

# Public Document Pack

## CABINET

19/09/2016 at 6.00 pm



**Oldham**  
Council

**Present:** Councillor Stretton (Chair)  
Councillors Akhtar, Brownridge, Chadderton, Harrison,  
F Hussain, Jabbar and Moores

1           **APOLOGIES FOR ABSENCE**

There were no apologies for absence received.

2           **URGENT BUSINESS**

There were no items of urgent business received.

3           **DECLARATIONS OF INTEREST**

There were no declarations of interest received.

4           **PUBLIC QUESTION TIME**

There were no public questions received.

5           **MINUTES OF PREVIOUS MEETING**

**RESOLVED** that the minutes of the meeting held on 22<sup>nd</sup> August 2016 be approved as a correct record.

6           **OLDHAM COUNCIL EFFICIENCY PLAN FOR FY 16/17 TO 19/20**

The Cabinet gave consideration to a report of the Director of Finance which set out an Efficiency Plan for Oldham Council. Members were advised that the preparation and submission to Central Government of an Efficiency Plan (detailed at appendix one to the report) was necessary to access a four year finance settlement for Revenue Support Grant (RSG) covering the period 2016/17 to 2019/20. In order to secure the four year settlement the Council was required to submit its Efficiency Plan by no later than the 14<sup>th</sup> October 2016.

Options/Alternatives considered

Option 1 – Continue to develop and finalise the Efficiency Plan for submission to the Secretary of State for Communities and Local Government.

Option 2 – Do not develop and finalise an Efficiency Plan for submission.

**RESOLVED – That:**

1. The content of the Efficiency Plan as detailed at appendix one to the report be noted.
2. The revised cumulative budget gap figured of £20.315m for 2017/8 and £34.014m for 2018/19, £45.185m for 2019/20 and £53.823m for 2020/21.
3. That responsibility for finalising and submitting and Efficiency Plan be delegated to the Deputy Leader in his role as Cabinet Member for Finance and Human Resources in consultation with the Director of Finance.

## **CONTRACT AWARD: - NATIONAL FRAMEWORK FOR THE IMPLEMENTATION AND OPERATIONS OF A SUPPLIER EARLY PAYMENT SCHEME**



The Cabinet gave consideration to a report of the Executive Director, Corporate and Commercial Services which sought approval to establish a national framework for the implementation and operations of a supplier early payment scheme.

The report provided details of the previous tender process the Council had undertaken and had entered into with Oxygen Finance in relation to establishing a supplier early payments scheme.

The scheme assisted the council in paying suppliers faster which helped with cash flow, increased efficiency through e-invoicing and optimising the supply base. The key focus of the scheme was establishing best practice Purchase to Pay (P2P) and supplier relationships and the early payment rebates generated through the scheme formed an income stream for the Council that contributed to the savings target.

The report contained details of the benefits of establishing a National Early Payment Framework including:

- Continued income stream from an established and effective scheme and an opportunity to establish an Oldham run national framework with the benefit of leveraging a more favourable share of the income.
- An opportunity to earn additional fees from both the framework supplier and contracting authorities for each call-off.
- Dedicated scheme provision would provide a robust and transparent suite of Management Information, enabling the Council to accurately track and quantify the specific value added by the scheme and, more generally, the benefits that were realising through the Council's implementation of P2P (Purchase to Pay) best practice.

Options/Alternatives considered

Option 1 – To cease the Early Payment Scheme and income generated by the scheme would be lost.

Option 2 – To establish a framework listing Oxygen Finance as the framework provider to ensure the ongoing success of the early payment scheme. This would provide an increase in early payment gain share income and inclusive P2P improvement and compliance. To also generate additional income by charging other Local Authorities to use the Framework.

**RESOLVED** – That following the results of a tender exercise on the 10<sup>th</sup> June 2016, the Council establishes a framework, listing Oxygen Finance as the framework provider contract for a period of 4 years whereby future requirements for an Early Payment Scheme could be called off by Local Authorities nationally.

## **COUNCIL PERFORMANCE REPORT JUNE 2016**

The Cabinet considered a report of the Head of Business Intelligence which provided details of the Council's performance for June 2016.

The report summarised the performance measures and actions and of the rated measures 57% met their target and of the Corporate plan actions 96% were on track or had been completed.

RESOLVED – That the report be noted.

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## **PRIORITY SCHOOL BUILD PROGRAMME PHASE 2 (PSBP2) - ROYTON & CROMPTON SCHOOL**

The Cabinet gave consideration to a report of the Executive Director, Economy, Skills and Neighbourhoods which sought approval to maximise potential benefits from the proposed Education Funding Agency funded Priority Schools Building Programme Phase 2 project at Royton and Crompton School. It was reported that the Council had applied to the Education Funding Agency (EFA) for funding to rebuild Royton and Crompton Secondary School, Greenfield and Clarksfield Primary schools and had been successful in relation to the application for Royton and Crompton School.

There had been significant delays in the EFA appointing its design consultants so significant progress had been delayed on the scheme until April 2016.

It was further reported that a total rebuild of the school as an 8 form entry (240 pupils per year) would cost in the region of £14,000,000. As the Council was expecting a predicted shortfall of secondary school places the EFA was asked to consider rebuilding the school as a 10 form entry (300 pupils per year group rather than the current 8 form entry).

The EFA confirmed that this additional scope could be included within the project however the Council would be responsible to pay all costs associated with this increased scope. This was estimated to be £3.5m and the EFA sought formal written confirmation of the Council's financial commitment to this sum if the expansion as requested.

At the site of the school there was also an artificial grass pitch which due to maintenance issues was not being used to its full potential. The footprint of the new building may intrude upon the pitch and due to funding restrictions the EFA would not be able to fund a replacement pitch. The Council were asked to offer up the maintenance costs within the current programme associated with replacing the pitch surface to be made available to them as part of the project as it was likely that the inclusion of a new pitch would produce a better layout and have the artificial pitch replaced as part of the main project.

Options/Alternatives considered

Option 1- Do nothing. Failing to progress with the necessary procedural and legal steps currently required would result in no works being funded by the EFA and the school having to continue to operate out of the current substandard school buildings.

Option 2 – To work with the EFA for them to procure a rebuild using only the funds they had available.

It was likely that if this option was pursued the EFA would produce a straightforward building at the lowest cost option and avoid any works in the vicinity of the artificial pitch thereby

reducing the design options available as the design would be limited by the location of the existing pitch.

Option 3 – To work with the EFA for them to procure a rebuild using the funds they had available and to offer to incorporate the £170,000 capital budget allocated for the artificial pitch.

By offering to incorporate the maintenance budget for the artificial pitch it was likely that not only would the pitch replacement occur during the build project but also offer a greater variety of options to be available for the design and location of the building within the site.

Option 3 – To work with the EFA for them to procure a rebuild using the funds they had available, to offer to incorporate the £170,000 of capital budget for the artificial pitch and to make an additional financial commitment of £3.5m to the EFA to permit them to build an expanded school with an intake of 10FE i.e. 300 pupils per year.

This option was most likely to produce the best design incorporating the replacement pitch surface and deliver an economic method of increasing the number of secondary school places available.

To proceed with the additional capacity as part of the project the EFA would require the Council's Section 151 Officer to sign a letter agreeing to pay the Council's Capital Contribution for additional works outlined above as per Appendix B.

The costs of the expanded places could be provided from the available funds in the allocation Basic Needs funding from the EFA for 2018 and 2019.

**RESOLVED** – That the Cabinet would consider the commercially sensitive information at Item 12 before reaching a decision.

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## **DAY SERVICES AWARD OF CONTRACT**

The Cabinet gave consideration to a report of the Executive Director Health and Wellbeing which sought approval to award the Day Services contract for older people.

The report set out the future commissioning arrangements for day care services for older people in Oldham. This included complex day care for people with dementia and enhanced lunch club services.

The new commissioning arrangements for day care services would reflect the transformation in the provision of adult social care services in Oldham over the next few years and would see a greater number of people organising their own care service using personal budgets.

It was reported that the Council had an overarching contract with Age UK Oldham, covering several services and this contract was extended on the 31st March 2016 to allow implementation of the new contract.

A total of two providers submitted a tender (A and B) and the tenders were evaluated in accordance with criteria and weightings as outlined within the report. Provider B did not meet the requirements of the service specification and therefore the Cabinet was asked to consider awarding the contract to provider A.

Options Alternatives considered

To award the contract for Day Services to provider A based on the outcome of the tender process as detailed within the report.

RESOLVED – That the Cabinet would consider the commercially sensitive information at Item 13 of the report before reaching a decision.

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### **EXCLUSION OF THE PRESS AND PUBLIC**

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

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### **PRIORITY SCHOOL BUILD PROGRAMME PHASE 2 (PSBP2) - ROYTON & CROMPTON SCHOOL**

The Cabinet gave consideration to the commercially sensitive information in relation to Item 9 - Priority School Build Programme Phase 2 (PSBP2) - Royton & Crompton School.

RESOLVED – That:

1. The grant application process and progress to date be noted.
2. The recommendation to seek an expansion of the school by 2 forms of entry (additional 60 pupils per year group) and the further request as detailed within recommendation 2 of the commercially sensitive report be approved.
3. The Director of Finance be authorised to issue a letter of financial commitment for the Councils' portion of the costs of carrying out the works to expand the school, this letter would be in the sum of approximately £3,500,000 and the further request detailed within recommendation 3 of the commercially sensitive report be approved.
4. Recommendation 4 as detailed within the commercially sensitive report be approved.
5. The use of the existing capital budget of £170,000 for the artificial grass pitch to be allocated to this project to offset costs of replacing the artificial pitch as part of the EFA sponsored project be approved.
6. The Director of Legal Services or his nominee be authorised to enter into all necessary documentation contracts and legal commitments to ensure the full benefits of the project are realised within the framework of the Priority Schools Building Programme Phase 2.

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### **DAY SERVICES AWARD OF CONTRACT**

The Cabinet gave consideration to the commercially sensitive information in relation to Item 13 – Day Services Award of Contract.

RESOLVED – That:

1. The Day Services contract be awarded to provider A as detailed within the report.

2. The proposals for transforming day care services to support the development of locally based integrated health and social care services be noted.

The meeting started at 6.00pm and finished at 6.15pm

