Present:  Councillor Wrigglesworth (Chair)
Councillors Ahmad (Vice-Chair), M Bashforth, Blyth, Houle, Judge, McCann and Roberts
Councillors Brownridge, Hibbert and Jabbar

Also in Attendance:
Emma Alexander Executive Director Corporate and Commercial Services
Jill Beaumont Director of Community Services
Paul Cassidy Director of Adult Social Services
Andy Cooper Finance Manager
Fabiola Fuschi Constitutional Services Officer
Julia Heap Interim Assistant Borough Treasurer
Colette Kelly Assistant Executive Director Neighbourhoods
Maggie Kufeldt Executive Director Health and Wellbeing
Anne Ryans Interim Borough Treasurer
Kim Scragg Director of Safeguarding
Mark Stenson Head of Corporate Governance

1 APOLOGIES FOR ABSENCE
Apologies for absence were received from Councillors Chadderton, Harkness and Harrison.

2 URGENT BUSINESS
There were no items of urgent business received.

3 DECLARATIONS OF INTEREST
Councillors Wrigglesworth and Roberts declared a personal interest in Item 7 – Revenue Budget Report by virtue of their appointment to the Positive Steps Board.

Councillor McCann declared a personal interest in Item 7– Revenue Budget Report, by virtue of his appointment to the Unity Partnership Board, Unity Partnership Joint Venture Board and Oldham Care and Support.

Councillor Ahmad declared a personal interest in Item 7 – Revenue Budget Report by virtue of his appointment as Non Executive Director for Pennine Acute.
MINUTES OF THE LAST MEETING

RESOLVED that the minutes of the Performance and Value for Money Select Committee meeting held on 11th December 2014 be approved as a correct record.

PUBLIC QUESTION TIME

There were no public questions received.

HRA REPORT

The Committee considered a report on the Housing Revenue Account (HRA) Estimates for 2014/15 to 2018/19. The report was presented by the Cabinet Members for Finance and HR and Housing, Planning and Highways who were accompanied by the Interim Borough Treasurer and the Executive Director Corporate and Commercial Services. It was explained that the report contained a proposal to increase the renting in line with the Government’s formula. Cabinet Members reassured the Committee that the housing account was healthy.

Members sought and received clarifications on the following points:

- Government’s guidelines for rent calculation – although the Council was not bound by the Government’s guidelines, it was good practice and prudent to accept its suggestions. The report listed alternative options to those recommended.

- Opportunities to fund plans for social housing – plans already existed. However, money would be spent as and when needed in a careful and judicious manner.

- 2% void level assumed on dwelling properties increase - the change in void had been 1%. This equated to 21 properties in the portfolio (i.e.: £77,000 loss in the account). The Key Performance Indicator for property management was 42 days.

- Risks for tenants associated with rent restructuring and change to Consumers Price Index (CPI) from Retail Price Index (RPI) as basis of rental increase calculation – the CPI was higher as it included mortgage figures. As a consequence the calculation of the rent increase would be 0.6% higher.

- Rationale of rent increase – the rent increase was necessary to manage prudently the housing stock. However, the majority of tenants were in receipt of Housing Benefits; therefore, the increase would not affect their disposable income.

- Refurbishments of properties – conditions of properties in Oldham were constantly monitored.

RESOLVED that:

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

REVENUE BUDGET REPORT WITH APPENDICES A, B, C, D, E, F, G

The Committee gave consideration to a report of the Interim Borough Treasurer on the current administration budget proposals for 2015/16. The report also presented the indicative budget for 2016/17.

The Cabinet Member for Finance and HR, the Interim Borough Treasurer and the Executive Director Corporate and Commercial Services answered the questions of the Committee and provided clarifications on the following budget proposals:

D020 Legal and Democratic Services – Registrar Services
This proposal concerned the closing of the Registrar Services on Mondays. Concerns had been raised by the Committee about repercussions on Muslim burials and impact of taking bodies abroad.

Members were reassured that the registrar service’s telephone calls were already handled by the Contact Centre. This operated from Monday to Saturday. This increased service accessibility. Members of the public would have their phone calls answered by a Contact Centre Operator who would record the issue on the system; the following day the Registrar Officer would contact the customer to discuss the detail. It was added that, as the rest of the Council continued its operations on Mondays, should any urgent matter arise, resilience could be built into broader services. Furthermore, members were informed that an arrangement was in place with the Coroner Office to issue death certificate on Saturdays and Sundays to facilitate the process of taking a body abroad. The change would be implemented, but it would be monitored and, should issues arise, it would be reviewed.

D040 Review District Arrangements and D064C Use of Additional Resources to Support the Budget Process (the Cabinet Member for Neighbourhoods and Cooperatives and the Assistant Director Neighbourhoods were also in attendance)

Some additional resources had been identified to support the budget process. This had allowed for a review of an earlier option on district arrangements. The additional resources would be directed to sustain the cost of business support for district executives.

Members sought and received clarification on the following points:
- Impact of welfare reform in Oldham equated to a loss of £637 a year per working-age adult - A team of Welfare Right Officers had been created. If application were
refused, members of the public would be signposted to Welfare Right service.

- This figure (a loss of £637 a year per working-age adult) would be higher if only benefit claimant were considered—A study had been conducted on the impact of benefit reductions on population.

- High number of benefit sanctions in Oldham compared to other authorities in Greater Manchester – There was only one job centre in Oldham. There had been problems with recording these figures.

- The Committee acknowledged as excellent achievements 1200 job-related opportunities created through Get Oldham Working and the building of 500 new houses.

- Negative figure in 2015-16 Provisional Settlement Funding Assessment Carbon Reduction Credit Energy Efficiency Scheme – The Council would need to take a prudent approach. However, by making Oldham a productive place, this figure could increase.

- Benefits of Local Government Finance Act 2012 for local authorities – the introduction of Council Tax rules in relation to charges on empty properties had been a key strand in financing the Council Tax Reduction Scheme.

- Impact of review of district arrangements on priorities such as Get Oldham Working, Welfare Rights, Crime Reduction Scheme, disadvantage groups and Cooperative Approach – these risks were mitigated by the increase in individual members’ allowance and discretion for the district executives on how to spend their resources.

- Additional resources could be used to increase district executives’ budget – the Cabinet wanted to use the additional resources to maintain the staffing capacity to support the local agenda.

- The use of additional resources to maintain staffing capacity in the district executive would need to be reviewed to ensure effective use of funds – the six District Executives used resources differently. However, a review had already been requested to ensure effective use of resources in line with the Neighbourhood Plan and to achieve devolution in a cooperative sense.

**C045 Children’s Services Redesign** (the Executive Director Health and Wellbeing and Director of Safeguarding were also in attendance)

Members were informed of the outcomes of the consultation in relation to the proposals. Members commended the work carried out by officers in redesigning the services, following the significant savings that had to be generated.

**C046 Adult Social Services Redesign** (The Executive Director Health and Wellbeing and Director of Adult Services were also in attendance)
Members were informed that no significant changes to the original proposal had followed the consultation on extra care housing, mental health, carers and support leaving.

The Committee thanked Paul Cassidy, Director of Adult Services, for the work that he had done for the Council throughout the years and wished him well in future.

Draft Fees and Charges for 2015/16

Members sought and received clarifications on the following points:

- Rationale behind 0% increase in some fees and charges – all recommended charges had increased or stayed the same according to what Heads of Service considered appropriate. The Council would need to secure an income.
- Rationale of non-refundable deposit for all provisional booking fee for ceremonies – this would work as a deterrent in order not to cancel the booking.

**RESOLVED** that:

1. The 35.229m savings proposals for 2015/16 as set out in Appendix A and B of the Budget Report be endorsed.
2. D040 Review of District Arrangements proposal as set out in Appendix C be endorsed.
3. D064C Use of Additional Resources to Support the Budget Process proposal as set out in Appendix C be endorsed.
4. C045 Children’s Services Redesign proposal as set out in Appendix C be endorsed.
5. C046 Adult Social Services Redesign proposals as set out in Appendix C be endorsed.
6. The information outlined in the Equality Impact Assessment report as set out in Appendix D be endorsed.
7. The Fees and Charges for 2015/16 as set out in Appendix E be endorsed.
8. The Calculation of the Council Tax Base 2015/16 as set out in Appendix F be endorsed.
9. The Summary of Consultation Responses be noted.
10. The Sheffield Hallam University research on the impact of welfare reform be circulated to the Committee.

The Committee noted that the administration budget 2015/16 was a balanced budget. This was confirmed by the Interim Borough Treasurer.

The Committee considered a report on the Medium Term Financial Strategy 2015/16 to 2019/20. The report was presented by the Cabinet Member for Finance and HR who was accompanied by the Interim Borough Treasurer and the
Executive Director Corporate and Commercial Services. The strategy was based on trends from previous years that saw a substantial decrease in Government’s funding.

Members sought and received clarification on the following points:

- Inflation was 0.5%, would the levy payments, based on 2.7% inflationary increase, be revisited? – Latest confirmation from the Waste Disposal Authority and the Greater Manchester Combined Authorities had not yet been received. These were provisional figures.
- Impact on Welfare, the long term strategy needed to focus on providing advice to people – the Council had started to explore support to community and voluntary groups to seek and access grants and funding available to them.
- Schools performance and valuable land given to Academies- Funding had been invested to improve schools performance. Capital receipt could be used to underpin a certain programme. The Government would find a new sponsor to give the land to for new Academies.

RESOLVED that the Medium Term Financial Strategy 2015/16 to 2019/20 as outlined in Appendix 1 be endorsed.

At this point in the proceedings Councillor Blyth and Councillor Ahmad left the meeting.

CAPITAL PROGRAMME & STRATEGY AND APPENDIX 1

The Committee gave consideration to a report of the Interim Borough Treasurer on the Capital Strategy and Capital Programme 2015/20. The Cabinet Member for Finance and HR, the Interim Borough Treasurer and the Executive Director Corporate and Commercial Services answered the questions posed by the Committee on the following points:

- Section 106 fund– Over £1M balance. A regular report was prepared about the fund.
- More money would be spent on capital programme? – 36M were being spent on Old Town Hall programme. Together with the leisure centre, these were the two major capital schemes.
- Delays in the major capital schemes would determine delays in future, potential income – some projects relied on external grant funding that sometimes caused delays.
- Maintenance of local highways, Oldham allocation - the Government funding was allocated to Greater Manchester Combined Authority that would then share it between the authorities in Greater Manchester. Best techniques in highways maintenance continued to be used in Oldham and a fund existed specifically for pot holes. Furthermore, there was an officer dedicated to seek funding for highways maintenance.
RESOLVED that the Capital Strategy and Programme 2015/16 and indicative programme 2016/20 set out in the Appendix 1 be endorsed.

10 TREASURY MANAGEMENT STRATEGY

The Committee considered a report on the Treasury Management Strategy Statement 2015/16. The report included the Prudential Indicators and the Minimum Revenue Provision policy. The Cabinet Member for Finance and HR, the Interim Borough Treasurer and the Executive Director Corporate and Commercial Services were in attendance.

RESOLVED that:

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

The meeting started at 6.00 pm and ended at 8.09 pm