

# **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
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**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 dovetail 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)**

**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 OLCF 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		<p>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:</p> <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>

				<div>health-related services</div> <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><u>Cllr J McMahon</u></b>

<b>Proposal:</b>	<b>Income growth via additional Council Tax Revenue</b>
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	<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>
<b>N/A</b>	<b>N/A</b>

### **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>
<b>N/A</b>	<b>N/A</b>

### **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><u>Cllr J McMahon</u></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 is 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>
<b>N/A</b>	<b>N/A</b>



## **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.



**Oldham**  
Council

**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:

Proposal	Service Area	Potential Savings £m
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?**

- Communities should see a no impact in terms of the outcomes to be delivered by the services.

- **Workforce?**

- Nil Impact

- **Organisational Impact?**

- Nil 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

- None

**REFERENCE: C043 (Adult Social Services – Joint Working)**



**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>
Developing an Integrated Support Offer for people with dementia that promotes community options aimed at maintaining independence	<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 thorough 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)

**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)

**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 co-operative 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**



**Oldham**  
Council

## **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.

- **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>
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	<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:	
Group	Impact
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:	
	State Yes / No against each line
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>
<b>N/A</b>	

### **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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	<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 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:	
<b>Group</b>	<b>Impact</b>
<b>N/A</b>	

### **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)**



**TOTAL SAVING: 2015/16 £250k, 2016/17 £0k**

**Oldham**  
Council

**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**

**FTE IMPACT (2015/16): NIL**



**Oldham**  
Council

## **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 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>

	<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>
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	<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:	
Group	Impact
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:	
	State Yes / No against each line
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>
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	<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