretary of State for the Department of Communities and Local Government will also have powers transferred to him to instigate an inspection of a local authority if deemed appropriate.</p> <ul style="list-style-type: none"> <li>• Extending the council tax referendum provisions introduced in the Localism Act in order to allow local council taxpayers to veto rises in council tax caused by bodies such as waste disposal authorities and integrated transport authorities.</li> <li>• Making it mandatory to comply with the Codes of Practice on local authority publicity.</li> </ul>	<p>procurement or done in partnership with other public bodies affected by the legislation.</p> <ul style="list-style-type: none"> <li>• Ensures that referendum requirements if necessary.</li> </ul>	<p>from these proposals are likely to impact on administrative organisational arrangements rather than budgets.</p>
		Social Value Act	<p>The Public Services (Social Value) Act 2012 requires public authorities to have regard to economic, social and environmental well-being in connection with public services contracts; and for connected purposes. The Act requires local authorities to consider the economic, social and environmental wellbeing of the area where a service is commissioned. It aims to make the concept of 'social value' more relevant and important in the placement and provision of public services.</p>	<ul style="list-style-type: none"> <li>• Social Value in Procurement Framework has been developed – need to monitor success and outcomes</li> <li>• An issue to be considered is; how do you successfully estimate value of outcomes from social value schemes?</li> <li>• Social value is considered internally when making decisions about service redesign or development of alternative delivery models.</li> </ul>	<ul style="list-style-type: none"> <li>• The MTFS currently assumes no additional pressures or savings in relation to this area. However there are a number of pieces of work currently being undertaken to review such areas and following these reviews the MTFS will be updated with any resulting financial impact.</li> </ul>
		Children and Families Act	<p>The Children and Families Bill was published by the Government on 5 February 2013, and received Royal Assent on the 13 March 2014. The Act</p>	<ul style="list-style-type: none"> <li>• Oldham's Adoption Service is currently working on a Service Improvement Plan which will incorporate the implications of</li> </ul>	<ul style="list-style-type: none"> <li>• The MTFS currently assumes no additional pressures or savings in relation to this area. The expectation specifically in</li> </ul>

	Theme	On the radar	Summary analysis	Impacts on LG considered in MTFS	MTFS review
			<p>takes forward the Government's commitment to improve services for vulnerable children and support strong families.</p> <p>The Act aims to:</p> <ul style="list-style-type: none"> <li>• reform the systems for adoption, looked after children, family justice and special educational needs;</li> <li>• encourage growth in the childcare sector;</li> <li>• introduce a new system of shared parental leave;</li> <li>• ensure children in England have a strong advocate for their rights</li> </ul> <p>The key elements of the Act are;</p> <ul style="list-style-type: none"> <li>• Adoption and virtual school head (VSH)</li> <li>• Family Justice System</li> <li>• Special Educational Needs (SEN).</li> <li>• Childcare</li> <li>• Office of the Children's Commissioner (OCC)</li> <li>• Shared parental leave and flexible working</li> </ul>	<p>this new legislation.</p> <ul style="list-style-type: none"> <li>• The Children and Families Act has introduced a time limit of 26 weeks, within which cases involving children being taken into care must be concluded. In Oldham, we expect that there will be capacity issues initially for both legal services and social care workers, who will have cases reaching conclusion much more quickly than usual. Assessments may need to happen in shorter timescales, which could lead to initial capacity issues. However, currently, Oldham Council is meeting this requirement in that during the first six months since implementation the average timescale in which a case is managed within the legal framework is 26 weeks.</li> <li>• The Act will extend the SEN system from birth to 25, giving children, young people and their parents, greater control and choice in decisions and ensuring needs are properly met. As an SEND pathfinder we are currently testing all of these areas and through this work we will be well placed to reshape service delivery.</li> <li>• The Childcare element of the Act will impact on parents of young children; childcare providers from the private,</li> </ul>	<p>relation to shared parental leave and flexible working is that this should be within the same financial envelope as the current offer.</p> <ul style="list-style-type: none"> <li>• The Council has within its capital programme spending plans for the expansion of the number of childcare places in line with local requirements. This will be kept under review in 2015/16 and future years.</li> <li>• Grant funding for the SEND initiative has been received for 2015/16 and will be locally ringfenced.</li> <li>• The Staying Put initiative for looked after children is also being financed.</li> </ul>

	Theme	On the radar	Summary analysis	Impacts on LG considered in MTFS	MTFS review
				<p>voluntary, independent, and maintained sectors; and the local authority in terms of its duty to manage the local childcare market. This includes putting in place reforms to ensure investments made in early education achieve a return, through improved school readiness.</p> <ul style="list-style-type: none"> <li>• Consideration should be given to the impact on council finances in respect of possible changes to parental leave and flexible working. It is likely to create demand for an increasingly flexible childcare offer to meet parental need.</li> </ul>	
		Academies Act 2010 and Education Act 2011 (Free schools and academies)	<p>The Academies Act 2010 authorises the creation of free schools and allows all existing state schools to become academy schools. A number of Oldham's schools are now academy schools.</p> <p>Free Schools were introduced by the Coalition Government making it possible for parents, teachers, businesses and charities to set up their own schools. The schools are free to attend but are not controlled by the Local Authority.</p> <p>Funding is on an equal basis with state maintained schools, although additional start-up grants to establish the schools are available. Free schools are still subject to Ofsted inspections and should comply with standard performance measures. The first 24 free schools</p>	<ul style="list-style-type: none"> <li>• 18 schools in Oldham are now academies, meaning they sit outside of local authority control</li> <li>• BSF and Academy funding programme linking to the Capital Programme</li> <li>• Issues around potential loss of prime development land or reduction in value of retained land – DfE can order Council to hand over land to Free Schools for no charge – as happened in Oldham.</li> <li>• Oldham currently has one Free School – Collective Spirit.</li> </ul>	<ul style="list-style-type: none"> <li>• The MTFS has reflected an estimated impact of maintained schools transferring to Academy status. This is specifically in relation to the Central Services Education Grant (CSEG). The CSEG is estimated to continue to reduce by 25% over the life of the MTFS.</li> <li>• DSG funding projections also reflect the changed status of schools.</li> <li>• The use of capital receipts to the finance the capital programme will have regards to land issues around transferring schools/free schools.</li> </ul>

	Theme	On the radar	Summary analysis	Impacts on LG considered in MTFS	MTFS review
			<p>opened in autumn 2011.</p> <p>The Education Act 2011 requires those Local Authorities who are creating a new school to seek proposals for an Academy or Free School, in the first instance. A traditional community school can only be proposed where there is no suitable free school or academy proposals put forward.</p>		
		<p>General election in 2015 – potential change of government – what would that mean?</p>	<p>Whilst it is impossible to predict the outcome of the next general election in 2015, it is prudent to consider the possibility of a change in government and consider how in turn this might affect the landscape for local government.</p>	<p>The Labour party carried out a policy and funding review ahead of publishing of their manifesto for the election. This included a specific review on Local Government funding and an LG Innovation Taskforce to consider how the relationships between all public services, organisations and people could be transformed if they were organised around local areas rather than institutional hierarchies. The Adonis review was released at the end of July and made a number of recommendations for central, regional and local government that, if implemented, could have financial consequences. The final report from the LG Innovation taskforce is expected.</p> <p>A document from the LGA entitled: Investing in our nation's future, looks at what the first 100 days of the next government should address. Again, if adopted, this could have an impact on LG finances.</p>	<ul style="list-style-type: none"> <li>• The MTFS assumes that the current policy that is supporting the deficit reduction will continue over the period of the strategy and this is built into the projections for reducing Revenue Support Grant and other government grants as included in the MTFS assumptions.</li> <li>• The financial implication of a change in Government would be considered via a MTFS refresh</li> </ul>

	Theme	On the radar	Summary analysis	Impacts on LG considered in MTFS	MTFS review
		Sustainable Drainage Systems (SUDS) – Flood and Water Management Act (Planning)	Local authorities are required to take more action to prevent surface water from highways overwhelming the capacity of combined sewers and flooding homes and businesses.	The Council will at some stage be required to set up a SAB (Suds Advisory Board) which will work with Planning and Development Control. This will have a resource cost. However, the government keeps changing the target date.	<ul style="list-style-type: none"> <li>The MTFS assumes that this will be fully funded/cost neutral or met from existing resources.</li> </ul>
E	<p><b>Economic</b></p> <p>What are the current trends in the economy and how might they affect (favourably or adversely) our organisation, local government and the public sector?</p> <p>What are the trends in individuals prosperity and how will this impact on our current and future service offering?</p>	Economic downturn, need for restructuring the country's economic base	For nearly five years, the UK has been experiencing a significant economic downturn and its impact is resulting in the need for long term restructuring of the economic base of the country. This was a direct result of the banking crisis and the recession of 2008 and 2009. This led to the largest budget deficit in peacetime history and a dramatic increase in public sector indebtedness. The Government's austerity measures, aimed at getting the public sector deficit into order, have now had to be extended to 2019/20 which is a longer period than the four years the Government initially envisaged. Achieving this new extended time frame will still be dependent on the UK economy returning to a reasonable pace of growth towards the end of this period. On the positive side banks have made huge progress since 2008 in shrinking their balance sheets to more manageable levels and also in reducing their dependency on wholesale funding; however, availability of credit remains tight.	<ul style="list-style-type: none"> <li>Comprehensive Spending Review</li> <li>Current levels of interest rates for borrowing are low due to the stability of the base rate. The MTFS includes borrowing for the capital investment programme at current levels and should the base rate increase the cost of borrowing is likely to increase.</li> <li>Due to the banking crisis the ratings of a number of financial institutions have been downgraded. As the Councils Treasury Management Strategy puts the security of investments first the number of institutions available for the Council to invest in has reduced, therefore impacting on the return on the investment.</li> </ul>	<ul style="list-style-type: none"> <li>The MTFS assumes that the current policy that is supporting the deficit reduction will continue over the period of the strategy.</li> <li>Projections for the cost of borrowing have been based on updated interest rate projections</li> <li>The issue of a Comprehensive Spending Review will be reflected by a refresh of the MTFS as there are likely to be significant implications</li> </ul>
		Impact of public service cuts elsewhere – who has what	GM analysis has demonstrated that overall public sector spend in GM is similar now to 2008: although spend on agencies delivering services within GM	<ul style="list-style-type: none"> <li>To address the future financial position of the Council work has commenced via the Public Sector Reform/Early Help</li> </ul>	<ul style="list-style-type: none"> <li>At this stage no direct impact has been reflected within the MTFS, however as part of the Cooperative Transformation</li> </ul>

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		resources	<p>has reduced considerably, spend from DWP on benefits has increased to match this reduction.</p> <p>This emphasises the need to work collectively across public services to re-profile our collective spend, towards preventative activity.</p>	<p>project and the transformational change workstreams to review opportunities within the Greater Manchester family.</p>	<p>Group and Star Chamber process, public sector reform has been considered and taken forward as an option to deliver services different and to meet the challenging budget gap.</p>
		Impact of welfare reform on local economy	<p>Oldham is ranked <b>26<sup>th</sup> worst affected out of the 379</b> local authorities in Great Britain with the <b>overall annual impact of welfare reform changes being estimated at £90.1m</b> once the changes are fully implemented. This equates to a loss of £637 a year per working-age adult. This is a key finding for Oldham from the previously reported Centre for Regional Economic and Social Research (CRESR, Sheffield Hallam University) report: "Hitting the poorest places hardest – The local and regional impact of welfare reform". That report shows that in Oldham the biggest impact on the local economy from Welfare Reform comes from changes to disability benefits (an estimated loss of <b>£29m</b>) from changes to Incapacity Benefit (£22.3m by 2015/16) and from the change from Disability Living Allowance (DLA) to Personal Independence Payment (£6.7m by 2017/18).</p>	<ul style="list-style-type: none"> <li>Changes to Welfare reform particularly: <ul style="list-style-type: none"> <li>Housing Benefit</li> <li>Benefit Cap</li> <li>Local Council Tax Reduction Scheme</li> <li>Local Welfare Provision Scheme</li> </ul> </li> <li>Links to Get Oldham Working and creation of jobs and support to get unemployed residents into work</li> </ul>	<ul style="list-style-type: none"> <li>The MTFS currently assumes no other changes to additional pressures or savings in relation to this area.</li> <li>The Council has as one of its priorities to support people into getting into work under the Get Oldham Working programme. The costs of this are included within the base budget.</li> <li>The 2015/16 budget includes resources to allow for a budget for local welfare provision,</li> </ul>
		Unemployment rate, including youth unemployment	<p>Over the last 12 months unemployment in Oldham has fallen sharply.</p> <p>The <b>unemployment rate</b> in Oldham as at November 2014 stands at <b>3.1%</b> (down from 11.6% in February 2013). Whilst much improved, it is the highest rate</p>	<ul style="list-style-type: none"> <li>Positive in terms of effect on the local economy and also in terms of numbers of people being able to pay their Council tax, needing less support etc.</li> <li>Links to Get Oldham Working and creation of jobs and</li> </ul>	<ul style="list-style-type: none"> <li>The MTFS currently assumes no additional pressures or savings in relation to this area.</li> <li>The Council has as one of its priorities to support people into getting into work under</li> </ul>

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			<p>within Greater Manchester, marginally above Bolton and Manchester (3.0%). This currently breaks down as <b>1,740</b> unemployed on Universal Credit, <b>2,628</b> unemployed on JSA, with a further <b>900</b> persons claiming Universal Credit who are employed. Levels of unemployment have <b>fell</b> in Oldham this month (November 2014) (<b>-3.7%</b>); however, again this decrease is below the Greater Manchester (<b>-4.8%</b>) and England (<b>-4.4%</b>) averages.</p>	<p>support to get unemployed residents into work.</p> <ul style="list-style-type: none"> <li>• Links to the Enterprise Trust – A £1m donation from Norman Stoller helped to launch the Enterprise Trust.</li> </ul>	<p>the Get Oldham Working programme. The costs of this are included within the base budget.</p> <ul style="list-style-type: none"> <li>• Support for the Oldham Business Leaders Group, which is administering the Enterprise Fund is included within the base budget.</li> </ul>
		Rising energy and water costs	<p>The six major energy companies have all recently announced and implemented increases in the cost of energy. One company has increased its prices by 9.2% resulting in an average increase of £117 on a standard tariff. Another has increased its prices by 3.9% to an average £1,237 per year. This will have a direct effect on both the council and residents. It will also impact on the local economy, resident's health, fuel poverty, business competitiveness and employment. However this will be an opportunity for Low Carbon businesses.</p>	<ul style="list-style-type: none"> <li>• Cost of Council's energy and water bills</li> <li>• Office Accommodation Review and District Asset Review to rationalise and make better use of our office space and assets should lead to lower energy costs</li> <li>• Link to Carbon Reduction Tax – the less energy we use, the less tax we pay</li> <li>• Investment in energy generation projects will become increasingly attractive from an income generation perspective</li> </ul>	<ul style="list-style-type: none"> <li>• The MTFS does reflect an estimated impact of rising costs of energy via an inflation increase.</li> <li>• The Council has a capital programme priority investment in low carbon initiatives and these will be introduced on an invest to save basis. Any consequent revenue savings will be included in future years MTFS.</li> </ul>
		Growth Deals	<p>These are a series of Growth Deals with businesses and local authorities across England to invest at least £12 billion in local economies. The money will go towards providing support for local businesses to train young people, create new jobs, build of new homes and start infrastructure projects; including transport improvements and superfast</p>	<p>For the first time ever, housing, infrastructure and other funding is being brought together in a single pot, and put directly into the hands of local authorities and businesses to spend in the best interests of the region. The GM LEP has secured £476.7 m from the Government's Local Growth Fund to support</p>	<ul style="list-style-type: none"> <li>• The MTFS currently assumes no additional pressures or savings in relation to this area.</li> <li>• Working closely within the GM family any agreement from the Local Authorities to invest or offer additional revenues will be included</li> </ul>



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			<p>broadband networks.</p> <p>The first £6 billion of local projects has been agreed as the first wave of Growth Deals announced. This includes the complete allocation of £2 billion from the Local Growth Fund for 2015 to 2016.</p> <p>The government will provide £78 million of capital funding towards the construction of a new theatre and exhibition space in Manchester called 'The Factory Manchester'.</p> <p>A £235m science research centre has been given the go-ahead for Manchester in the Chancellor's Autumn Statement. The Sir Henry Royce Institute for Advanced Materials Research and Innovation will also have branches in Leeds, Liverpool, London, Cambridge, Oxford and Sheffield.</p>	<p>economic growth in the area and combined with other funding creates a total new investment package of £556.7m for the Greater Manchester area.</p> <p>This Growth Deal, focus on five key priority areas as identified in the Greater Manchester Growth and Reform Plan:</p> <ul style="list-style-type: none"> <li>• Securing Greater Manchester and the North West's place as a major centre for Life Sciences.</li> <li>• Enhancing further education facilities, creating more apprenticeships and maximising skills investment.</li> <li>• Major Investment in public transport and highways.</li> <li>• Reforming public services so that they reduce duplication and are designed around the needs of residents.</li> <li>• Providing effective business support services.</li> </ul>	<p>should this occur, although it is expected that many projects will be GM wide.</p>
		Ageing population	<p>The 2011 Census population estimate for Oldham is an increase of 3.5% since the 2001 Census. This is less than half the percentage increase for England of 7.9%. The proportion of people aged 65+ has increased by 6.3% in Oldham compared with 10.9% across England and the proportion of people aged 90+ has increased by 17.9% in Oldham compared with 27.9% across England.</p>	<ul style="list-style-type: none"> <li>• Changes to Care funding for the elderly announced as part of the Care Act will have implications for the MTFS</li> <li>• Increase in demand for older peoples' services leading to an increase in the cost of providing the service</li> </ul>	<ul style="list-style-type: none"> <li>• Adults Social Care budget planning has been focussed around ageing population demands,</li> <li>• The MTFS review will highlight if there are specific demand pressures.</li> </ul>

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			As forecasted, the numbers of older people have increased, and this will have implications for the future costs of social care and health services, as well as the age profile of service requirements in Oldham.		
<b>S</b> Page 716	<b>Social</b> What are the social trends that will affect our citizens and users?  In what ways will demographics, changes in purchasing patterns, families and community cohesion influence our strategy?	Large increase in number of residents aged 0-19	<p>Oldham has a relatively youthful age structure. The proportion of the population aged under 20 in Oldham is considerably higher than that for England. The increase in the proportion of under 5's since 2001 is 8.6%, compared with an increase of 13.4% across England.</p> <p>For young people, we already have good quality population estimates via the school census, and these and earlier projections have already highlighted expected increases in school-age populations over the next decade which will require a significant increase in school provision.</p>	<ul style="list-style-type: none"> <li>• Increase in school provision requiring investment in new schools – potential increase in number of Free Schools or academies given the requirements of the Education Act 2011, see above.</li> <li>• Increase in demand for services against this age profile including Children's Centres and youth services.</li> </ul>	<ul style="list-style-type: none"> <li>• The MTFS currently assumes no additional pressures or savings in relation to this area.</li> <li>• The current budget process has included a service redesign of the 0-19 offer and this is now included within the base budget,</li> <li>• The MTFS has reflected an estimated impact of maintained schools transferring to Academy status. This is specifically in relation to the Central Services Education Grant.</li> <li>• The capital programme includes funding for schools replacement and expansion to provide additional places.</li> </ul>
		Greater requirement for personalisation of services	<p>The traditional service led approach to social care is steadily being replaced by personalisation of services, which means thinking about social care in a completely different way. The personalisation approach places the individual at the centre of their care, identifying their needs and deciding on the support that they would like to be able to live their lives. This will require a different way of thinking and an overhaul of processes, funding and employee.</p>	<ul style="list-style-type: none"> <li>• Greater use of individual budgets and demand for services in line with ageing population</li> </ul>	<ul style="list-style-type: none"> <li>• The MTFS review will highlight if there are specific demand pressures.</li> </ul>

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			The successful introduction of individual budgets in Oldham has already seen an increase in the choice and freedom that service users have in terms of their care.		
		Increase in demand for certain services	Despite the funding reductions, we face increased demand for many of our services. These include social care, housing, school admissions, advice about debt, as well as increased take up of free services such as school meals. Such pressures will therefore require extremely careful management and are a major driver in the work to develop new delivery models and investment agreements in line with the work in Greater Manchester on public service reform. As stated this work is focused on increasing productivity and reducing dependency driven demand.	<ul style="list-style-type: none"> <li>• Links to co-operative agenda – everybody doing their bit and enabling people to do more for themselves.</li> </ul>	<ul style="list-style-type: none"> <li>• The MTFS currently assumes no additional pressures or savings in relation to this area.</li> <li>• Within the previous budget processes and the 2015/16 process, work has been undertaken across the Council, in transforming services to support early help/preventative services and demand reduction through invest to save initiatives which have been supported from the base budget,</li> </ul>
		Prevention agenda – save resources upstream	The prevention and intervention agenda is primarily concerned with savings upstream, mostly realised in the longer term. For example, early investment in services to educate families about healthy eating may reduce the amount spent on heart disease or obesity further down the line. Many prevention solutions take the form of invest to save proposals where the commitment is needed now, but the savings will only be realised in the longer term. Much of the PSR work taking place is predicated on the preventative agenda, but it sometimes requires a real leap of faith to wait for the results.	<ul style="list-style-type: none"> <li>• Invest to save commitments</li> <li>• As part of PSR, the Council as part of the transformation agenda and particularly in developing the All Age Early Help Offer may invest preventative services which may release savings across the public sector. Realising these savings for the Council will required the negotiation of an investment proposition with partners.</li> </ul>	<ul style="list-style-type: none"> <li>• The MTFS currently assumes no additional pressures or savings in relation to this area.</li> <li>• Within the previous budget processes and the 2015/16 process, work has been undertaken across the Council, in transforming services to support early help/preventative services and demand reduction through invest to save initiatives which have been supported from the base budget.</li> <li>• Public Health ringfenced budgets underpin health related preventative initiatives and the use of this resource is included in the MTFS.</li> </ul>

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		Increase in online usage for shopping	The trend for online shopping is undoubtedly contributing to the decline of high street / town centre shopping. Recently released figures show that online sales rose by almost 31.1% in the five weeks to 29 December 2013 compared to the same period last year. The same figures show a reduction in offline shopping of 2.2%. (Source: Internet retailing)	Links to the economic growth agenda and town centre offer development plans linked to the Capital programme	<ul style="list-style-type: none"> <li>The Council has already initiated major capital schemes and revenue schemes to improve the offer of Oldham Town Centre to attract customers back into traditional high street shopping. This regeneration agenda will develop over the period 2015/20. Current revenue consequences of the approved programme are included within the MTFS.</li> </ul>
		Rising cost of living – increase in debt issues and usage of pay day lending / loan sharks	The rising cost of living set against the economic challenges we currently face mean that the number of people in debt, or in danger of falling into debt is rising. For Oldham as a whole, the prevalence of loans is high, especially loans for debt consolidation, which will be a significant issue. A higher than national proportion of households are having difficulty making repayments, and double the national rate are struggling to pay debts of between £5k and £15k.	<ul style="list-style-type: none"> <li>Links to funding for advice services within Oldham</li> <li>Links to Credit Union and ongoing work to tackle loan sharks</li> </ul>	<ul style="list-style-type: none"> <li>The MTFS currently assumes no additional pressures or savings in relation to this area.</li> <li>The base budget included resources to support advice services</li> </ul>
		New communities and community cohesion	Increasing immigration levels combined with the increased amount of conflicts globally, including Syria, Ukraine and other parts of the Middle East is likely to increase the number of individuals and families coming into the UK, GM and Oldham.	<ul style="list-style-type: none"> <li>The potential influx of people will increase demand for a number of Council services.</li> </ul>	<ul style="list-style-type: none"> <li>The demand for additional school places is being addressed by planned capital schemes.</li> </ul>

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		Greater usage of internet, social media and social networking to give and receive information.	Undoubtedly, the huge increase in the use of the internet, social media and social networking has made these channels one of the main ways of informing, and communicating with, others. This provides a great opportunity in terms of engaging with customers in a way that is quicker, more real-time and convenient to them than more traditional forms of communication such as letters and council magazines. Oldham was the first Council to accept public questions via social media at the Council meeting and other use has been made of the web through live streaming of Council meetings and Cabinet Question Time events. There is also however a greater reputational risk in terms of the viral nature of social networking and social media, where organisations do not have control over what is being said by who, to who, or how many times.	<ul style="list-style-type: none"> <li>Investment in up to date forms of technology to enable us to make the most of the opportunity</li> <li>Appropriate steps taken to minimise the reputational risk arising from social media and networking</li> </ul>	<ul style="list-style-type: none"> <li>The MTFS currently assumes no additional pressures or savings in relation to this area.</li> <li>The capital programme has funding in place for enhanced IT initiatives.</li> <li>Savings from the use of on-line service contract/provision have already been assumed.</li> </ul>
T	<b>Technological</b> How will new technologies help us to get our services to our customers? What changes and opportunities will technology present in the future?	Greater opportunity to collect customer insight through online collection	With the increase in online activities such as shopping and subscribing to different sources, there is a greater amount of information available about customer s and users of particular services. This is valuable to organisations in terms of knowing their customers and it is important to the Council in terms of knowing our communities and ensuring we use this intelligence to reach people effectively. The launch of the My Account software, an electronic interface for residents contacting the council is enabling us to deliver a more personalised offer to residents.	<ul style="list-style-type: none"> <li>Link to My Account and the Customer Transformation programme</li> <li>Annual purchase of the Customer Insight data</li> </ul>	<ul style="list-style-type: none"> <li>These elements are included within the base budget. The Customer Services Transformation programme is enabling the realisation of already planned efficiency savings.</li> <li>The capital programme includes funding for investment in planned new technology developments.</li> </ul>
		Low digital inclusion levels	Latest digital inclusion figures for Oldham show that 23.6% have never	<ul style="list-style-type: none"> <li>Link to Channel Shift Strategy</li> <li>Link to Customer Service</li> </ul>	<ul style="list-style-type: none"> <li>The MTFS currently assumes no additional pressures or</li> </ul>

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		in Oldham	used (20% national), 68% use daily (72.6% national). The majority of those not digitally included tend to be older people. Given the Channel Shift to more services online, there is a need to consider how to improve the inclusion levels of this age group and others, whilst considering how we can still provide other forms of contact such as face to face and telephone.	Transformation programme	savings in relation to this area
		Constant advances in technological innovations	The speed with which technological innovation advances is showing no signs of slowing down. It is almost unbelievable to think that at the last General Election the iPad, such an integral piece of hardware for many people, had not yet been launched in the UK – in Q2 2013 Apple sold 14.6 million of them (Source: Apple) – and iPad is currently on its fourth iteration. Whilst this gives organisations the opportunity to improve efficiency and do more – better – for less, it requires a lot of investment in hardware, software and staff training, and additionally can mean considerable investment in the upkeep of the equipment.	<ul style="list-style-type: none"> <li>Link to ICT strategy and investment in new technologies</li> </ul>	<ul style="list-style-type: none"> <li>The MTFS currently assumes no additional pressures or savings in relation to this area. The Council already has an ICT refresh budget which finances on-going ICT requirements.</li> <li>The capital programme includes investment funding for planned ICT developments.</li> </ul>
		Open and transparent data	Need for openness and transparency is outlined in the Localism Act and links in well with the co-operative values especially on accountability. Open data such as street level crime data can empower citizens. Links to calls for open data portals.	<ul style="list-style-type: none"> <li>Link to open data portals</li> <li>Link to performance indicators and dashboards</li> </ul>	<ul style="list-style-type: none"> <li>The MTFS currently assumes no additional pressures or savings in relation to this area</li> </ul>
		Carbon Reduction Commitment	The CRC Energy Efficiency Scheme (often referred to as simply 'the CRC') is a mandatory scheme aimed at improving energy efficiency and cutting emissions	Oldham Council is now a participant in Phase 2 of CRC. Carbon = £12 per tonne in 2012/13; Carbon = £15.60 per tonne	<ul style="list-style-type: none"> <li>The base budget includes funding for CRS energy efficiency costs. New requirements will be</li> </ul>

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		(CRC)	<p>in large public and private sector organisations. Organisations which participate within the CRC are required to monitor their energy use, and report their energy supplies annually. The Environment Agency's reporting system applies emissions factors to calculate participants' carbon dioxide (CO2) emissions on the basis of this information. Participants must purchase and surrender allowances to offset their emissions. Allowances can either be bought at annual fixed-price sales, or traded on the secondary market.</p>	<p>(forecast sale) and £16.40 (buy to comply sale) in 2014/15, increasing every year. The financial implication of this needs to be considered.</p>	<p>considered with demand pressure budgets.</p> <ul style="list-style-type: none"> <li>• Energy efficiency initiatives/investment should enable to manage the consequences of CRC.</li> </ul>
<p>Page 721</p>	<p><b>Legal / Legislative</b> Given current and emerging trends in national and international legislation, what do we see as the most significant factors?</p> <p>What are the internal and external requirements of future legislation?</p>	<p>Small Business, Enterprise and Employment Bill</p>	<p>This new Bill includes key measures to:</p> <ul style="list-style-type: none"> <li>• Stop highly paid public sector employees keeping redundancy payments when returning to the sector within 12 months</li> <li>• Providing small firms with fair access to public procurement contracts; and increasing the availability and sources of finance for businesses that want to invest</li> <li>• Strengthen UK Employment Law by tackling abuses of the National Minimum Wage and zero hours contracts</li> <li>• Increasing transparency for who owns and controls UK companies</li> <li>• Making select childcare regulations more flexible to meet the needs of working families</li> </ul> <p>Other measures include:</p> <ul style="list-style-type: none"> <li>• Regularly review red tape that affects small businesses to</li> </ul>	<p><b>Implications for Oldham arising from the Small Business, Enterprise and Employment Bill</b></p> <ul style="list-style-type: none"> <li>• The crackdown on zero hours contracts and paying the NMW are both issues that Oldham Council has committed to already – and done more. The Council developed a Fair Employment Charter which it has signed up to and is encouraging other employers in Oldham to do the same. Oldham currently pays more than the Local Living Wage for GM.</li> </ul> <p>Regulation is expected in the areas of:</p> <ul style="list-style-type: none"> <li>• <b>Public sector redundancy claw back:</b> AGMA and other</li> </ul>	<ul style="list-style-type: none"> <li>• The capital programme already include planned expenditure on 2 year old provision.</li> <li>• The Council has identified resources to support the Fair Employment Charter</li> </ul>


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			<p>ensure regulations are either cut or remain effective</p> <ul style="list-style-type: none"> <li>• Make it easier for small businesses to expand overseas</li> <li>• Create a new Statutory Code and independent Adjudicator to ensure that publicans who are tied to a pub owning company are treated fairly</li> </ul>	<p>regional public sector partners could also work together to develop a common protocol if need be and if appropriate.</p> <ul style="list-style-type: none"> <li>• <b>Zero hours contracts:</b> The issue is the current absence of definition around 'zero hours' and regulation will help interpretation, compliance and the raising of standards within the council and local employers where there may be exceptional vulnerability. Regulation will also support our Fair Employment commitment since compliance will be made clearer and with this, the council will be less vulnerable to reputational risk from association and accreditation of suppliers and employers where standards are not currently legally definitive.</li> <li>• <b>Procurement practices:</b> When we commission and procure, this means that we need to focus on outcomes rather than outputs to ensure that we achieve the greatest possible impact and, therefore, the best value for money on behalf of Oldham's residents. Our social value procurement framework seeks to achieve this by ensuring that social, economic</li> </ul>	



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				<p>and environmental outcomes are systematically incorporated into procurement practices, so that we can achieve greater impact from each and every contract.</p> <p><b>Childcare Regulations</b>  The bill will make it easier for schools to take in two-year-olds by removing the requirement to register separately with Ofsted. Some 2000 two-year-olds in Oldham have become eligible for 15 hours per week of free early education from September 2014. To meet the new duty, a massive expansion of places is necessary, and a capacity building programme, including some schools is underway.</p> <p>Early education is a key strand of Oldham’s Early Help Strategy, and is central to commissioning arrangements for children’s centres. These are co-ordinated at district level. The proposals will support the principle of schools as community hubs, working in conjunction with children’s centres. For example, the place allocation process will forge stronger links between schools and District Early Help Panels.</p>	

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		Infrastructure Bill	<p>This new Bill includes key measures to:</p> <ul style="list-style-type: none"> <li>• Reducing unnecessary delay and costs by allowing certain types of planning conditions to be discharged where a local planning authority has not notified the developer of their decision within a set timeframe</li> <li>• Simplify the process for making changes to Development Consent Orders (DCO) by speeding up non-material changes to a DCO, and allowing simplified processes for material changes</li> <li>• Transfer statutory responsibility for the local land charges register to the Land Registry supporting the delivery of digital services</li> <li>• Set minimum energy performance standards through building regulations</li> </ul> <p>Other measures include:</p> <ul style="list-style-type: none"> <li>• Permitting land to be transferred directly from arms-length bodies to the Homes and Communities Agency, reducing bureaucracy and managing land more effectively</li> <li>• Ensuring that future purchasers of land owned by the Homes and</li> </ul>	<p><b>Implications for Oldham arising from the Infrastructure Bill</b></p> <p><b>Increasing service efficiencies</b> – for example by allowing specific planning conditions to be discharged where a local planning authority has not notified the developer of their decision – Oldham is a high performing local authority and is well placed to meet the requirements of this element of the Bill. We actively seek to minimise the use of planning conditions where applicable in order to support sustainable growth through planning across the Borough.</p> <p>Oldham Council currently co-ordinates land charges, devolved to councils in line with localism. Local land charges inform potential buyers whether they will inherit any obligations or restrictions on the property, and provides certain property-related information. There is presently no further detail on when and how local land charges could be transferred. It's estimated that the centralisation of this function to the Land Registry could take between 2-4 years. However there is a risk that this could impact on the quality of services as the Land Registry will be less able to integrate with planning, highways and other locally regulated services.</p>	<ul style="list-style-type: none"> <li>• The MTFS assumes that any implications arising from this Bill will be cost neutral and met from within existing resources.</li> </ul>

	Theme	On the radar	Summary analysis	Impacts on LG considered in MTFS	MTFS review
			<p>Communities Agency and the Greater London Authority will be able to develop and use land without being affected by easements and other rights and restrictions suspended by the Agency</p> <ul style="list-style-type: none"> <li>• Turning the Highways Agency into a Government owned company, with the stable, long term funding needed to plan ahead</li> <li>•</li> </ul>		
		Modern Slavery Bill	<p>This new Bill includes key measures to:</p> <ul style="list-style-type: none"> <li>• Create a statutory duty for public bodies, including local authorities, to notify the National Crime Agency about potential victims of modern slavery</li> </ul> <p>Other measures include:</p> <ul style="list-style-type: none"> <li>• Consolidate and simplify existing modern slavery offences into one Act</li> <li>• Increase the maximum sentence available for offenders to life imprisonment</li> <li>• Ensure that perpetrators convicted of slavery or trafficking face the toughest asset confiscation regime</li> <li>• Give the courts new powers to order perpetrators of slavery and trafficking to pay financial redress to their victims</li> <li>• Restrict the activity of individuals</li> </ul>	<p><b>Implications for Oldham arising from the Modern Slavery Bill</b></p> <ul style="list-style-type: none"> <li>• The Bill will create a statutory duty to co-operate with the new Anti-Slavery Commissioner to ensure local law enforcement is doing all it can to tackle anti-slavery crime nationally.</li> <li>• As a public body, the council will be obliged to notify the National Crime Agency about potential victims who may be at risk from modern slavery and human trafficking crimes.</li> </ul> <p>The new obligations have strong links to Greater Manchester's 'Operation Challenger' – a multi-agency operation with partners working together to tackle crime</p>	<ul style="list-style-type: none"> <li>• The MTFS assumes that any implications arising from this Bill will be cost neutral and met from within existing resources. Funding for the MASH team and work with key partners is already included within the base budget.</li> </ul>

	Theme	On the radar	Summary analysis	Impacts on LG considered in MTFS	MTFS review
			<p>convicted of modern slavery offences or where they pose a risk of causing harm</p> <ul style="list-style-type: none"> <li>• Create a new Anti-Slavery Commissioner and provide a statutory defence for victims of modern slavery and support through the criminal justice process.</li> <li>• Statutory guidance on victim identification and victim services</li> </ul> <p>Power for child advocates to support child victims of trafficking</p>	<p>across the region. The requirements also support the work of the Multi-Agency Safeguarding Hub (MASH) which works closely with police on safeguarding issues and protecting potential victims of crimes including modern slavery and human trafficking.</p> <p>Next Steps</p> <p>The council will continue to work together with core strategic partners including Operation Challenger and MASH in order to actively safeguard vulnerable residents who may be at risk. It will also co-develop approaches to tackling modern slavery and human trafficking in Oldham and across GM.</p>	
	<p><b>Environmental</b></p> <p>What environmental factors are likely to influence or require us to adjust our strategy?</p>	<p>Adverse weather conditions e.g. flooding, droughts, severe winters</p>	<ul style="list-style-type: none"> <li>• Adverse weather conditions may require extra investment in preventative measures such as grit, as well as costs to the economy if infrastructure is out of action for an extended period of time.</li> </ul>	<ul style="list-style-type: none"> <li>• Consideration of civil contingency monies being available in the event of adverse weather conditions or long term damage to infrastructure through weather.</li> <li>• Costs of improving assets for long-term resilience to extreme weather events.</li> </ul>	<ul style="list-style-type: none"> <li>• The MTFS assumes that any implications arising from adverse weather will be met from within existing resources be cost neutral or via government funding. The Council has benefitted in 2014/15 from Severe Weather Grant funding from Central Government as the Government recognised extreme conditions cannot always be anticipated or budgeted for at a local level</li> <li>• The Council has a severe weather funding reserve to</li> </ul>

	<b>Theme</b>	<b>On the radar</b>	<b>Summary analysis</b>	<b>Impacts on LG considered in MTFS</b>	<b>MTFS review</b>
					supplement mainstream budgets if required.

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