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CABINET

15/12/2014 at 6.00 pm



Oldham
Council

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

1 **APOLOGIES FOR ABSENCE**

There were no apologies for absence received.

2 **URGENT BUSINESS**

There were no items of urgent business received.

3 **DECLARATIONS OF INTEREST**

Councillor Akhtar, Cabinet Member for Employment and Enterprise declared a pecuniary interest in Item 7 of the agenda by virtue of his status as a private landlord within the neighbourhood highlighted areas of the Selective Licensing scheme.

4 **PUBLIC QUESTION TIME**

There were no public questions received.

5 **MINUTES OF THE CABINET MEETING 17TH NOVEMBER 2014**

RESOLVED That – The Minutes of the Cabinet meeting held on the 17th November 2014 be approved as a correct record.

6 **STRATEGIC REVIEW OF THE HOTEL PROJECT**

The Cabinet considered a report of the Director of Development and Infrastructure which provided an evaluation of four operating models in relation to the Council's ambition to secure a hotel operator as part of the regeneration of Oldham Town Centre. It was reported that Hotel Future was a new concept supported by the British Hospitality Association. The Hotel Future Team had with the support of the Council, been working on a proposal to build a training hotel that would provide a high quality hotel as well refurbishing the ageing Queen Elizabeth Hall. It was further reported that in order to ensure the project met the strict requirements required by the public works loan funding and to ensure value for public money an options appraisal was commissioned.

Options/Alternatives considered

1. Do not proceed with a Hotel and conferencing centre.
2. Option 1 - Progress with Hotel and conferencing operated by Hotel Future (National Hospitality Training Academy)
3. Option 2 - Progress with Hotel and conferencing operated by a commercial hotel brand
4. Option 3 - Progress with Hotel and conferencing operated by a commercial hotel brand with training
5. Option 4 - Progress with Hotel operated by a commercial Hotel brand built to a standard without conferencing or training

RESOLVED That the Cabinet would consider the commercially sensitive information as detailed at Item 20 of the agenda before making a decision.

7

SELECTIVE LICENSING OF PRIVATE LANDLORDS - CONSULTATION REPORT AND FINAL PROPOSALS

Councillor Akhtar, Cabinet Member for Employment and Enterprise declared a pecuniary interest in Item 7 of the agenda by virtue of his status as a private landlord within the neighbourhood highlighted areas of the Selective Licensing scheme.

He left the room for consideration of the Item and took no part in the discussion of vote thereon.

The Cabinet gave consideration to a report of the Assistant Executive Director, Liveability, which provided the Cabinet with findings of a consultation regarding the potential benefits of the introduction of a selective licensing scheme for private landlords, in highlighted areas which formed the basis of the consultation. It was reported that following Cabinet approval in March 2014 to undertake a detailed consultation on the draft proposals for the scheme, this report presented to the Cabinet the final proposals. Members were advised that the scheme would be part of a coordinated neighbourhood approach combining existing policies of the both Council and its partners such as tackling environmental crime, promoting landlord accreditation, empty property intervention and tackling anti-social behaviour.

Options/Alternatives considered

Option 1 – Do nothing.

Option 2 – Continue with the voluntary landlord accreditation scheme already being undertaken by the Council.

Option 3 – Approve the final proposal for selective licensing contained within the report.

RESOLVED – That:

1. The consultation findings as detailed in the main report acknowledging the responses from residents, landlords and other stakeholders be noted.
2. The implementation of the selective licensing scheme for private landlords after the necessary lead in period contained within the relevant legislation be approved.
3. The scheme was to be operated in the highlighted neighbourhoods shown in Appendix 3 to this report and described in more detail in the consultation report.
4. The licence conditions to be imposed per property as detailed in paragraph 3.1 of the report;
5. The licence fee of £490 per property as detailed in paragraph 3.2 of the report and appendix 4 be approved.
6. An annual report to be presented to cabinet and the relevant District Executive which provides licence income for the year and progress across the individual Neighbourhoods be agreed.
7. The establishment of a quarterly private sector landlords forum and the development and running of a dedicated website for private landlords where

bespoke help and advice would be available as well as a suite of standard documents be agreed.

8. The utilisation of the Neighbourhood Forums, as set out in the constitution, within each District so that 3 times a year they engage residents in progressing the licensing scheme be agreed.
9. Priorities from the Neighbourhood Forums would be fed back into the District Executives to ensure the issues are owned locally and are prioritised within the District Plan.

8

OLDHAM COMMUNITY INFRASTRUCTURE LEVY - PRELIMINARY DRAFT CHARGING SCHEDULE

Consideration was given to a report of the Executive Director, Economy and Skills which provided the Cabinet with detailed outcomes from the Oldham Economic Viability Study which had been prepared to inform a potential Community infrastructure Levy (CIL) in Oldham.

It was reported that the CIL was a levy which a local authority could choose to charge on new developments in their area. The money could be used to support development by funding infrastructure needed by local communities.

The report outlined a proposed preliminary draft charging schedule (PDCS) and if the Council wanted to proceed with a CIL, public consultation was required on the PDCS.

Options/Alternatives considered

Option 1 – To approve consultation on the PDCS and publish the Oldham Economic Viability study for inspection. The CIL would allow the Council to collect funding from invest in infrastructure and growth.

The consultation would ensure the Council had met the requirement in the Community Infrastructure Levy Regulations 2010 as amended.

Option 2 - Not to approve consultation on the PDCS and not to publish the Oldham Economic Viability Study as part of the CIL evidence base.

The Council would only be able to rely on S.106 planning obligations.

From April 2015 the pooling of s.106 monies would be restricted and could impact on how much funding there was available for strategic projects.

RESOLVED – That approval be given to carry out public consultation on the Preliminary Draft Charging Schedule (PDCS) and to publish the Oldham Economic Viability Study as part of the Community Levy Infrastructure (CIL) evidence base.

9

REVENUE MONITOR 2014/15; MONTH 07 (OCTOBER 2014)

Consideration was given to a report of the Interim Borough Treasurer which provided Cabinet with an update on the Council's revenue budget position forecast to the year end, as at the period ending 31st October 2014.

Members were advised that the current position was a possible projected under spend of £474k following reserve transfers as detailed within the report.



Section 6 and appendix 2 of the report summarised the transfer to and from reserves requests at month 6 to enable the release to support the 2014/15 budget.

Option 1 – To approve all management actions outlined within the report.

Option 2 – To approve some of the management actions outlined in the report.

Option 3 – Not to approve the management actions outlined within the report.

RESOLVED – That:

1. The forecast position at the end of month 7 (October 2014) being a projected £474k underspend be noted.
2. The forecast positions for both the Housing Revenue Account and Collection Fund be noted.

10

CAPITAL INVESTMENT PROGRAMME 2014/15

The Cabinet gave consideration to a report of the Interim Borough Treasurer which sought to advise Members of the financial position of the capital programme at the end of month seven 2014/15 and the proposed changes to the capital 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 2014/18.

The revised budget for 2014/15 taking into account movements included for approval was detailed in the report and reflected in the table below.

Capital Programme 2014/15 to October 2014

	£k	£k
Revised Capital Programme as at M06	117,156	
New schemes/ Variations (App A)	2,895	
Annual Review of the Capital Programme (App C)	- 10,503	
Revised Capital Programme as at M07		109,548
Amendments to the Capital Programme (App B)	- 11,501	
2014/15 Forecast Outturn Per Table 3		98,047
Other Variations in Forecasts	- 1,335	
2014/15 Forecast Outturn Per Table 1		96,712

The forecast outturn position based upon statistical analysis was £88.540m.

It was noted that as the financial year progressed, the position in relation to each of the projections in the programme would become clearer, enabling a more informed projection of the year end position.

Options/Alternatives considered

Option 1 – Not to approve the changes requested within the report.

Option 2 – To approve some changes included in the report.

Option 3 – To approve all changes requested within the report.

RESOLVED – That:

1. The projected capital outturn for 2014/15 at the end of month 7 be approved.
2. That the variations to the capital programme as detailed in the report and listed below be approved.
 - Appendix A - budget movements in schemes resulting in a net increase in expenditure and resources of £2.895m in 2014/15.
 - Appendix B - Proposed re-profiling of the 2014/15 capital programme totalling £11.501m.
 - Appendix C and D - Outcome of the Annual review, a net reduction of £10.503m in the 2014/15 programme.

11

TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY MID-YEAR REVIEW REPORT 2014/15

Consideration was given to a report of the Interim Borough Treasurer which provided the Cabinet with the performance of the Treasury Management function of the Council for the first half of 2014/15 and provided a comparison of performance against the 2014/15 Treasury Management Strategy Indicators. The report provided details of the performance of the Treasury Management function in order to comply with the Chartered Institute of Public Finance and Accountancy Treasury Management revised code of practice and set out the key Treasury Management issued for Members information. The report outlined;

- An economic update for the first six months of 2014/15;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Council's capital expenditure (prudential indicators);
- A review of the Council's investment portfolio for 2014/15;
- A review of the Council's borrowing strategy for 2014/15;
- Why there had been no debt rescheduling undertaken during 2014/15;
- A review of compliance with Treasury and Prudential Limits for 2014/15.
- An explanation of changes to the credit rating methodology used by Capita Asset Services, the Authority's current treasury management advisers.

Options/Alternatives considered

The Council had no option other to consider and note the content of the report in line with the CIPFA code of practice.

RESOLVED – That:

1. The Treasury Management activity for the first half of the financial year 2014/15 and the projected outturn position be approved.
2. The amendments to both Authorised and Operational Boundary for external debt as set out in the table at Section 2.5.5 of the report be approved.
3. The changes to the credit methodology whereby viability, financial strength and support ratings will no longer be considered as key criteria in the choice of creditworthy investment counterparties be approved.



4. The report be commended to Council for approval.

12

CONTRACT EXTENSION FOR THE DELIVERY OF OLDHAM'S CHILDREN'S CENTRES

Consideration was given to a report of the Chief Executive which sought approval for the extension of contracts of with Actions for Children and the Children's Society for the delivery of Oldham's Children's centre services until the 31st March 2016.

It was reported that the current contracts allowed the Council to opt for an extension and this would enable full integration with wider services from the 1st April 2016.

It was reported that a new redesign process was underway for the front facing 0-4 delivery model which included an 8 stage model and key elements of the model were being piloted by current providers in Oldham.

The current providers had been directly involved in the development and implementation of the 8 stage project.

It was proposed that the aforementioned requirements were included as a variation to the contract (and where the timing and sufficient progress with the pilots permits such variations to the service specification would be executed prior to extending the term of the contract), thus moving providers towards a state of readiness for implementation of the new model April 2016.

Options/Alternatives considered

Option 1 – Do not authorise the contract extension and make alternative arrangements for service delivery.

Option 2 - To Approve the extension of the contracts with Action for Children and the Children's' Society for one year until 31st March 2016.

RESOLVED – That:

1. The extension of contracts the with Action for Children and The Children's Society to deliver children's centre services in Oldham for a period of one year until 31st March 2016.
2. The granting of new leases as appropriate to facilitate the proposed service contractual extension be approved.

13

CONTRACT AWARD DECISION - DRUG AND ALCOHOL TREATMENT SERVICES

The Cabinet gave consideration to a report of the Director and Adults and Children's Services which sought to inform the Cabinet of the outcome of a tender process in relation to the new drug and alcohol treatment system, including a new recovery and reintegration service.

The report provided details of the tender evaluation process undertaken and the current situation regarding contracts for the provision of the service.

Options/Alternatives considered

Option 1 – Not to award the contract to the only bidder as the lead provider

Option 2 – To award the contract to the only bidder as the lead provider

RESOLVED – That:

1. The award of the appropriate contracts to Addiction Dependency Solutions be approved.
2. The savings of £980,000 against the current contract price be noted.

14

CONTRACT AWARD FOR THE PROVISION OF STAIRLIFTS, CEILING TRACK HOISTS AND VERTICAL AND STEP LIFTS

The Cabinet gave consideration to a report of the Director of Adults and Children's Services which sought approval to an award of contract following a joint tender process with Tameside, for the provision of stair lifts, ceiling track hoists and vertical step lifts to properties for residents with disabilities. The report provided details of the tender evaluation process undertaken and the current situation regarding contracts for the provision of the service.

Options/Alternatives considered

Option 1 - Not to tender the contract. This would not address existing issues of compliance with the Council's contract procedure rules and ensuring value for money

Option 2 – To award a contract for the provision of the equipment required for residents with disabilities.

RESOLVED – That:

1. The contract for the provision of stair lifts, ceiling track hoists and vertical step lifts be awarded to the following suppliers:
 - Lot 1 - Stairlifts to Platinum Stairlifts Limited
 - Lot 2 - Ceiling Track Hoists to Prism UK Medical Limited
 - Lot 3 - Vertical and Step Lifts to Wessex Lift Co Ltd
2. The contract would commence on or after 19th January 2015 and expire on 18th January 2017 with an option to extend by an additional 2 years on 1 year increments.

15

APPROVAL TO AWARD THE CONTRACT FOR DELIVERY OF TARGETED SUPPORT SERVICES FOR OLDHAM'S YOUNG PEOPLE

The Cabinet gave consideration to a report of the Chief Executive which sought approval to award a contract for the delivery of targeted support services for Oldham's young people from the 1st April 2015.

The report provided details of the tender exercise for the combination of services for young people including sexual health and substance misuse, young carers and advice for guiding young people in vulnerable groups and the Youth Justice Service was also part of the range of services.

The current contracts were due to expire on the 31st March 2015.

Options/ Alternatives

Option 1 – That approval is given to award the contract for the delivery of targeted support services for Oldham's young people to following the tender evaluation process and choosing the highest scoring submission for the period 1st April 2015 to 31st March 2018 with an option to extend for 2 years beyond this

date subject to satisfactory performance and meeting the Council's objectives. The total saving against annual current spend would be £640,000.

Option 2 – Not to award the contract. This option could not be considered as key elements of service delivery have a statutory basis and the range of services ensures vulnerable young people have the best chance of progressing into productive adulthood in line with the Council's ambitions.

RESOLVED – That the Cabinet would consider the commercially sensitive information as detailed at Item 21 of the report before coming to a decision.

16

CONTRACT AWARD: ST MARY'S DISTRICT HEATING NETWORK BILLING AND METERING

The Cabinet gave consideration to a report of the Executive Director, Corporate and Commercial Services which sought approval for acceptance of a tender and award of contract for:

- The replacement of heat meters and;
- The award of a ten year contract to manage and maintain billing and collection of monies for St. Mary's District Heating Network

as part of the joint programme of works being undertaken by First Choice Homes and Oldham Council.

The report provided details of the tender evaluation and the outcome of the process.

Options/Alternatives considered

Option 1 – Do nothing. This was not an acceptable option without a common billing platform.

Option 2 – Accept the tender and award the contract. This would lead to improved collection of heating charges, receipt of Renewable Heat Incentive payments and a reduction in customer debt.

RESOLVED – That the Cabinet would consider the commercially sensitive information contained at Item 22 of the agenda before coming to a decision.

17

CONTRACT AWARD: ST MARY'S DISTRICT HEATING FUELLING AND OPERATION OF ENERGY CENTRE

The Cabinet gave consideration of a report of the Executive Director, Corporate and Commercial Services which sought approval of an acceptance of tender and award of ten year contract for the:

- daily operation
- provision of fuel and;
- ongoing maintenance

of the new energy centre for St. Mary's District Heating Network as part of a joint programme of works being undertaken by First Choice Homes and Oldham Council.

The report provided details of the tender evaluation and the outcome of the process.

Options/ Alternatives considered

Option 1 – Do nothing. This was not an option as once the new energy centre is completed an operator would be required.

Option 2 – This option would allow the new energy centre to be operated and the supply of heat maintained.

RESOLVED – That the Cabinet would consider the commercially sensitive information at Item 23 of the agenda before coming to a decision.



18 **OCLL COMMERCIAL INVESTMENT**

The Cabinet gave consideration a report of the Assistant Executive Director, Adults and Commissioning Services which sought approval of a commercial investment proposal from Oldham Community Leisure to enhance the Borough leisure offer.

It was reported that some the Oldham Community Leisure business proposal to develop new leisure facilities was at differing stages of development and further work was required to scrutinise any commercial investment.

Option 1 – To approve the proposals

Option 2 – Not to approve the proposals

RESOLVED – That the Cabinet would consider the commercially sensitive information contained at Item 24 before coming to a decision.

19 **EXCLUSION OF THE PRESS AND PUBLIC**

RESOLVED that, in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they contain exempt information under paragraphs 3 of Part 1 of Schedule 12A of the Act, and it would not, on balance, be in the public interest to disclose the reports.

20 **STRATEGIC REVIEW OF THE HOTEL PROJECT**

The Cabinet gave consideration to the commercially sensitive information in relation Item 6 Strategic Hotel Review.

RESOLVED – That the commercially sensitive recommendations as detailed within the report at Item 20 be agreed .

21 **APPROVAL TO AWARD THE CONTRACT FOR DELIVERY OF TARGETED SUPPORT SERVICES FOR OLDHAM'S YOUNG PEOPLE**

The Cabinet gave consideration to the commercially sensitive information in relation Item 15 Approval to Award the Contract of targeted Support Services for Oldham's Young People.

RESOLVED – That

1. The award of contract to the preferred bidder as outlined in the report for the delivery of Targeted Support Services for Oldham's Young people for the period 1st April 2015 to 31st March 2018 with an option to extend for up to two years and beyond this date subject to satisfactory performance and Council objectives.



2. The Cabinet noted the total savings of £640,000 against current annual spend were included within the 0-19 efficiency proposal.

22

CONTRACT AWARD: ST MARY'S DISTRICT HEATING NETWORK BILLING AND METERING

The Cabinet gave consideration to the commercially sensitive information in relation to Item 16 of the agenda, St. Mary's District Heating Network Heating and Billing.

RESOLVED - That:

1. The results of the tendering exercise which resulted in submission of tenders on the 1st October be noted.
2. The recommended tender from ENER-G Switch2 be approved.

23

CONTRACT AWARD: ST MARY'S DISTRICT HEATING FUELLING AND OPERATION OF ENERGY CENTRE

The Cabinet gave consideration to the commercially sensitive information in relation to Item 17 of the agenda, St. Mary's District Heating Fuelling and Operation of Energy Centre.

RESOLVED - That:

3. The results of the tendering exercise which resulted in submission of tenders on the 1st October be noted.
4. The recommended tender from Veolia be approved.

24

OCLL COMMERCIAL INVESTMENT

The Cabinet gave consideration to the commercially sensitive information in relation to Item 18 – OCLL Commercial Investment.

RESOLVED – That:

1. The deferment of the Chadderton utilities payment owed by Oldham Community Leisure be approved.
2. Further work be undertaken to scrutinise the commercial investment around the wider leisure proposal.
3. The decision to approve the commercial investment around the wider leisure proposal be delegated to the Cabinet Member for Adult Social Care and Public Health and the Cabinet Member for Finance and HR in consultation with Executive Director of Health and Wellbeing, the Borough Treasurer and Borough Solicitor.
4. All further recommendations as detailed within the report be approved.

The meeting started at 6.00pm and finished at 6.35pm