

OVERVIEW AND SCRUTINY PERFORMANCE AND VALUE FOR MONEY
SELECT COMMITTEE
22/08/2019 at 6.00 pm



Present: Councillor Stretton (Vice-Chair, in the Chair)
Councillors Phythian, Williamson, Hulme, J Larkin and Surjan
(Substitute)
Canon Hulston, Education Co-Opted

Also in Attendance:

Portfolio Holder, Finance and Corporate Services
Director of Finance
Head of Corporate Governance
Senior Accountant
Head of Education Support Services
Managing Director, MioCare
Constitutional Services

1 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Ahmad.

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 THE LAST MEETING**

RESOLVED that the minutes of the Overview and Scrutiny Performance and Value for Money Select Committee meetings held on 27th June 2019 be agreed as a correct record.

6 **MINUTES OF THE OVERVIEW AND SCRUTINY BOARD TO NOTE**

RESOLVED that the minutes of the Overview and Scrutiny Board meeting held on 23rd July 2019 be noted.

7 **MINUTES OF THE GREATER MANCHESTER COMBINED AUTHORITY (GMCA) ECONOMY, BUSINESS GROWTH AND SKILLS SCRUTINY COMMITTEE**

RESOLVED that the minutes of the meetings of the Greater Manchester Combined Authority Economy, Business Growth and Skills Scrutiny Committee held on 12th April and 6th June 2019 be noted.

8 **MINUTES OF THE GREATER MANCHESTER COMBINED AUTHORITY (GMCA) CORPORATE ISSUES AND REFORM OVERVIEW AND SCRUTINY COMMITTEE**

Members asked that they be notified of Oldham's representatives on this Committee.



RESOLVED that the minutes of the meetings of the Greater Manchester Combined Authority Corporate Issues and Reform Overview and Scrutiny Committee held on 19th March and 18th June 2019 be noted.

9

MINUTES OF THE GREATER MANCHESTER COMBINED AUTHORITY (GMCA) HOUSING, PLANNING AND ENVIRONMENT OVERVIEW AND SCRUTINY COMMITTEE

RESOLVED that the minutes of the meetings of the Greater Manchester Combined Authority Housing, Planning and Environment Overview and Scrutiny Committee held on 10th April 2019 be noted.

10

DELIVERY OF ADDITIONAL SCHOOL PLACES

The Select Committee gave consideration to a report of the Head of School Support Services which provided it with an update on the current position regarding school places and school admissions for September 2019 including:-

- Current Position and Context
- Education Provision Strategy and Current Expansion Projects
- Admissions – Parental Preference Performance

Members were informed that the number of children seeking school places had risen in the last year. Whilst there were places available, these were not always where parents wanted them. In the primary sector, there were 476 available places. The majority were in KS1 due to a primary expansion programme over recent years. There were minimal places in year 3- year 6 throughout the borough.

In the secondary sector there were there were currently 154 empty places. There were 40 spaces with schools being willing to voluntarily go over PAN.

20 extra places had been secured at Blue Coat School, where there were currently bulge classes in year 8 and year 9. Members noted Oldham had been affected by the sudden closure of Collective Spirit, which had seen schools in Oldham take the pupils at short notice. Those Collective Spirit pupils were still current secondary pupils.

Members were informed that Oldham had significant housing need and the proposed new housing developments in the 2019 draft Greater Manchester Strategic Framework: GM Plan for Homes, Jobs and the Environment would create additional pressures for school places. They noted a revised strategy of place planning would be put in place to deal with these developments.

The Select Committee was informed that, in October 2019, a revised strategy for the delivery of school places would be submitted to Cabinet for approval. The strategy would outline

plans for the development of school provision for the period 2020 to 2014. It would include predictions and modelling for the number of places needed for SEND pupils and other pupils who need alternative provision. There was considerable activity to enhance the provision of places at good and outstanding schools as outlined in the appendix.

In relation to admissions, 93% of parents had received their first preference of primary school against a figure of 91% nationally. 75% of parents were offered their first preference of secondary school against a national figure of 81%. The developments currently underway and those that would be contained in the new Education Provision Strategy would be designed to bring that to at least national level by September 2022.

Members asked for and received clarification of the following:-

- The number of pupils not being offered a place at their first preference secondary school – this was approximately 20%. Many parents had only expressed one preference and had then been re-directed to the nearest available place rather than being considered for other preferences.
- Was this caused by the admissions criteria of faith schools – there were many factors that influenced preference and availability of places. An example was given of a school that was assessed as “Good” but had not attracted many first preferences because it was new and did not have the history of other local schools.
- Could the Council assist with marketing – it was explained these were Academies and the Council worked with them by invitation, not by right. The Council worked with the schools as closely as possible and the relationship was more complex than when there was direct control.
- The continuation of expansion in the primary sector – this would continue as further places were needed, for example in the Chadderton area.

RESOLVED that the contents of the report and the plans to improve parental choice, specifically in relation to choice in the secondary sector, be noted.

LOCAL GOVERNMENT FINANCIAL RESILIENCE

The Select Committee gave consideration to a report of the Director of Finance which

- Provided an update on the ability of Local Authorities to withstand future budget pressures by summarising recent Local Authority financial failures and challenges as reported in the media;
- Presented the findings of a recent Public Accounts Committee report concerning the financial sustainability of Local Authorities; and

- Highlighted the Chartered Institute of Public Finance and Accountancy's (CIPFA's) efforts to ensure attention on this issue remains in the spotlight through the development of a Financial Management Code which will support CIPFA's financial resilience index.



The Select Committee were informed that the report provided an update, following on from the report presented to them in December 2018, on the issues that were facing Local Government in light of further recent media attention with regards to the financial sustainability of Local Authorities after the financial failure of Northamptonshire County Council in February 2018. There had also been a number of papers issued by a variety of organisations on the issue of Local Government Financial Sustainability and a summary of these were provided for Members.

Members noted that Northamptonshire County Council had finished the financial year 2018/19 with a revenue underspend following the programme of management action that had been implemented. However, the most recent reports in relation to 2019/20 had highlighted that the financial challenges still remained and work was still ongoing to address legacy financial issues using a variety of different means. From 2021 (previously April 2020) the County Council was to be abolished and replaced by two new unitary authorities.

There are a number of other Local Authorities which had also attracted media attention in relation to financial resilience and financial sustainability and Members were updated on these.

The Select Committee noted the summaries of the papers issued including CIPFA's development of a Proposed Financial Management Code, designed to support good practice in financial management and to assist Local Authorities in demonstrating their financial sustainability.

Members were informed that, despite significant financial challenges, Oldham Council's financial position remains strong, as demonstrated with an increase in both balances and earmarked reserves at the end of 2018/19. The Council has robust budget and budget monitoring processes in place and the Finance Service ensures that it complies with good practice. It is therefore well placed to safeguard the financial position of the authority.

Members asked for and received clarification of the following:-

- Control of social care budgets – it was accepted that there had been a significant increase in spending and service pressure over the last three years and the Children's Social Care service was undertaking a fundamental review to ensure that it uses the resources available in the most efficient and cost-effective way. As had been discussed at a recent meeting of this Select Committee, these actions were delivering savings. It was

however, noted that it was difficult to accurately predict the number of children that presented. Members were also advised that the number of adults with complex needs had increased and the Adult Social Care Service was putting operational arrangements in place to manage this efficiently.

- The situation of Northamptonshire – it was explained that the Council had struggled to produce a balanced budget in previous financial years and had relied on using reserves rather than making savings or increasing Council Tax. Auditors reports had had limited circulation and therefore Members had not been fully sighted on the financial challenges. The Council had not been given any additional Government funding and had been allowed to increase Council Tax by a higher percentage than other Councils and use capital receipts to support the revenue budget. The County Council was due to be abolished and replaced by two unitary Councils, and work was ongoing to achieve a balanced budget before then.

Brexit – the impact of this for Oldham cannot be predicted. The Council had received a small amount of additional Government funding to support the Brexit implications and had set aside some reserves. It was explained that Brexit had disrupted the normal local authority spending review process and the expected three year spending review will be replaced by a single year funding round. This would hamper the Council in setting its Medium Term Financial Strategy.

RESOLVED that the content of the report be noted.

12 **COUNCIL PERFORMANCE REPORT MARCH 2019**

Members gave consideration to a report of the Head of Business Intelligence, which informed them of the Council's performance in relation to its targets for March 2019.

RESOLVED that the Corporate Performance Report for March 2019 be noted.

13 **WORK PROGRAMME**

The Committee gave consideration to the Overview and Scrutiny Performance and Value for Money Select Committee Work Programme for 2019/20.

RESOLVED that the Overview and Scrutiny Performance and Value for Money Select Committee Work Programme for 2019/20 be noted.

14 **KEY DECISION DOCUMENT**

The Board gave consideration to the Key Decision Document which listed key decisions to be taken from 22nd July 2019.

RESOLVED that the Council's Key Decision Document be noted.

15 **DATE AND TIME OF NEXT MEETING**



Oldham
Council

RESOLVED that the scheduling of the next meeting of the Select Committee to be held on Thursday, 3rd October 2019 at 6.00pm be noted.

16

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 paragraph 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.

Canon Hurlston left the meeting at this point.

17

MIOCARE GROUP - ANNUAL UPDATE ON FINANCIAL PERFORMANCE

The Select Committee gave consideration to a report of the MioCare Group Managing Director which provided an update on the financial performance of the MioCare Group CIC during the financial year 2019, gave an overview on business developments during 2019 and provided an outline of the issues for the budget for 2020.

RESOLVED that the report be noted.

The meeting started at 6.00 pm and ended at 6.55 pm