

CABINET Agenda

Date Monday 18 November 2019

Time 6.00 pm

Venue Crompton Suite, Civic Centre, Oldham, West Street, Oldham, OL1 1NL

- Notes
1. DECLARATIONS OF INTEREST- If a Member requires any advice on any item involving a possible declaration of interest which could affect his/her ability to speak and/or vote he/she is advised to contact Paul Entwistle or Elizabeth Drogan in advance of the meeting.
 2. CONTACT OFFICER for this Agenda is Elizabeth Drogan Tel. 0161 770 5151 or email elizabeth.drogan@oldham.gov.uk
 3. PUBLIC QUESTIONS – Any member of the public wishing to ask a question at the above meeting can do so only if a written copy of the question is submitted to the Contact officer by 12 Noon on Wednesday, 13 November 2019.
 4. FILMING – This meeting will be recorded for live and/or subsequent broadcast on the Council's website. The whole of the meeting will be recorded, except where there are confidential or exempt items and the footage will be on our website. This activity promotes democratic engagement in accordance with section 100A(9) of the Local Government Act 1972. The cameras will focus on the proceedings of the meeting. As far as possible, this will avoid areas specifically designated for members of the public who prefer not to be filmed. Disruptive and anti social behaviour will always be filmed.

Any member of the public who attends a meeting and objects to being filmed for the Council's broadcast should advise the Constitutional Services Officer who will instruct that they are not included in the filming.

Members of the public and the press may also record / film / photograph or broadcast this meeting when the public and the press are not lawfully excluded. Please note that anyone using recording equipment both audio and visual will not be permitted to leave the equipment in the room where a private meeting is held.

Recording and reporting the Council's meetings is subject to the law including the law of defamation, the Human Rights Act, the Data Protection Act and the law on public order offences.

MEMBERSHIP OF THE CABINET IS AS FOLLOWS:

Councillors Chadderton, Chauhan, Fielding (Chair), Jabbar, Mushtaq, Roberts, Shah and Ur-Rehman

Item No

- 1 Apologies For Absence
- 2 Urgent Business
Urgent business, if any, introduced by the Chair
- 3 Declarations of Interest
To Receive Declarations of Interest in any Contract or matter to be discussed at the meeting.
- 4 Public Question Time
To receive Questions from the Public, in accordance with the Council's Constitution.
- 5 Minutes of the Cabinet meeting held on 21st October 2019 (Pages 1 - 4)
- 6 Treasury Management Mid Year Review Report 2019 (Pages 5 - 28)
- 7 Revenue Monitor and Capital Investment Programme 2019/20 Quarter 2 – September 2019 (Pages 29 - 66)
- 8 SEND Strategy and Development Plan (Pages 67 - 120)
- 9 Homeless Friendly (Pages 121 - 126)
- 10 Proposed Charging Scheme for Pre-Application Advice for Planning Proposals (Pages 127 - 132)
- 11 Oldham Property Partnerships - North Bank Redevelopment Reconciliation (Pages 133 - 136)
- 12 Procurement of Early Intervention Service and Health Improvement & Weight Management Service (Pages 137 - 144)
- 13 Levy Allocation Methodology Agreement (Pages 145 - 148)
- 14 Exclusion of the Press and Public
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.
- 15 Oldham Property Partnerships - North Bank Redevelopment Reconciliation (Pages 149 - 156)



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- 16 Procurement of Early Intervention Service and Health Improvement & Weight Management Service (Pages 157 - 168)
- 17 Levy Allocation Methodology Agreement (Pages 169 - 194)

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Present: Councillor Fielding (Chair)
Councillors Chadderton, Jabbar, Mushtaq, Roberts, Shah and
Ur-Rehman

1 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Chauhan.

2 **URGENT BUSINESS**

There were no items of urgent business received.

3 **DECLARATIONS OF INTEREST**

Councillors Fielding, Jabbar and Shah declared a personal interest in Items 8 and 11 by virtue of their Council appointment to the Foxdenton Development Board.

4 **PUBLIC QUESTION TIME**

5 **MINUTES OF THE CABINET MEETING HELD ON 16TH
SEPTEMBER 2019**

RESOLVED - That the minutes of the Cabinet meeting held on 16th September be approved as a correct record.

6 **EDUCATION PROVISION STRATEGY 2020-2024**

Consideration was given to a report of the Director of Education and Skills and Early Years which sought approval of the draft Education Provision Strategy 2020/24 and delegated authority to update the strategy annually in line with demographic and place pressures during the period the strategy was in place.

The strategy provided the context and policy for the provision of education places for children and young people aged 2-19 including both mainstream school places and SEND.

It was reported that the Council had a statutory duty to ensure there were enough school places available to local children and young people. The Current process of approving and the establishment of new provision was in comparison to other Greater Manchester Authorities was lengthy and time consuming. A new process of approving schools and expansions was contained within the strategy.

Options/alternatives considered

Option 1 - Adopt the Education Provision Strategy as appended to this report. The strategy reflected the Council's position to provide high quality places and provision.

Option 2 - Suggest amendments to the strategy as presented. This was not a recommended option as the strategy had been developed to address the most pressing requirements in the Borough.

Option 3 - Decide not to adopt the strategy, which would leave the council vulnerable in implementing its statutory duty to provide enough school places.

RESOLVED – That:

1. The Education Provision Strategy 2020-2024 be approved and adopted.
2. Authority be delegated to the responsible Cabinet Member and the responsible Director to update the strategy annually in line with demographic and place pressures during the period that the strategy was in place.

7

SADDLEWORTH SCHOOL UPDATE

Consideration was given to a report of the Director of Economy which sought to update the Cabinet on works required to be carried out by the Council in support of the replacement Saddleworth School on the former WH Shaw site.

Further to reports considered by the Cabinet on the 21st July 2014 and 30th March 2015, a revised cost of the scheme was provided to Members and approval was sought to delegate the negotiation and agreement of the updated Head of Terms for the land transaction to the Deputy Chief Executive in consultation with the Cabinet Member for Education and Skills and the Leader.

Options/alternatives considered

Option 1 – To agree the recommendations as detailed within the report.

Option 2 – Not to agree the recommendations as detailed within the report.

RESOLVED – That the Cabinet would consider the commercially sensitive information as detailed at Item 10 before making a decision.

8

BROADWAY GREEN - CONSTRUCTION OF NEW LINK ROAD

Councillors Fielding, Jabbar and Shah declared a personal interest in Items 8 and 11 by virtue of their Council appointment to the Foxdenton Development Board.

Consideration was given to a report of the Deputy Chief Executive, People and Place which sought to update the Cabinet on the progress made regarding the Broadway Green Development and sought approval to the provision of a commercial loan to the Joint Venture company delivering the project.

The Broadway Green Development was being promoted by a Joint Venture partnership between Oldham Council, Grasscroft Property and Seddon Construction. The site had detailed planning consent for a new link road and the first two residential phases of the development.

Most of the link road from Foxdenton Lane had been constructed and the next and final phase of the development was the construction of the new Broadway Junction. Prior to the start of the works, Highways England required a bond which

they would hold and utilise to cover the cost of any works if there was an issue that required attention.

On completion, the new junction, would become adopted highway and the responsibility of Highways England.

Options/alternatives

As detailed in the commercially sensitive report at Item 11

RESOLVED – That the Cabinet would consider the commercially sensitive information as detailed at Item 11 before a decision.

9 **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.

10 **SADDLEWORTH SCHOOL UPDATE**

The Cabinet gave considered the commercially sensitive information in relation to Item 7 – Saddleworth School Update.

RESOLVED – That the recommendations as detailed in the commercially sensitive report be approved.

11 **BROADWAY GREEN - CONSTRUCTION OF NEW LINK ROAD**

The Cabinet considered the commercially sensitive information in relation to Item 8 – Broadway Green – Construction of New Link Road.

RESOLVED – That the recommendations as detailed in the commercially sensitive report be approved.

The meeting started at 6.00pm at finished at 6.12pm

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Report to Cabinet

Treasury Management Mid-Year Review Report 2019

Portfolio Holder: Cllr Abdul Jabbar MBE, Deputy Leader and Cabinet Member for Finance and Corporate Services

Officer Contact: Anne Ryans, Director of Finance

Report Author: Lee Walsh, Finance Manager (Capital & Treasury)
Ext. 6608

18 November 2019

Reason for Decision

The report advises Cabinet of the performance of the Treasury Management function of the Council for the first half of 2019/20, and provides a comparison of performance against the 2019/20 Treasury Management Strategy and Prudential Indicators.

Executive Summary

The Council is required to consider the performance of the Treasury Management function in order to comply with the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2017). This report therefore sets out the key Treasury Management issues for Members' information and review and outlines:

- An economic update for the first six months of 2019/20;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Council's capital expenditure, as set out in the Capital Strategy, and prudential indicators);
- A review of the Council's investment portfolio for 2019/20;
- A review of the Council's borrowing strategy for 2019/20;
- Why there has been no debt rescheduling undertaken during 2019/20;
- A review of compliance with Treasury and Prudential Limits for 2019/20.

Recommendations

That Cabinet approves and commends to Council the:

- a) Treasury Management activity for the first half of the financial year 2019/20 and the projected outturn position
- b) Amendments to both Authorised Limit and Operational Boundary for external debt as set out in the table at Section 2.4.5 of the report.
- c) Amendments to the Capital Financing Requirement (CFR) as set out in the table at section 2.4.5
- d) Addition to the Treasury Management Strategy 2019/20 with regards to specified investments as presented at Appendix 3.

Treasury Management Strategy Mid-Year Review Report 2019/20**1 Background**

1.1 The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations is to ensure this cash flow is adequately planned, with surplus monies being invested with low risk counterparties, providing adequate liquidity initially before considering optimising investment return.

1.2 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure the Council can meet its capital spending operations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

1.3 As a consequence treasury management is defined as:

“The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

1.4 In December 2017, the Chartered Institute of Public Finance and Accountancy, (CIPFA), issued revised Prudential and Treasury Management Codes. Within these new codes as from 2019/20, all local authorities have been required to prepare a Capital Strategy which is to provide the following:

- a) a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
- b) an overview of how the associated risk is managed;
- c) the implications for future financial sustainability.

The Council has traditionally prepared a Capital Strategy, but the requirements of the Prudential and Treasury Management Codes required a revised format and content to ensure alignment with both Codes. A report incorporating the new requirements was presented to the 2019/20 Budget Cabinet and Budget Council meetings.

2 Current Position**2.1 Requirements of the Treasury Management Code of Practice**

2.1.1 Treasury Management reports must be prepared in accordance with the requirements of the CIPFA Code of Practice on Treasury Management (revised 2017).

2.1.2 The primary requirements of the Code are as follows:

- a) Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.
- b) Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.

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- c) Receipt by the full Council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy - for the year ahead, a **Mid-year Review Report** (this report) and an Annual Report (stewardship report) covering activities during the previous year.
 - d) Delegation by the Council of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions. In Oldham, this responsibility is delegated to the Director of Finance.
 - e) Delegation by the Council of the role of scrutiny of treasury management strategy and policies to a specific named body. In Oldham, the delegated body is the Audit Committee.

2.1.3 This mid-year report has been prepared in compliance with CIPFA's Code of Practice, and covers the following:

- An economic update for the first six months of 2019/20;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Council's capital expenditure, as set out in the Capital Strategy and prudential indicators;
- A review of the Council's investment portfolio for 2019/20;
- A review of the Council's borrowing strategy for 2019/20;
- Why there has been no debt rescheduling undertaken during 2019/20;
- A review of the compliance with Treasury and Prudential Limits for 2019/20;

2.2 Economic Performance for the First Six Months of the Financial Year

The United Kingdom (UK)

- 2.2.1 This first half year has been a time of upheaval on the political front as Theresa May resigned as Prime Minister to be replaced by Boris Johnson on a platform of the UK leaving the EU on 31 October, with or without a deal. However, MP's blocked leaving on that date and the EU have agreed an extension to 31 January 2020. In addition, a General Election has been called for 12 December 2019.
- 2.2.2 Given these circumstances and the uncertainty about the outcome of the forthcoming General Election and the timing of Brexit, any interest rate forecasts are subject to material change as the situation evolves. If Parliament fully approves the Withdrawal Bill, then it is possible that growth could recover relatively quickly.
- 2.2.3 The Monetary Policy Committee (MPC) could then need to address the issue of whether to raise Bank Rate when there is very little slack left in the labour market; this could cause wage inflation to accelerate which would then feed through into general inflation. On the other hand, if there was a no deal Brexit and there was a significant level of disruption to the economy, then growth could weaken even further than currently and the MPC would be likely to cut Bank Rate in order to support growth.
- 2.2.4 However, with Bank Rate at 0.75%, it has relatively little room to make a big impact and the MPC would probably suggest that it would be up to the Chancellor to provide help to support growth by way of a fiscal boost by e.g. tax cuts, increases in the annual expenditure budgets of government departments and services and expenditure on infrastructure projects, to boost the economy.
- 2.2.5 The first half of 2019/20 has seen UK economic growth fall as Brexit uncertainty took its toll. In its Inflation Report of 1 August, the Bank of England was notably downbeat about the outlook for both the UK and major world economies.

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- 2.2.6 The MPC meeting of 19 September re-emphasised concern about the downturn in world growth and expressed concern that the prolonged Brexit uncertainty would contribute to a build-up of spare capacity in the UK economy, especially in the context of a downturn in world growth.
- 2.2.7 This mirrored investor concerns around the world which are now expecting a significant downturn or possibly even a recession in some major developed economies. It was therefore no surprise that the MPC left Bank Rate unchanged at 0.75% throughout 2019, so far, and is expected to hold off on changes until there is some clarity on what is going to happen over Brexit.
- 2.2.8 It is however worth noting that the new Prime Minister has made some significant promises on various spending commitments and a relaxation in the austerity programme. This will provide some support to the economy and, conversely, take some pressure off the MPC to cut Bank Rate to support growth.
- 2.2.9 As for inflation itself, CPI has been hovering around the Bank of England's target of 2% during 2019 but fell to 1.7% in August. It is likely to remain close to 2% over the next two years and so it does not pose any immediate concern to the MPC at the current time. However, if there was a no deal Brexit, inflation could rise towards 4%, primarily as a result of imported inflation on the back of a weakening pound.
- 2.2.10 With regard to the labour market, despite the contraction in quarterly GDP growth of -0.2% quarter/quarter (q/q), (+1.3% year/year (y/y)), in quarter 2, employment continued to rise, but at only a muted rate of 31,000 in the three months to July after having risen by no less than 115,000 in quarter 2 itself: the latter figure, in particular, suggests that businesses are preparing to expand output and suggests there could be a return to positive growth in quarter 3.
- 2.2.11 Unemployment continued at a 44 year low of 3.8% on the Independent Labour Organisation measure in July and the participation rate of 76.1% achieved a new all-time high. Job vacancies fell for a seventh consecutive month after having previously hit record levels. However, with unemployment continuing to fall, employers will still be having difficulty filling job vacancies with suitable staff.
- 2.2.12 It was therefore unsurprising that wage inflation picked up to a high point of 3.9% in June before easing back slightly to 3.8% in July, (3 month average regular pay, excluding bonuses). This meant that in real terms, (i.e. wage rates higher than CPI inflation), earnings grew by about 2.1%.
- 2.2.13 As the UK economy is very much services sector driven, an increase in household spending power is likely to feed through into providing some support to the overall rate of economic growth in the coming months.
- 2.2.14 The latest Gross Domestic Products (GDP) statistics also included a revision of the savings ratio from 4.1% to 6.4% which provides reassurance that consumers' balance sheets are not over stretched and so will be able to support growth going forward.
- 2.2.15 This would then mean that the MPC will need to consider carefully at what point to take action to raise Bank Rate if there is an agreed Brexit deal, as the recent pick-up in wage costs is consistent with a rise in core services inflation to more than 4% in 2020.
- 2.2.16 In the political arena, depending on the outcome of the general election on 12 December 2019, it could result in a potential loosening of monetary policy and therefore medium to longer dated gilt yields could rise on the expectation of a weak pound and concerns around inflation picking up although, conversely, a weak international backdrop could provide further support for low yielding government bonds and gilts.
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United States of America (USA)

- 2.2.17 President Trump's massive easing of fiscal policy in 2018 fueled a temporary boost in consumption in that year which generated an upturn in the rate of strong growth to 2.9% y/y. Growth in 2019 has been falling back after a strong start in quarter 1 at 3.1%, (annualised rate), to 2.0% in quarter 2, and is expected to fall further in Quarter 3.
- 2.2.18 The strong growth in employment numbers during 2018 has reversed into a falling trend during 2019, indicating that the economy is cooling, while inflationary pressures are also weakening. The Fed finished its series of increases in interest rates to 2.25 – 2.50% in December 2018.
- 2.2.19 In July 2019, it cut rates by 0.25% as a 'midterm adjustment' but flagged up that this was not to be seen as the start of a series of cuts to ward off a downturn in growth. It also ended its programme of quantitative tightening in August, (reducing its holdings of treasuries etc). It then cut rates again in September to 1.75% - 2.00% and is thought likely to cut another 25 basis points (Bps) in December.
- 2.2.20 Investor confidence has been badly shaken by the progressive ramping up of increases in tariffs. President Trump has made on Chinese imports and China has responded with increases in tariffs on American imports. This trade war is seen as depressing US, Chinese and world growth.
- 2.2.21 In the European Union it is also particularly impacting Germany as exports of goods and services are equivalent to 46% of total GDP. It will also impact developing countries dependent on exporting commodities to China.

European Union (EU)

- 2.2.22 Growth has been slowing from +1.8 % during 2018 to around half of that in 2019. Growth was +0.4% q/q (+1.2% y/y) in quarter 1 and then fell to +0.2% q/q (+1.0% y/y) in quarter 2; there appears to be little upside potential to the growth rate in the rest of 2019. German GDP growth fell to -0.1% in quarter 2; industrial production was down 4% year/year in June with car production down 10% year/year.
- 2.2.23 Germany would be particularly vulnerable to a no deal Brexit depressing exports further and if President Trump imposes tariffs on EU produced cars.
- 2.2.24 The European Central Bank (ECB) ended its programme of quantitative easing purchases of debt in December 2018, which meant that the central banks in the US, UK and EU had all ended the phase of post financial crisis expansion of liquidity supporting world financial markets by purchases of debt. However, the downturn in Eurozone (EZ) growth in the second half of 2018 and into 2019, together with inflation falling well under the upper limit of its target range of 0 to 2%, (but it aims to keep it near to 2%), has prompted the ECB to take new measures to stimulate growth.
- 2.2.25 At its March 2019 meeting it said that it expected to leave interest rates at their present levels "at least through the end of 2019", but that was of little help to boosting growth in the near term. Consequently, it announced a third round of Targeted Longer Term Refinancing Operations (TLTROs); this provides banks with cheap borrowing every three months from September 2019 until March 2021 which means that, although they will have only a two-year maturity, the Bank is making funds available until 2023, two years later than under its previous policy. As with the last round, the new TLTROs will include an incentive to encourage bank lending, and they will be capped at 30% of a bank's eligible loans.

2.2.26 However, since then, the downturn in EZ and world growth has gathered momentum so at its meeting on 12 September, it cut its deposit rate further into negative territory, from -0.4% to -0.5%, and announced a resumption of quantitative easing purchases of debt. It also increased the maturity of the third round of TLTROs from two to three years. However, it is doubtful whether this loosening of monetary policy will have much impact on growth and unsurprisingly, the ECB stated that governments will need to help stimulate growth by fiscal policy.

2.2.27 On the political front, Austria, Spain and Italy are in the throes of forming coalition governments with some unlikely combinations of parties i.e. this raises questions around their likely endurance. The recent results of two German state elections will put further pressure on the frail German CDU/SPD coalition government.

China and Japan

2.2.28 Economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus; medium term risks are increasing.

2.2.29 Major progress still needs to be made to eliminate excess industrial capacity and the stock of unsold property, and to address the level of non-performing loans in the banking and credit systems.

2.2.30 Progress also still needs to be made to eliminate excess industrial capacity and to switch investment from property construction and infrastructure to consumer goods production.

2.2.31 The trade war with the US does not appear currently to have had a significant effect on GDP growth as some of the impact of tariffs has been offset by falls in the exchange rate and by transshipping exports through other countries, rather than directly to the US.

2.2.32 Japan has been struggling to stimulate consistent significant GDP growth and to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also making little progress on fundamental reform of the economy.

World Growth

2.2.33 The trade war between the US and China is a major concern to financial markets and is depressing worldwide growth, as any downturn in China will spill over into impacting countries supplying raw materials to China.

2.2.34 Concerns are focused on the synchronised general weakening of growth in the major economies of the world compounded by fears that there could even be a recession looming up in the US, though this is probably overblown.

2.2.35 These concerns have resulted in government bond yields in the developed world falling significantly during 2019. If there were a major worldwide downturn in growth, central banks in most of the major economies will have limited responses available, in terms of monetary policy measures, when rates are already very low in most countries, (apart from the US), and there are concerns about how much distortion of financial markets has already occurred with the current levels of quantitative easing purchases of debt by central banks.

2.2.36 The latest Purchasing Managers' Index survey statistics of economic health for the US, UK, EU and China have all been sub 50 which gives a forward indication of a downturn in growth; this confirms investor sentiment that the outlook for growth during the rest of this financial year is weak.

2.3 Interest Rate Forecast

2.3.1 The Council's treasury advisor, Link Asset Services, has provided the following forecast of interest rates over the period from September 2019 to March 2022. This forecast includes the increase in margin over gilt yields of 100bps introduced on 9 October 2019.

Link Asset Services Interest Rate View										
	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22
Bank Rate View	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.25
3 Month LIBID	0.70	0.70	0.70	0.80	0.90	1.00	1.00	1.00	1.10	1.20
6 Month LIBID	0.80	0.80	0.80	0.90	1.00	1.10	1.10	1.20	1.30	1.40
12 Month LIBID	1.00	1.00	1.00	1.10	1.20	1.30	1.30	1.40	1.50	1.60
5yr PWLB Rate	2.30	2.50	2.60	2.70	2.70	2.80	2.90	3.00	3.00	3.10
10yr PWLB Rate	2.60	2.80	2.90	3.00	3.00	3.10	3.20	3.30	3.30	3.40
25yr PWLB Rate	3.30	3.40	3.50	3.60	3.70	3.70	3.80	3.90	4.00	4.00
50yr PWLB Rate	3.20	3.30	3.40	3.50	3.60	3.60	3.70	3.80	3.90	3.90

2.3.2 The above forecasts have been based on an assumption that there is some sort of muddle through to an agreed deal on Brexit at some point in time. Given the current level of uncertainties, this is a huge assumption and so forecasts may need to be materially reassessed in the light of events over the next few weeks or months.

2.3.3 It has been little surprise that the MPC has left Bank Rate unchanged at 0.75% so far in 2019 due to the ongoing uncertainty over Brexit. In its meeting on 1 August, the MPC became more dovish as it was more concerned about the outlook for both the global and domestic economies. That's shown in the policy statement, based on an assumption that there is an agreed deal on Brexit, where the suggestion that rates would need to rise at a "gradual pace and to a limited extent" is now also conditional on "some recovery in global growth".

2.3.4 Brexit uncertainty has had a dampening effect on UK GDP growth in 2019, especially around mid-year. If there were a no deal Brexit, then it is likely that there will be a cut or cuts in Bank Rate to help support economic growth. The September MPC meeting sounded even more concern about world growth and the effect that prolonged Brexit uncertainty is likely to have on growth.

Bond Yields / PWLB Rates

2.3.5 There has been much speculation recently that we are currently in a bond market bubble. However, given the context that there are heightened expectations that the US could be heading for a recession, and a general background of a downturn in world economic growth, together with inflation generally at low levels in most countries and expected to remain subdued, conditions are ripe for low bond yields.

2.3.6 While inflation targeting by the major central banks has been successful over the last thirty years in lowering inflation expectations, the real equilibrium rate for central rates has fallen considerably due to the high level of borrowing by consumers: this means that central banks do not need to raise rates as much now to have a major impact on consumer spending, inflation, etc.

2.3.7 This has pulled down the overall level of interest rates and bond yields in financial markets over the last thirty years. We have therefore seen over the last year, many bond yields up to ten years in the Eurozone actually turn negative. In addition, there has, at times, been an inversion of bond yields in the US whereby ten year yields have fallen below shorter term

yields. In the past, this has been a precursor of a recession. The other side of this coin is that bond prices are elevated as investors would be expected to be moving out of riskier assets i.e. shares, in anticipation of a downturn in corporate earnings and so selling out of equities. However, stock markets are also currently at high levels as some investors have focused on chasing returns in the context of dismal ultra-low interest rates on cash deposits.

- 2.3.8 What we saw during the last half year up to 30 September, is a near halving of longer term PWLB rates to completely unprecedented historic low levels. (See paragraph 2.7.6-2.7.8 for comments on the increase in margin over gilt yields of 100bps introduced on 9 October 2019.) There is though, an expectation that financial markets have gone too far in their fears about the degree of the downturn in US and world growth. If, as expected, the US only suffers a mild downturn in growth, bond markets in the US are likely to sell off and that would be expected to put upward pressure on bond yields, not only in the US, but due to a correlation between US treasuries and UK gilts, which at various times has been strong but at other times weaker, in the UK. However, forecasting the timing of this and how strong the correlation is likely to be, is very difficult with any degree of confidence.
- 2.3.9 One potential issue for investors is that Japan continues to fail to get economic growth and inflation up off the floor, despite a combination of massive monetary and fiscal stimulus by both the central bank and government.
- 2.3.10 Another danger is that unconventional monetary policy post 2008, (ultra-low interest rates plus quantitative easing), may end up doing more harm than good through prolonged use. Low interest rates have encouraged a debt fueled boom which now makes it harder for economies to raise interest rates.
- 2.3.11 Negative interest rates could damage the profitability of commercial banks and so impair their ability to lend and / or push them into riskier lending. Banks could also end up holding large amounts of their government's bonds and so create a potential doom loop. (A doom loop would occur where the credit rating of the debt of a nation was downgraded which would cause bond prices to fall, causing losses on debt portfolios held by banks and insurers, so reducing their capital and forcing them to sell bonds – which, in turn, would cause further falls in their prices etc.).
- 2.3.12 In addition, the financial viability of pension funds could be damaged by low yields on holdings of bonds.

The Balance of Risks to the UK

- 2.3.13 The overall balance of risks to economic growth in the UK is probably to the downside due to the weight of all the uncertainties over Brexit, as well as a softening global economic picture.
- 2.3.14 The balance of risks to increases in Bank Rate and shorter term PWLB rates are broadly similarly to the downside.
- 2.3.15 One risk that is both an upside and downside risk is that all central banks are now working in very different economic conditions than before the 2008 financial crash. There has been a major increase in consumer and other debt due to the exceptionally low levels of borrowing rates that have prevailed for eleven years since 2008. This means that the neutral rate of interest in an economy, (i.e. the rate that is neither expansionary nor deflationary), is difficult to determine definitively in this new environment, although central banks have made statements that they expect it to be much lower than before 2008. Central banks could, therefore, over or under-do increases in central interest rates.

Downside risks to current forecasts for UK gilt yields and Public Works Loan Board (PWLB) rates

2.3.16 There are a number of downside risks to current forecasts for UK gilt yields and PWLB rates as follows:

- **Brexit** – if it were to cause significant economic disruption and a major downturn in the rate of growth.
- **Bank of England** takes action too quickly, or too far, over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- A resurgence of the **Eurozone sovereign debt crisis**. In 2018, Italy was a major concern due to having a populist coalition government which made a lot of anti-austerity and anti-EU noise. However, in September 2019 there was a major change in the coalition governing Italy which has brought to power a much more EU friendly government; this has eased the pressure on Italian bonds. Only time will tell whether this new unlikely alliance of two very different parties will endure.
- Weak capitalisation of some **European banks**, particularly Italian banks.
- **German minority government**. In the German general election of September 2017, Angela Merkel's CDU party was left in a vulnerable minority position dependent on the fractious support of the SPD party, as a result of the rise in popularity of the anti-immigration AfD party. Then in October 2018, the results of the Bavarian and Hesse state elections radically undermined the SPD party and showed a sharp fall in support for the CDU. As a result, the SPD had a major internal debate as to whether it could continue to support a coalition that is so damaging to its electoral popularity. After the result of the Hesse state election, Angela Merkel announced that she would not stand for re-election as CDU party leader at her party's convention in December 2018. However, this makes little practical difference as she has continued as Chancellor.
- **Other minority EU governments**. Austria, Sweden, Spain, Portugal, Netherlands and Belgium all have vulnerable minority governments dependent on coalitions which could prove fragile.
- There are concerns around the level of **US corporate debt** which has swollen massively during the period of low borrowing rates in order to finance mergers and acquisitions. This has resulted in the debt of many large corporations being downgraded to a BBB credit rating, close to junk status. Indeed, 48% of total investment grade corporate debt is rated at BBB. If such corporations fail to generate profits and cash flow to reduce their debt levels as expected, this could tip their debt into junk ratings which will increase their cost of financing and further negatively impact profits and cash flow.
- **Geopolitical risks**, for example in North Korea, but also in Europe and the Middle East, which could lead to increasing safe haven flows.

Upside risks to current forecasts for UK gilt yields and PWLB rates

2.3.17 Upside risks to current forecasts of UK gilt yields and PWLB rates include:

- **Brexit** – if agreement was reached all round that removed all threats of economic and political disruption between the EU and the UK.
- The **Bank of England is too slow** in its pace and strength of increases in Bank Rate and, therefore, allows inflationary pressures to build up too strongly within the UK economy, which then necessitates a later rapid series of increases in Bank Rate faster than we currently expect.
- **UK inflation**, whether domestically generated or imported, returning to sustained significantly higher levels causing an increase in the inflation premium inherent to gilt yields.

2.4 Treasury Management Strategy Statement and Annual Investment Strategy Update

2.4.1 The Treasury Management Strategy Statement (TMSS) for 2019/20 was approved at the Council meeting on 27 February 2019. The underlying TMSS approved previously now requires revision in the light of economic and operational movements during the year. The proposed changes and supporting detail for the changes are set out in the next sections of this report.

2.4.2 An decrease is required to both the overall Authorised Limit (the “affordable borrowing limit” required by Section 3 of the Local Government Act 2003 above which the Council does not have the power to borrow) and Operational Boundary (the expected borrowing position of the Council during the year) for external debt. This indicator is made up of external borrowing and other long-term liabilities, Private Finance Initiatives (PFI) and Finance Leases. The revision to the limits aligns to the reduction in the Capital Financing Requirement as outlined at paragraph 2.4.4 and 2.4.5 below.

2.4.3 The Council has the following PFI and Public Private Partnership (PPP) Schemes each contributing to the Other Long Term Liabilities element of the Authorised Limit and the Operational Boundary:

- Gallery Oldham and Library
- Sheltered Housing (PFI2)
- Radclyffe and Failsworth Secondary Schools
- Chadderton Health & Well Being Centre
- Street Lighting
- Housing (PFI4)
- Blessed John Henry Newman RC College (Building Schools for the Future)

2.4.4 It will be necessary to reduce the Capital Financing Requirement (CFR) by £7.347m. Whilst approved capital expenditure/ funding carry forwards from 2018/19 caused an initial increase, this is more than offset by estimated re-phasing and re-alignment and other anticipated adjustments in the 2019/20 capital programme resulting in the reduced CFR.

2.4.5 Members are therefore requested to approve the key changes to the 2019/20 prudential indicators as set out in the table below which show the original and recommended revised figures:

Prudential Indicator 2019/20	Original £'000	Recommended Revised Prudential Indicator £'000
Authorised Limit	545,000	538,500
Operational Boundary	525,000	518,500
Capital Financing Requirement	525,005	517,658

2.5 The Council’s Capital Position (Prudential Indicators)

2.5.1 This section of the report presents the Council’s capital expenditure plans and their financing, the impact of the changes in the capital expenditure plans on the prudential indicators and the underlying need to borrow together with compliance with the limits in place for borrowing activity.

Prudential Indicator for Capital Expenditure

- 2.5.2 The table below shows the half year position and the revised budget for capital expenditure (as per table 2 of the month 6 Capital Investment Programme monitoring report). It therefore highlights the changes that have taken place and are forecast since the capital programme was agreed at the Council meeting on 27 February 2019.

Capital Expenditure by Service	2019/20 Original Estimate £'000	2019/20 Revised Estimate £'000
Corporate & Commercial Services	9,212	0
Corporate Services	0	3,336
Children's Services	0	18,886
Health & Adult Social Care Community Services	2,682	0
Community Services & Adult Social Care	0	2,024
Reform	100	39
People & Place	54,403	34,413
Capital General	5,000	0
HRA	4,235	1,854
Commercial Activities / Non Financial Investments	8,700	4,500
Closing balance	84,332	65,052

- 2.5.3 The above table shows a decrease in the capital programme of £19.280m to the month 6 budgeted position with current forecast spend of £65.052m. During the summer months the Council undertook the Annual Review of the Capital Programme in line with practice of recent years. The review identified a requirement for significant re-profiling across a number of schemes. The majority of the re-phasing moved significant expenditure (£12.655m) from 2019/20 into the later years of the capital programme. The budget variations largely relate to a revision to the Oldham Coliseum and Heritage Centre, Transport Schemes, and the re-phasing of the Schools Capital Programme, mainly due to planning related issues.

Changes to the Financing of the Capital Programme

- 2.5.4 The table below draws together the main strategy elements of the capital expenditure plans (above) highlighting the original supported (£57.619m) and unsupported elements i.e. requiring borrowing (£26.713m), and the expected financing (revised position) arrangements of this capital expenditure. The borrowing need element of the table increases the underlying indebtedness of the Council by way of the Capital Financing Requirement (CFR), although this will be reduced in part by revenue charges for the repayment of debt (the Minimum Revenue Provision). This direct borrowing need may also be supplemented by maturing debt and other treasury requirements.
- 2.5.5 The overall net reduction in the capital programme has resulted in a change in the mix of funding sources required in 2019/20; a decrease in all financing types reducing the forecast borrowing need by £7.275m from £26.713m to £19.438m.

Capital Expenditure	2019/20 Original Estimate £'000	2019/20 Forecast Position £'000
General Fund Services	71,397	58,698
Housing Revenue Account	4,235	1,854
Commercial Activities and Non-Financial Investments	8,700	4,500
Total spend	84,332	65,052
Financed by:		
Capital receipts	(19,042)	(13,889)
Capital grants	(34,661)	(29,866)
Revenue	(67)	(5)
HRA	(3,849)	(1,854)
Total financing	(57,619)	(45,614)
Borrowing need	26,713	19,438

Changes to the Prudential Indicators for the Capital Financing Requirement, External Debt and the Operational Boundary

- 2.5.6 The table below shows the CFR, which is the underlying external need to incur borrowing for a capital purpose. As previously mentioned in paragraph 2.4.4 the CFR needs to decrease by £7.347m. It also shows the expected debt position over the period (the Operational Boundary). This indicator has decrease to reflect the revisions to the forecast year end position of the capital programme.

	2019/20 Original Estimate £'000	2019/20 Revised Estimate £'000
Prudential Indicator – Capital Financing Requirement		
CFR – non housing	525,005	517,658
CFR – housing	0	0
Total CFR	525,005	517,658
Net movement in CFR		(7,347)
Prudential Indicator – External Debt / the Operational Boundary		
Borrowing	290,000	282,500
Other long term liabilities	235,000	236,000
Total debt 31 March	525,000	518,500

Limits to Borrowing Activity

- 2.5.7 The first key control over the treasury activity is a prudential indicator to ensure that over the medium term, net borrowing (borrowings less investments) will only be for a capital purpose.
- 2.5.8 Gross external borrowing should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2019/20 and next two financial years. This allows some flexibility for limited early borrowing for future years. The Council has approved a policy for borrowing in advance of need which will be adhered to if this proves prudent.
- 2.5.9 The CFR calculation is shown in the table below and the Director of Finance reports that no difficulties are envisaged for the current or future years in complying with this prudential indicator as there is £113.410m headroom between total debt and the CFR.

	2019/20 Original Estimate £'000	2019/20 Revised Estimate £'000
Gross borrowing	167,849	168,635
Plus other long term liabilities*	235,396	235,613
Total Debt	403,245	404,248
CFR* (year end position)	525,005	517,658
Headroom	121,760	113,410

* - includes on balance sheet PFI schemes and finance leases

- 2.5.10 A further prudential indicator controls the overall level of borrowing. This is the Authorised Limit which represents the limit beyond which borrowing is prohibited and needs to be set and revised by Members. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. It is the expected maximum borrowing need with some headroom for unexpected movements. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. Presented in the table below is the original and the revised Authorised Limit.

Authorised limit for external debt	2019/20 Original Indicator	2019/20 Revised Indicator
Borrowing	305,000	297,500
Other long term liabilities*	240,000	241,000
Total	545,000	538,500

* - Includes on balance sheet PFI schemes and finance leases.

2.6 Investment Portfolio 2019/20

- 2.6.1 In accordance with the Code, it is the Council's priority to ensure security of capital and liquidity, and to obtain an appropriate level of return which is consistent with the Council's risk appetite. As set out in Section 2.3, it is a very difficult investment market in terms of earning the level of interest rates commonly seen in previous decades as rates are very low and in line with the 0.75% Bank Rate. The continuing potential for a re-emergence of a Eurozone sovereign debt crisis, and its impact on banks, prompts a low risk short term

strategy. Given this risk environment and the fact that increases in Bank Rate are likely to be gradual and unlikely to return to the levels seen in previous decades, investment returns are likely to remain low.

2.6.2 The Council held £114.330m of investments, including property funds as at 30 September 2019 (£84.900m at 31 March 2019). A full list of investments as at 30 September is included at Appendix 1. A summary of investments by type is included in the table below.

2.6.3 The Council ensures enough funds are kept in either instant access accounts and/ or on-call accounts to meet its short term liquidity requirements. As at 30 September the Council held £31.330m in Money Market Funds and £32.500m in Notice Accounts that range from 32 to 180day notice period.

Investment Type	Total £'000 at 30 September 2019
Property	15,000
Fixed (Term Deposits) Bank / Building Society	10,500
Fixed (Term Deposits) LA's / Public Bodies	25,000
Notice Accounts	32,500
Money Market Funds	31,330
Total	114,330

2.6.4 The Director of Finance confirms that the approved limits within the Annual Investment Strategy were not breached during the first six months of 2019/20.

2.6.5 The Council's investment strategy looks to achieve a return on its investment of London Interbank Bid Rate (LIBID) plus a 5% mark up. The Council will maintain sufficient cash reserves to give it its necessary liquidity and may place investments up to 10 years if the cash flow forecast allows and the credit rating criteria is met. Performance against this benchmark was as follows:

Benchmark	Benchmark Return LIBID +5%	Council Performance
7 days	0.60%	0.76%
1 month	0.63%	0.87%
3 months	0.69%	0.99%
6 months	0.77%	0.87%
1 year	0.87%	1.07%
Average Return first 6 months		0.91%

2.6.6 The Council's performance on its cash investments exceeded its target on all benchmarks as can be seen in the table above.

2.6.7 It is important to be able to maximise investment income to support the overall financial position of the Council. During the year the Council has been continually looking at alternative investment opportunities within treasury management to provide additional income. At this moment in time no deal has passed the due diligence process, but opportunities will continue to be assessed. It is important to note that any investments are only undertaken after an appropriate due diligence exercise and having regard to the Treasury Management principles of security, liquidity, yield and ethical investments.

- 2.6.8 It is essential to have flexibility to be able to take advantage of opportunities for new investments that may become available. Therefore, a revision to the non-specified investment category within the Treasury Management Strategy is proposed and as set out at Appendix 3. The addition is investments in debt financing to deliver economic growth across the borough and with the Greater Manchester area. This addition allows the Council to investigate and possibly invest in alternative investments. Member must note that these investments will only be initiated after a detailed and substantial due diligence process.
- 2.6.9 The current investment counterparty criteria selection approved in the TMSS and included at Appendix 3 is meeting the requirement of the treasury management function.
- 2.6.10 Treasury Management Practice 11 – Use of External Service Providers, has been updated to include a new independent broker, Imperial Treasury Services. This new broker will allow the Council to use a wider range of providers for the day to day management of the Treasury function.

Property Fund

- 2.6.11 In the first six months of the year the Councils investment within the Churches, Charities and Local Authorities (CCLA) property fund has generated a return of (4.24%) and it is anticipated that this revenue return will continue throughout the year. As advised within the TMSS, due to the anticipated fluctuations in price this is an investment with a minimum time horizon of 5 years.
- 2.6.12 Due to the uncertainty surrounding Brexit, the property fund has seen a decline in the value due mainly to valuer caution rather than any significant increase in pressure to sell properties. In contrast, occupier trends continued to strengthen, and dividends received stay at a similar rate.

2.7 Borrowing

- 2.7.1 It is proposed in this report that the Council's CFR for 2019/20 is revised to £517.658m and this denotes the Council's underlying need to borrow for capital purposes. If the CFR is positive the Council may borrow from the PWLB or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions.
- 2.7.2 The table within paragraph 2.5.8 shows the Council has expected year end borrowings of £404.248m and will have utilised £113.410m of cash flow funds in lieu of borrowing. This is a prudent and cost-effective approach in the current economic climate but will require ongoing monitoring in the event that upside risk to gilt yields prevails.
- 2.7.3 Due to the overall financial position and the underlying need to borrow for capital purposes (the capital financing requirement – CFR), new external borrowing of £20m was undertaken from the PWLB in August 2019. The table below shows the new borrowing and highlights that borrowing was undertaken at the bottom range of interest rate.

Loan Ref	Amount £'000	Start Date	Maturity Date	Term (Years)	Rate %
509754	10,000	20/08/19	20/08/69	50	1.72%
509755	5,000	20/08/19	20/08/49	30	1.81%
509756	5,000	20/08/19	20/08/39	20	1.74%
Average				33.33	1.75%

- 2.7.4 The Council applied in September 2019 for the certainty rate reduction. This entitles the Council to receive a 20 basis point rate reduction on the prevailing rate of PWLB on any borrowing undertaken from 1 November 2019 to 31 October 2020.
- 2.7.5 Current PWLB certainty rates are set out in the following table and show for a selection of maturity periods over the first half of 2019/20, the range (high and low points) in rates and the average rates over the period. In addition, Appendix 2 tracks the movement in the PWLB certainty rate over the period April to September 2019 across the same range of loan terms as is used in the table below.

Maturity Rates	1 Year	5 Year	10 Year	25 Year	50 Year
01/04/19	1.66%	1.74%	2.08%	2.61%	2.44%
30/09/19	1.48%	1.27%	1.50%	2.03%	1.87%
Low	1.17%	1.01%	1.13%	1.73%	1.57%
Date	03/09/19	03/09/19	03/09/19	03/09/19	03/09/19
High	1.58%	1.73%	2.07%	2.58%	2.41%
Date	15/04/19	17/04/19	17/04/19	17/04/19	17/04/19
Average	1.40%	1.37%	1.62%	2.20%	2.07%

Increase in the cost of borrowing from the PWLB

- 2.7.6 Notification was received from HM Treasury on 9 October 2019 regarding future PWLB rates. PWLB rates had been priced on the current gilt rates plus 100bps (1%) with effect from 9 October 2019 rates will now be based on gilt rates plus 200bps (2%). This will have an immediate effect on the cost of borrowing using PWLB loans.
- 2.7.7 Members will be aware that there has been adverse commentary in the media regarding the increase in PWLB rates and the possibly effect it may have on capital projects. It is likely that the sector may make representations to HM Treasury to suggest that areas of capital expenditure that the Government is keen to see move forward e.g. housing, should not be subject to such a large increase in borrowing.
- 2.7.8 As a result of the increase in the PWLB rate, the Council is expecting that various financial institutions will enter the market or make products available to local authorities. It is possible that the Municipal Bond Agency (Members will recall that the Council invested in the Municipal Bonds Agency to take advantage of beneficial rates when a bond is launched) will be offering loans to local authorities in the future. The Council may make use of these new sources of borrowing as and when it is appropriate. Members will be updated as this area evolves.

2.8 Debt Rescheduling

- 2.8.1 Debt rescheduling opportunities have been very limited in the current economic climate given the consequent structure of interest rates and following the increase in the margin added to gilt yields which has impacted PWLB new borrowing rates since October 2010. No debt rescheduling has therefore been undertaken to date in the current financial year.
- 2.8.2 The 100bps increase in PWLB rates from 9 October 2019 only applied to new borrowing rates, not to premature repayment rates.

2.9 Overall Position at the Mid –Year 2019/20

2.9.1 The position at the mid-year 2019/20 shows that the Council is continuing to follow recommended practice and manage its treasury affairs in a prudent manner.

2.10 Other Key Issues

Claim against Barclay Bank

2.10.1 The Council is currently involved in legal action against Barclays Bank with regards to certain Lender Option Borrower Option (LOBO) transactions. This is based on the Bank's involvement in manipulation of the LIBOR benchmark rate and the subsequent impact on the Council's financial position. This matter is on-going.

2.10.2 The CIPFA Code requires the responsible officer to ensure that Members with responsibility for treasury management receive adequate training in treasury management. This especially applies to Members responsible for scrutiny. Training was provided to Audit Committee on 1 October 2019. The training was facilitated by the Council's External Treasury Advisors, Link Asset Services.

3 Options/Alternatives

3.1 In order that the Council complies with the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management the Council has no option other than to consider and approve the contents of the report. Therefore, no options/alternatives have been presented.

4 Preferred Option

4.1 As stated above the preferred option is that the contents of the report are approved.

5 Consultation

5.1 Consultation has taken place with Link Asset Services (the Councils Treasury Management Advisors), and senior officers. The report has also been included as an agenda item for the meeting of the Audit Committee on 14 November to enable scrutiny. Cabinet will consider the report before commending it to Council for approval.

6 Financial Implications

6.1 All included within the report.

7 Legal Services Comments

7.1 None.

8 Co-operative Agenda

8.1 The Council ensures that any Treasury Management decisions comply as far as possible with the ethos of the Cooperative Council.

9 Human Resources Comments

9.1 None.

10 Risk Assessments

10.1 There are considerable risks to the security of the Authority's resources if appropriate treasury management strategies and policies are not adopted and followed. The Council has established good practice in relation to treasury management which has previously been acknowledged in both Internal and the External Auditors' reports presented to the Audit Committee.

11 IT Implications

11.1 None.

12 Property Implications

12.1 None.

13 Procurement Implications

13.1 None.

14 Environmental and Health & Safety Implications

14.1 None.

15 Equality, community cohesion and crime implications

15.1 None.

16 Equality Impact Assessment Completed?

16.1 No.

17 Key Decision

17.1 Yes

18 Key Decision Reference

18.1 FCS -07-19

19 Background Papers

19.1 The following is a list of the background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents, which would disclose exempt or confidential information as defined by that Act.

File Ref: Background papers are contained with Appendices 1, 2 & 3.
Officer Name: Anne Ryans
Contact No: 0161 770 4902

20 Appendices

Appendix 1	Investments as at 30 September 2019
Appendix 2	Borrowing as at 30 September 2019
Appendix 2A	PWLB Certainty Rate Variations 2019/20
Appendix 2B	Comparison of Borrowing parameters to actual external borrowing - Table
Appendix 2C	Comparison of Borrowing parameters to actual external borrowing - Graph
Appendix 3	Investment Counterparty Criteria

Appendix 1 Investments as at 30 September 2019

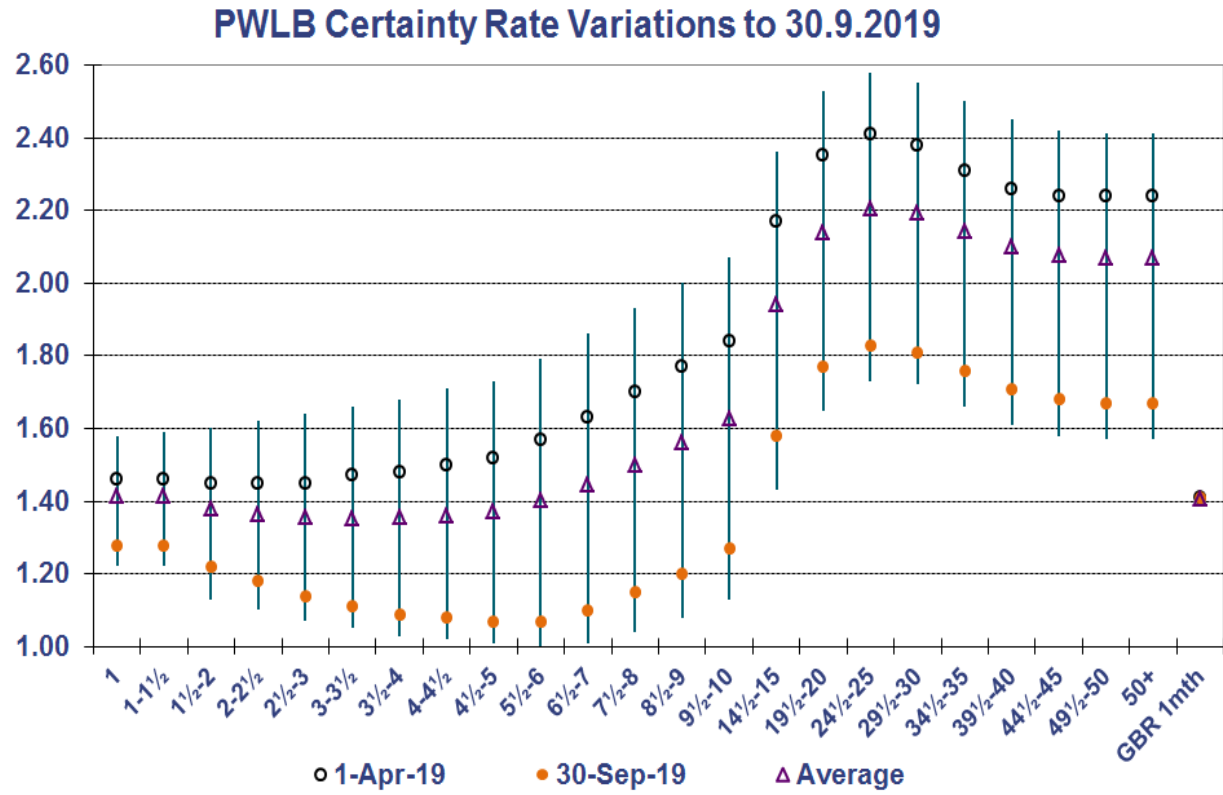
Investments	Type	30th September 2019 £'000	Interest Rate	Date of Investment	Date of Maturity
CCLA Property Fund	Property	15,000	4.24%	Prior Years	open
Total Property Fund		15,000			
Thurrock Council	Fixed	2,500	1.07%	05/10/2018	04/10/2019
Goldman Sachs	Fixed	3,000	0.80%	05/06/2019	07/10/2019
North Tyneside Council	Fixed	5,000	1.07%	11/10/2018	10/10/2019
Flintshire County BC	Fixed	5,000	0.75%	19/07/2019	21/10/2019
Nationwide Building Society	Fixed	2,500	0.81%	03/07/2019	03/12/2019
Rugby Borough Council	Fixed	5,000	0.80%	06/08/2019	06/02/2020
Goldman Sachs	Fixed	5,000	0.85%	06/09/2019	06/02/2020
Plymouth City Council	Fixed	5,000	0.80%	05/08/2019	05/03/2020
Thurrock Council	Fixed	2,500	0.76%	26/09/2019	06/04/2020
Total Fixed Investments		35,500			
Bank of Scotland plc	32 day call	2,500	0.95%	21/05/2019	open
Bank of Scotland plc	95 day call	12,500	1.10%	07/05/2019	open
Barclays	95 day call	7,500	0.95%	01/07/2019	open
Santander	95 day call	7,500	1.00%	14/11/2018	open
Santander	180 day call	2,500	1.10%	10/09/2019	09/03/2020
Total Investments on call		32,500			
Federated Sterling Liquidity 3	MMF	3,540	0.74%	27/09/2019	01/10/2019
Standard Life Sterling Liquidity	MMF	17,790	0.74%	30/09/2019	01/10/2019
Federated Cash Plus Fund	MMF	10,000	0.90%	15/05/2019	01/10/2019
Total MMF		31,330			
Total		114,330			

MMF – Money Market Fund

Appendix 2 Borrowing as at 30 September 2019

2A) PWLB Certainty Rate Variations 2019/20

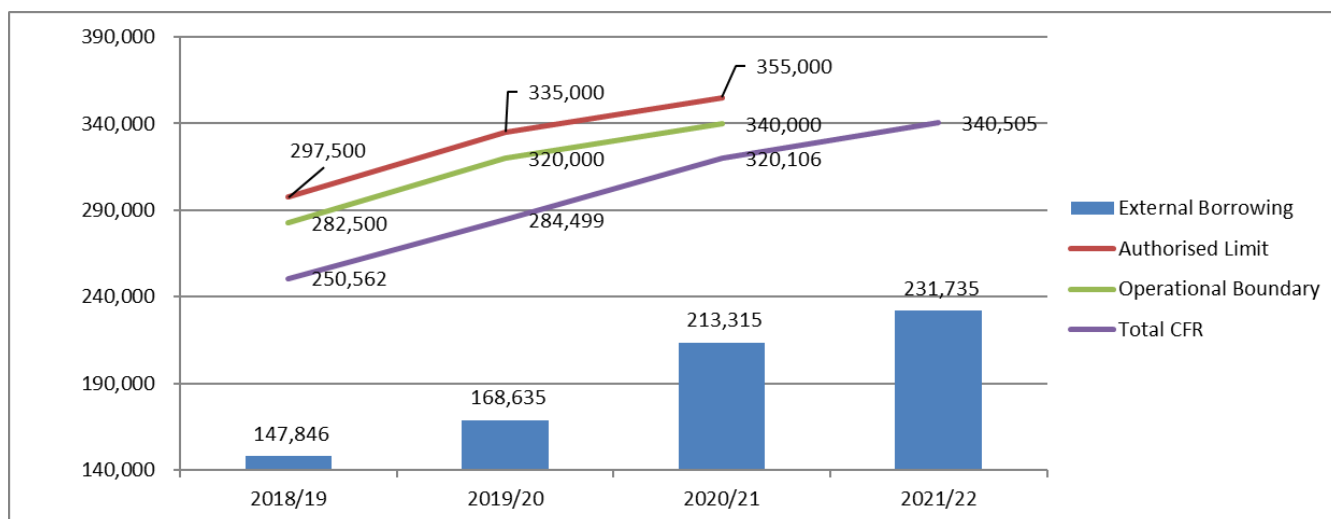
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2B) Comparison of borrowing parameters to actual external borrowing (Table)

CAPITAL FINANCING REQUIREMENTS				
	Actual 2018/19 £'000	Estimated 2019/20 £'000	Estimated 2020/21 £'000	Estimated 2021/22 £'000
CFR (including PFI and finance leases)				
General Fund CFR	493,880	517,658	543,109	553,817
Total CFR	493,880	517,658	543,109	553,817
CFR (excluding PFI and finance leases)				
General Fund CFR	250,562	284,499	320,106	340,505
Total CFR	250,562	284,499	320,106	340,505
External Borrowing	147,846	168,635	213,315	231,735
Deferred Liabilities	246,610	235,613	224,411	213,578
Total Debt	394,456	404,248	437,727	445,314
Authorised Limit	540,000	538,500	565,000	575,000
Authorised Limit ex Deferred Liabilities	290,000	297,500	335,000	355,000
Operational Boundary	525,000	518,500	545,000	555,000
Operational Boundary ex Deferred Liabilities	280,000	282,500	320,000	340,000

2C) Comparison of borrowing parameters to actual external borrowing (Graph)



Appendix 3 Investment Counterparty Criteria

Amendment to Non-Specified Investments: This addition allows the Council to take advantage of the availability of alternative investment options. The investment to be added to the strategy considers debt financing. This would aim to deliver economic growth across the borough and within the Greater Manchester area as well as a return for the Council.

	LINK Colour Band and Long Term Rating where applicable	Maximum Duration	Maximum Principal Invested per Counterparty £
Debt Financing	Internal Due Diligence and external advice	10 Years	£30m



Joint Report to Cabinet

Revenue Monitor and Capital Investment Programme 2019/20 Quarter 2 – September 2019

Portfolio Holder: Councillor Abdul Jabbar MBE, Deputy Leader and Cabinet Member for Finance & Corporate Resources

Officer Contact: Anne Ryans, Director of Finance

Report Author: Anne Ryans, Director of Finance
Ext. 4902

18 November 2019

Reason for Decision

The report provides Cabinet with an update on the Council's 2019/20 forecast revenue budget position at Annex 1 and the financial position of the capital programme as at 30 September 2019 (quarter 2) together with the revised capital programme 2019/23, as outlined in section two of the report at Annex 2.

Executive Summary

Revenue Position

The current forecast outturn position for 2019/20 is a projected deficit variance of £1.625m compared to £3.805m at quarter 1, this is after allowing for approved and pending transfers to and from reserves.

The most significant areas of concern are the People and Place, Children's Services and Community Services & Adult Social Care portfolios. Action is being taken and will continue for the remainder of the financial year to address variances and take mitigating action as detailed in the report.

The overall corporate position is, to a limited extent being managed by offsetting favourable variances, most noticeably from Capital, Treasury and Corporate Accounting budgets. An update on the major issues driving the projections are detailed within Annex 1, paragraphs 2.13.1 to 2.13.46.

As this financial monitoring report reflects the financial position at Quarter 2, it can be regarded as a warning of the potential year end position if no corrective action is taken.

However, management action has been initiated across all service areas to review and challenge planned expenditure and to maximise income. Progress is being made and this is demonstrated in the position being reported at quarter 2. Clearly further work needs to be done, if as anticipated, the outturn is to be closer to a balanced position by the end of the financial year.

Information on the Quarter 2 position of the Dedicated Schools Grant (DSG), Housing Revenue Account (HRA) and Collection Fund is also outlined in the report. There are currently no significant issues of concern in relation to the HRA, however the Collection Fund, whilst forecasting an in-year deficit of £195k, remains in a cumulative surplus position. The DSG, continues to be an area which is facing a financial challenge with a projected deficit increase in 2019/20. Action is being taken with the aim of reducing the cumulative deficit and bringing the DSG towards a balanced position. Section 2.13.53 provides an update on new funding that will be received in future years

Capital Position

The report outlines the most up to date capital spending position for 2019/23 for approved schemes. The revised capital programme budget is £65.052m at the close of Quarter 2, a net decrease of £19.280m from the original budget of £84.332m. Actual expenditure to 30 September 2019 was £25.590m (39.34% of the forecast outturn).

It is probable that the forecast position will continue to change before the year end with additional re-profiling into future years.

Recommendations

That Cabinet approves the:

1. Forecast revenue outturn for 2019/20 at quarter 2 being a £1.625m overspend
2. Forecast positions for both the HRA and Collection Fund
3. Use of reserves as detailed in Appendix 1 to Annex 1
4. Revised capital programme for 2019/2023 as at quarter 2.

Revenue Monitor and Capital Investment Programme 2019/20 Quarter 2 – September 2019**1 Background**

- 1.1 The Authority's 2019/20 revenue budget and capital programme was approved by Council on 27 February 2019. Under established budget procedures, all services are required to monitor and review their approved revenue and capital budgets during the financial year. This is reported to Cabinet on a quarterly basis with an additional report at month 8 which is used to inform the budget setting process for the following financial year.
- 1.2 As part of the budget monitoring process, the forecast year-end position for revenue and capital has been prepared by all services. The forecast is based on a comparison of profiled budgets to the actual position as at 30 September 2019 together with commitments and known issues. As the year progresses the outturn projections reflect the evolving position of management actions put in place to mitigate in-year pressures, new developments and changes in the profile of planned expenditure.

2. Current position

- 2.1 The forecast revenue outturn for 2019/20 is an adverse variance of £1.625m (£3.805m at quarter 1). Further details of the current revenue budget position and a full description of this forecast can be found in Annex 1.
- 2.2 The projected adverse variance is of concern and as a result management action has been initiated across all service areas to review and challenge planned expenditure and to maximise income. It is evident that the position has improved but more still needs to be done throughout the organisation to move even closer towards achieving a balanced outturn with the minimum use of reserves.
- 2.3 The effectiveness of this action will be closely monitored by Directorate Management Teams with regular progress updates being provided to Portfolio holders. It is therefore anticipated that by the year end, the outturn position will be closer to a balanced position. In addition, as outlined in the Budget Report for 2019/20, the Council has prudently set aside a number of specific reserves to support the pressures that might be experienced during the year. These can be applied if required later in the financial year.
- 2.4 The original approved capital programme for 2019/20 totalled £84.332m. The revised capital programme as at Quarter 2 taking account of approved carry forwards, approved new schemes and variations and proposed variations/ re-phasing gives projected revised expenditure of £65.052m. Actual expenditure at Quarter 2 was £25.590m (39.34% of the forecast outturn). Further details of expenditure and schemes within the capital programme can be found in Annex 2.

3 Options/Alternatives

- 3.1 The options that Cabinet might consider in relation to the contents of this report are;

-
- a) to approve the forecast revenue and capital positions presented in the report including proposed changes
 - b) to approve some of the forecasts and changes included in the report
 - c) not to approve any of the forecasts and changes included in the report

4 Preferred Option

- 4.1 The preferred option is that Cabinet approves all forecasts and changes within this report; option (a) at 3.1.

5 Consultation

- 5.1 Consultation with the services within the Council and the Director of Finance.

6 Financial Implications

- 6.1 The full financial implications are detailed in the report.

7 Legal Services Comments

- 7.1 There are no legal issues at this time.

8 Co-operative Agenda

- 8.1 Improving the quality and timeliness of the financial information available to citizens of Oldham supports the co-operative ethos of the Council.
- 8.2 The revenue budget and capital strategy/ programme have been prepared so that they embrace the Council's co-operative agenda with resources being directed towards projects that enhance the aims, objectives and co-operative ethos of the Council. Ongoing budget monitoring is key to ensuring this objective is met.

9 Human Resources Comments

- 9.1 There are no Human Resource implications.

10 Risk Assessments

- 10.1 The risk is that the proposed management actions are not achieved in full. Should this be the case then alternatives will be sought.

11 IT Implications

- 11.1 There are no IT implications.

12 Property Implications

- 12.1 There are no Property implications.

13 Procurement Implications

13.1 There are no Procurement implications.

14 Environmental and Health & Safety Implications

14.1 There are no Environmental and Health and Safety implications.

15 Equality, Community Cohesion and Crime Implications

15.1 There are no Equality, Community Cohesion and Crime implications.

16 Equality Impact Assessment Completed

16.1 Not Applicable.

17 Key Decision

17.1 Yes

18 Key Decision Reference

18.1 FCS - 15 - 19

19 Background Papers

19.1 The following is a list of background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents which would disclose exempt or confidential information as defined by the Act:

File Ref: Revenue Background Papers are contained in Annex 1 including Appendices 1 and 2

Officer Name: Andy Cooper

Contact No: 0161 770 4925

File Ref: Capital Background Papers are contained in Annex 2 including Appendices A to G

Officer Name: Lee Walsh

Contact No: 0161 770 6608

20 Appendices

Annex 1 Revenue Budget Monitoring Report 2019/20 Quarter 2 - September 2019

Appendix 1 Quarter 2- Planned Transfers to/ from Reserves

Appendix 2 Financing of the 2019/20 Budget at Quarter 2

Annex 2 Capital Investment Programme Report 2019/20 Quarter 2 – September 2019

Appendix A - SUMMARY – Quarter 2 – Corporate Services
Appendix B - SUMMARY – Quarter 2 - Children’s Services
Appendix C - SUMMARY – Quarter 2 - Community Services & Adult Social Care
Appendix D - SUMMARY – Quarter 2 - Housing Revenue Account (HRA)
Appendix E - SUMMARY – Quarter 2 - People and Place
Appendix F - SUMMARY – Quarter 2 - Reform
Appendix G - SUMMARY – Quarter 2 - Proposed Variations

REVENUE BUDGET MONITORING REPORT 2019/20

Quarter 2 - September 2019

1 Background

- 1.1 The Authority's 2019/20 revenue budget was approved by Council on 27 February 2019 at a sum of £224.112m incorporating;
- £7.829m of budget reductions
 - £8.818m use of corporate and specific reserves
 - £3.000m of capital receipts to support spending on transformational projects
 - £2.269m surplus from the Collection Fund
- 1.2 Under established budget procedures all services are required to monitor and review their approved budgets during the financial year, as part of this process, a forecast of the year-end position has been prepared by all services. The forecast is based on a comparison of profiled budgets to the actual position as at the end of quarter 2 together with known commitments, issues and planned management actions.

2 Current Position

- 2.1 The current budget of £227.007m represents a £2.895m increase in the originally approved budget as a result of receiving a number of additional, un-ringfenced grants as shown in the table below. A full funding analysis of net revenue expenditure is shown at Appendix 2.

Table 1 – Changes to Funding

Additional Government Grants	£000
Extended Rights to Free Travel	36
Staying Put Grant	63
Extended Personal Advisor Duty Implementation Grant	21
Verify Pensions Earnings Service	39
Retail Discounts New Burdens	9
Brexit Preparation Funding Grant	105
Capital Grants	2,622
Total Additional Government Grants	2,895

- 2.2 The information in the report has been reconfigured to align to the new Corporate Structure that was implemented from 22 May 2019. This makes it difficult to make direct comparisons with 2018/19 at a Portfolio level. The budget and forecast outturn are presented in this new format in the table below.

Table 2 - Summary Forecast Revenue Outturn

Portfolio	Budget £000	Forecast £000	In Year Use of Reserves £000	Variance Quarter 2 £000	Variance Quarter 1 £000
People and Place	61,032	64,625	(1,381)	2,212	2,273
Community Services and Adult Social Care	59,399	61,200	(781)	1,020	1,804
Children's Services	41,660	44,096	(1,069)	1,367	1,585
Reform	32,099	32,875	(856)	(81)	(37)
Commissioning	9,962	11,809	(1,719)	128	142
Chief Executive	7,673	7,417	(15)	(271)	(154)
Capital, Treasury and Corporate Accounting	15,183	12,433	-	(2,749)	(1,809)
NET EXPENDITURE	227,007	234,454	(5,820)	1,625	3,805
FINANCED BY:	(227,007)	(227,007)		-	-
NET FORECAST VARIANCE	-	7,447	(5,820)	1,625	3,805

- 2.3 The forecast outturn to the end of the year, after a predicted in-year use of reserves totalling £5.820m (£3.215m at quarter 1), is an adverse variance of £1.625m (£3.805m at quarter 1). A detailed list of the approved and planned use of reserves at quarter 2 can be found at Appendix 1. There are significant variances contained within the projected net overspend as summarised below.
- 2.4 The People and Place Portfolio has a reported pressure of £2.212m. Economic Development is reporting an overspend of £1.728m (£1.496m at quarter 1) across Catering and Cleaning, Estates and Planning and Infrastructure. The small adverse variance in Enterprise and Skills remains virtually unchanged at £0.097m. There is a further adverse variance of £0.525m in Commercial Services where the projected non achievement of the Traded Services budget option (£0.750m) is offset by savings within ICT and Customer Services (£0.225m). The pressures are offset by a forecast underspend of £0.138m (£0.056m overspend at quarter 1) in Environmental Services.
- 2.5 Community Services and Adult Social Care is reporting an overspend of £1.020m (£1.804m at quarter 1), predominantly linked to the rising cost and demand for Community Care, offset by the Council receiving confirmation of an inflationary uplift to the Better Care Fund of 5.8% worth £0.627m.
- 2.6 There are significant pressures within both the main service areas that constitute Children's Services. Education and Early Years; a £1.246m overspend after the application of £0.489m of reserves and Children's Social Care; a £0.120m overspend after the application of £0.469m of reserves to give a total forecast deficit of £1.367m (£1.585m at quarter 1).
- 2.7 The newly created Commissioning portfolio is reporting an overall adverse variance of £0.128m (£0.142m reported at quarter 1). A projected pressure of £0.236m in Commissioning and Procurement is being offset by a favourable variance of £0.108m in Finance
- 2.8 The overspending is offset by favourable variances in Chief Executive £0.271m (£0.154m at quarter 1), Reform £0.081m (£0.037m at quarter 1) and most significantly Capital Treasury and Corporate Accounting £2.749m (£1.809m at quarter 1). A more detailed analysis of financial performance and the major variances can be found by Portfolio in the following sections.

2.9 All the 2019/20 budget options in the sum of £7.829m are currently forecast to be achieved with the exception of the one item highlighted below for which there are no other offsetting options

- The Traded Services option for £750k within People and Place and,

2.10 The adverse variance reported at quarter 1 served as a stark and early warning of the potential deficit position facing the Council in 2019/20. As previously reported, management action is being initiated across all service areas to review and challenge planned expenditure and to maximise income with the aim of bringing expenditure back in line as the year progresses. It is evident that position has improved but more still needs to be done throughout the organisation to move even closer towards achieving a balanced outturn with the minimum use of reserves.

2.11 The effectiveness of management actions will continue to be closely monitored by Directorate Management Teams with regular progress updates being provided to Portfolio holders and the Senior Management Team, with an expectation that a further reduction in the gap will be demonstrated in the month 8 report that will be presented to Cabinet in February

2.12 As outlined in the Budget Report for 2019/20, the Council has prudently set aside a number of specific reserves to support pressures that might be experienced, and which cannot be mitigated during the year. These can be applied, as last resort, if required later in the financial year.

2.13 Portfolio Summaries

People and Place

2.13.1 The following table shows the forecast position after the approved and planned use of reserves for the Directorate.

Table 3 – People and Place - Forecast Outturn

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Economic Development	2,239	4,829	(862)	1,728
Enterprise and Skills	640	737	-	97
Environmental Services	53,652	53,844	(329)	(138)
Commercial Services	4,500	5,215	(190)	525
Total Forecast Net Expenditure	61,032	64,625	(1,381)	2,212

Summary

2.13.2 Following the re-alignment of services to the new Corporate Structure, the forecast outturn at quarter 2 for the People and Place portfolio, after the planned use of £1.381m of reserves, is an overspend of £2.212m (£2.273m at quarter 1), a reduction in the overspend of £0.061m.

Economic Development

- 2.13.3 Economic Development is currently forecasting an overspend of £1.728m compared to £1.496m at quarter 1. Within this the Catering and Cleaning service is again forecasting an adverse variance of £0.719m as a result of pressures arising from the introduction of the Oldham Living Wage and current charging levels. The Corporate Landlord/ Investment Estate is projecting a net overspend of £0.913m (£0.686m at quarter 1) due to a combination of increased utility costs, additional cleaning charges and an expected underachievement of income targets in the investment estate. This is being offset by anticipated income from investment purchases and cost reductions due to asset disposals. The Planning and Infrastructure service is anticipated to overspend by £0.096m due to a reduction in the expected demand for planning applications.

Enterprise and Skills

- 2.13.4 The forecast overspend of £0.097m (0.096m at quarter 2) relates to a shortfall of income in relation to the Markets Service.

Environmental Services

- 2.13.5 The Environmental Services area is forecasting an overall underspend of £0.138m (overspend of £0.056m at quarter 1). The position is reflected from a combination of relatively low value overspends and underspends within the area as follows:

- Public Protection £0.072m overspend
- Waste Management £0.057m overspend
- Fleet Management £0.017m overspend
- Building Control £0.018m underspend
- Environmental Management £0.037m underspend
- Street Lighting £.002m underspend

The cumulative position is being offset by a larger net underspend of £0.227m relating to over achievement of income in relation to statutory inspection works within Highways.

Commercial Services

- 2.13.6 In total the service area is reporting an overspend of £0.525m (£0.624m at quarter 1). ICT and Customer Services are forecast to have an underspend of £0.225m due to vacant posts. This in part offsets the pressure within Strategic Management of £0.750m for the non-achievement of the Traded Services budget reduction.

Achievement of Budget Reductions

- 2.13.7 The 2019/20 budget reductions for the People and Place Portfolio of £2.582m are forecast to be fully achieved with the exception of the Traded Services option (£0.750m), as referred to above.

Community Services and Adult Social Care

- 2.13.8 The portfolio provides social care support to adults and carers across Oldham with the key aim of integrating and aligning work with health partners to achieve greater efficiency in service delivery and better outcomes for the resident or patient, in relation to both the commissioning and the provision of services. The service areas within the portfolio have been reconfigured to more closely align financial reporting to service delivery and for this reason are not directly comparable to those included in the quarter 1 report.

Table 4 –Community Services and Adult Social Care- Forecast Outturn

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Commissioning	20,579	20,446	-	(134)
Community Business Services	1,751	1,576	-	(175)
Community Health & Social Care	27,918	28,685	-	767
Director Adult Social Care	(8,979)	(8,741)	(781)	(543)
Learning Disability	10,225	11,244	-	1,020
Mental Health	7,216	7,252	-	35
Safeguarding	689	738	-	49
Total Forecast Net Expenditure	59,399	61,200	(781)	1,020

Summary

- 2.13.9 The forecast outturn at quarter 2 is showing a projected overspend of £1.020m (£1.804m at quarter 1) after a forecast £0.781m use of reserves. Sufficient reserves to fully offset the overspend are specifically ring fenced to the Portfolio, although yet to be utilised.

Commissioning

- 2.13.10 Commissioning is forecasting an underspend of £0.134m mainly due to some unexpected income received from the CCG contributing to the Safeguarding Board and reprofiling of expenditure from managing staff vacancies.

Community Business Services

- 2.13.11 Community Business Services is forecasting a £0.175m underspend for the year. This is due to managed vacancies and delays in recruiting to additional care coordinator and broker posts to support the Care at Home project.

Community Health & Social Care

- 2.13.12 Community Health and Social Care is forecasting an overspend of £0.767m. Whilst this position has improved throughout the year, care costs for people with a physical disability, sensory and memory and cognitive need continue to present financial pressures. There has been a net increase in client numbers of 10 in the first 6 months of the year, indicating that complexity of need combined with an uplift in fees are the main factors that are causing significant pressures within the budget.

Director of Adult Social Care

- 2.13.13 Director Adult Social Care is forecasting an underspend of £0.543m (£0.022m at quarter 1), the improvement is as a result of confirmation of a £0.627m uplift in Better Care Fund, offsetting a pressure of £0.084m mainly for the Council contribution towards the Deputy Managing Director health-based post. A planned use of reserves to the value of £0.781m will require a draw-down of £0.300m to the CCG to fund joint services, £0.166m for Mosaic data management support and £0.315m for community provider estate costs.

Learning Disability

- 2.13.14 Learning Disability (LD) and Mental Health (MH), which were previously reported together, are together forecasting a combined overspend of £1.055m an increase of £0.280m compared to the £0.774m reported at quarter 1). LD alone is reporting an overspend of £1.020m the further increase in care costs has been primarily caused by the number of clients in complex care, particularly for the 4 clients who have been returned to the Borough through the Transforming Care Programme. The cost of this is £0.720m with only £0.240m of funding expected to be made available by the NHS leaving a budget shortfall of £0.480m across the Council and CCG.

Mental Health

- 2.13.15 Mental Health is forecasting a small overspend of £0.035m. This is made up of a slight overspend in community care where there has been a net increase of 13 clients during the year to date.

Safeguarding

- 2.13.16 Safeguarding is forecasting an overspend of £0.049m due to additional short-term staffing arrangements put in place to cover vacancies, sickness and maternity leave.
- 2.13.17 Holly Bank is a new Learning Disability sheltered housing scheme, construction is scheduled to complete in November, with new residents moving in over the following months. The cost of operating the facility is expected to be offset by savings as a result of bringing people back into borough and either ceasing or reducing their current care packages and work is on-going to identify potential new residents. The current forecast assumes this requirement will be met, the position will however continue to be monitored, and if required a pressure will be introduced when the position is made clearer.

Achievement of Budget Reductions

- 2.13.18 The Budget Reductions for the portfolio in 2019/20 are £0.438m and are forecast to be fully achieved.

Progress against Locality Plans

- 2.13.19 A key element of the Health and Social Care devolution agenda is the submission of a Locality Plan setting out the joint vision of Council and Oldham Clinical Commissioning Group (CCG) for the greatest and fastest possible improvement in the health and wellbeing of our residents by 2021. This improvement will be achieved by supporting people to be more in control of their lives by having a health and social care system that is geared towards wellbeing and the prevention of ill health; access to health services at

home and in the community; and social care that works with health and voluntary services to support people to look after themselves and each other.

- 2.13.20 The financial performance against the latest version of the 2019/20 Locality Plan, as reported to the GM Health and Social Care Partnership, is shown in the table below. However, a new version of the Locality Plan is being written that will take the integration work within Oldham through to 2023/24.

Table 5 – Locality Plan

	Revised Budget £000	Forecast £000	Variance £000
Community Health and Adult Social Care	57,134	58,154	1,020
Public Health	17,380	17,380	0
Children and Families	41,990	42,110	120
Total	116,504	117,644	1,140

- 2.13.21 Although the headings in the Locality Plan do not completely align with the Council's Directorate reporting arrangements, the reasons for the variances against budget are consistent with those reported within Community Health and Adult Social Care, Public Health and Children's Social Care.

Children's Services

- 2.13.22 The following table shows the forecast position after the approved and planned use of reserves for the Directorate.

Table 6 – Children's Services

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Education, Skills & Early Years	4,177	5,913	(489)	1,246
Children's Social Care	35,657	36,247	(469)	120
Preventative Services	1,864	1,975	(111)	-
Schools	(39)	(39)	-	(0)
Total Forecast Net Expenditure	41,660	44,096	(1,069)	1,367

Summary

- 2.13.23 The Directorate has a projected overspend of £1.367m (£1.585m at quarter 1) after the planned application of £1.069m of reserves, as shown in the table above. The principal underlying reasons are detailed below.

Education, Skills and Early Years

- 2.13.24 The Directorate is estimating a £1.246m overspend (£1.114m overspend at quarter 1) after the planned application of £0.489m reserves for Learning and Attainment and Special Educational Needs initiatives, the main contributing factors being;

-
- £0.561m against the Home to School Transport budget due to ongoing increasing demand pressures;
 - £0.230m as a result of underachievement of traded income within the Educational Psychology and QEST services;
 - £0.096m of unachievable income relating to school insurance recharges as a result of schools converting to Academy status;
 - £0.100m relating to additional staffing and agency expenditure in the SEN Assessment Service
 - £0.136m relating to additional expenditure around SEND Reform
 - £0.119m relating to holiday pay and incremental drift within the Lifelong learning service

Children's Social Care

2.13.25 This area is projecting a £0.120m overspend after the planned application of £0.489m of reserves to support transformational activity, a decrease of £0.351m on the £0.471m reported at quarter 1. This is due to a number of one off measures together with the placement forecast having reduced by a further £0.081m as a result of the number of Independent Foster Agencies (IFAs) remaining at a relatively low and stable level. The planned use of reserves has increased by £0.190m, primarily due to the utilisation of £0.137m of GM Health and Social Care Partnership funding to support the implementation of the GM Stockport family model.

Preventative Services

2.13.26 Preventative Services includes Early Help, Targeted Youth, Tackling Troubled Families and the Multi Agency Safeguarding Hub and is predicting an overall balanced position for the year.

Achievement of Budget Reductions

2.13.27 The Budget Reductions for Children's Services are solely in relation to the Portfolios share of cross cutting efficiencies, £0.289m in total of which all is currently forecast to be delivered.

Reform

2.13.28 The following table shows the forecast position for the re-configured Reform portfolio after the approved and planned use of reserves.

Table 7 – Reform – Forecast Outturn

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Business Intelligence	945	859	-	(86)
Executive Office	-	-	-	-
Marketing & Communications	723	789	(63)	3
People	2,388	2,313	(6)	(80)
Policy	270	791	(436)	85
Programme Management Office	(3)	140	(143)	0
Public Health & HLA	22,566	22,800	(208)	26
Youth, Leisure & Communities	5,210	5,183	-	(27)
Total Forecast Net Expenditure	32,099	32,875	(856)	(81)

2.13.29 The forecast outturn at quarter 2 is an under spend of £0.081m (£0.037m at quarter 1), this is after the planned use of £0.856m reserves. The paragraphs below outline the main movements within the portfolio.

2.13.30 There are several relatively low value variances, as follows:

- Business Intelligence is showing an underspend of £0.086m. In the main this relates to staffing costs, which are offsetting pressures on income and supplies and services.
- Marketing and Communications is showing a slight overspend of £0.003m
- People Services is showing a favourable variance of £0.080m which relates to underspends on staffing costs.
- Policy is showing an overspend of £0.085m, however work is taking place to realign the budget to reflect new working arrangements following a service review.

2.13.31 Public Health and Heritage, Libraries and Arts (HLA) services are together showing an overspend of £0.026m at quarter 2. An overspend within the Music service is partially offset by underspends on staffing within the Library and Gallery services and also the PFI Contract.

2.13.32 Youth, Leisure and Communities is showing an overall underspend of £0.027m which in the main relates to Outdoor Education and Sports Development creating a combined pressure of £0.050m. The Service area includes a range of community-based services and includes District Partnerships and Community Safety which are forecasting an underspend of £0.077m primarily related to salary costs and vacant post, the remainder of the services are reporting a net balanced outturn, with no significant variances either way across the range of services.

Achievement of Budget Reductions

2.13.33 The approved Budget Reductions of £0.971m are expected to be achieved in the financial year, with the £0.250m associated with the Design and Assurance review at the final stages of being delivered.

Commissioning

2.13.34 The table below shows the forecast position after the approved and planned use of reserves for the newly created portfolio.

Table 8 - Commissioning - Forecast Outturn

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Commissioning and Procurement	273	509	-	236
Finance	9,689	11,300	(1,719)	(108)
Total Forecast Net Expenditure	9,962	11,809	(1,719)	128

Summary

2.13.35 The forecast outturn position at quarter 2 is an overspend of £0.128m (£0.142m at quarter 1)

Commissioning and Procurement

2.13.36 Commissioning and Procurement is reporting an overspend of £0.236m. The service is experiencing difficulties in recruiting to permanent posts, this is resulting in the necessity to retain interims to provide service continuity leading to an estimated £0.111m overspend. The service is also reporting a net estimated underachievement of income of £0.125m against the budget set for the Early Payment scheme income.

Finance

2.13.37 Finance is showing an underspend of £0.108m in the main due to vacant posts.

Achievement of Budget Reductions

2.13.38 The 2019/20 Budget Reductions for the Commissioning portfolio of £1.375m are forecast to be fully achieved.

Chief Executive

2.13.39 The table below shows the forecast position after the approved and planned use of reserves.

Table 9 – Chief Executive

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Chief Executive	2,385	2,325	-	(60)
Chief Executive Management	1,579	1,579	-	0
Legal Services	3,146	2,994	(15)	(167)
Executive Office	562	518	-	(44)
Total Forecast Net Expenditure	7,673	7,417	(15)	(271)

Summary

- 2.13.40 The portfolio is showing an underspend of £0.271m (£0.154m at quarter 1) after having applied £0.015m of reserves.

Chief Executive, Legal Services & Executive Office

- 2.13.41 Partnership Support within Chief Executive is reporting an underspend of £0.060m at quarter 2, this relates in a reduction to GM contributions in 2019/20.

Legal Services is reporting an underspend of £0.167m at quarter 2, this is predominantly due to vacancies within Civic and Political Support and Constitutional Services.

Executive Office is reporting an underspend of £0.044m relating to vacancies.

Achievement of Budget Reductions

- 2.13.42 The Budget Reductions for the Chief Executive Portfolio in 2019/20 are £0.135m and are forecast to be fully achieved.

Capital, Treasury and Corporate Accounting

- 2.13.43 The following table shows the forecast position, without the use of any reserves.

Table 10 – Capital, Treasury and Corporate Accounting – Forecast Outturn

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Capital, Treasury and Corporate Accounting	15,183	12,433	-	(2,749)
Total Forecast Net Expenditure	15,183	12,433	-	(2,749)

Summary

- 2.13.44 The Portfolio includes the budgets associated with the Council's Treasury Management activities including interest payable on loans and interest receivable on investments. It also includes the revenue budgets associated with technical accounting entries. The projected year-end position shows a favourable variance of £2.749m (£1.809m favourable at quarter 1).

- 2.13.45 This increased favourable variance is mainly due to additional dividend income being received from external investments. This is partially offset by projected overspend of £0.518m with regard to the Annual Leave Purchase Scheme. This pressure is a continuation of that highlighted within 2018/19.

Achievement of Budget Reductions

- 2.13.46 The 2019/20 Budget Reductions for Capital, Treasury and Corporate Accounting total £2.038m and are forecast to be fully achieved.

Schools

2. 13.47 The Council's expenditure on schools is funded primarily by grant monies provided by the Department for Education, the Dedicated Schools Grant (DSG). DSG is ring-fenced and can only be applied to meet expenditure properly included in the Schools' Budget, as defined in the School Finance (England) Regulations 2017. The Schools' Budget includes elements for a range of educational services provided on an authority wide basis and for the Individual Schools Budget which is divided into a budget share for each maintained school.

2. 13.48 Members will recall the DSG is made up of the following 4 blocks of funding;

- Schools
- High Needs
- Early Years
- Central Schools Services

2.13.49 Members will also recall that there is considerable pressure on the DSG, particularly the High Needs block. The pressure in the High Needs area is due to expenditure exceeding the High Needs budget available each year with key contributors being the:

- Increasing high needs population, such as special school places and resourced provision,
- Increasing number of Education Health Care plans requiring high needs top up funding within mainstream schools
- Cost of providing local Pupil Referral Unit capacity to ensure that the Local Authority fulfils its statutory role.
- High cost of external placements

As a consequence, the Schools Forum agreed a 1% movement; equating to £1.878m between the Schools Block and High Needs Blocks in 2018/19. Subsequently a further £1.594m (0.84%) movement of funds between the Schools Block and High Needs Blocks has been agreed for 2019/20.

2. 13.50 Despite the continued support from the Schools Block, the High Needs Block in Oldham is still expected to have an in-year deficit of £1.105m. This contributes to a deficit forecast of £11.745m as at 31 March 2020. The deficit is offset by cumulative virements and savings from the Schools and Early Years Blocks to leave a net deficit of £3.828m (as illustrated in the table below). This in turn is a significant element of the overall deficit on the DSG.

Table 11 – DSG- High Needs Block

	£000
Original Budget Allocation	32,839
Contribution from Schools Block (Schools Forum/ Sec. of State approval)	1,594
Imports and Exports	204
2019/20 Total Budget Available	34,637
Estimated Expenditure	(35,742)
Projected in Year Deficit	(1,105)
Deficit Brought Forward 01/04/2019	(10,640)
Cumulative Deficit	(11,745)
Offset by;	
Virement from Schools Block- 2016/17 to 2018/19	4,643
Savings in Schools and Early Years Block- Cumulative to 2018/19	3,274
Projected Deficit 31/03/2020	(3,828)

Overall DSG Position and Recovery Plan

2.13.51 The forecast deficit on the DSG is presented in the table below. At the start of 2019/20 it was £2.723m of which £5.995m was attributable to the High Needs block. The year-end forecast position for the DSG for 2019/20 is a cumulative deficit of £3.710m, the increase being mostly attributable to pressures in High Needs. There may be some further requirements for additional schools funding from the DSG in 2019/20. The possible additional pressures that are known and may need to be addressed are £0.314m. If these pressures are realised, then the deficit will increase still further.

Table 12- Overall DSG Position

	2019/20 £000	2020/21 £000	2021/22 £000
Opening Balance - Surplus/(Deficit)	(2,723)	(3,710)	(2,259)
Savings - Schools Block	-	4,751	-
Savings - High Needs Block	1,023	3,305	4,525
Pressures - High Needs Block	(3,603)	(8,561)	(4,085)
Transfer from Schools Block	1,593	1,956	1,956
NET FORECAST VARIANCE	(3,710)	(2,259)	137

2.13.52 There is a requirement that the DSG is brought back into balance and a DSG financial Recovery Plan was submitted to the Department for Education in line with the deadline of 30 June 2019, the financial elements of which are illustrated in the table above. The detailed actions to address the requirements of the Recovery Plan will be subject to consultation with schools and progress on their implementation will be the subject of reports to future meetings of Schools Forum and Council Members.

2.13.53 On 4 September 2019, the Chancellor of the Exchequer presented the 2019 Spending Round to Parliament, included in which was notification that Schools budgets will increase by £2.6 bn in 2020/21, £4.8bn by 2021/22 and £7.1bn by 2022/23 within which 2020/21 High Needs Funding for Schools is set to increase by more than £700m.

Subsequently, on 11th October, The Department for Education, via the Education and Skills Funding Agency, released provisional funding allocations for Schools, High Needs and Central School Services for 2020 to 2021 (based on 2019/20 pupil numbers), the impact for Oldham is summarised in the table below;

Dedicated Schools Grant (DSG)	2019-20 £000	2020-21 £000	Difference £000
Schools Block	189,123	197,283	8,160
High Needs	33,043	38,250	5,207
Central Schools Block	2,999	2,670	(328)

Despite a decrease in the Central Schools Block of £328k, the substantial, provisional increase in both the Schools (£8,160k) and High Needs (£5,207k) blocks is clearly good news for Oldham Schools and the Council. Officers are currently working through the detailed calculations that derived the funding and also the impact that this (together with other variations) will have on the DSG recovery plan, a report is scheduled for Cabinet in December.

Housing Revenue Account (HRA)

2.13.54 Table 13 compares the initially approved position to the current estimated outturn. The actual closing balance for 2018/19 at £21.304m was £0.062m less than the estimate of £21.366m. The original HRA forecast was for a planned in-year decrease in balances of £1.889m, mainly to support housing related expenditure in the capital programme. The revised forecast is for an increase in balances of £0.446m, a favourable movement of £2.335m. The variance is mostly attributable to the reprofiling of capital projects along with some additional income received from insurance refunds.

Table 13- Housing Revenue Account Forecast Position

HRA Income & Expenditure Account	Original Budget £000	Latest Forecast £000	Variance to Budget £000
HRA Balances Brought forward	(21,366)	(21,304)	62
(Surplus) / Deficit on HRA Services	1,889	(446)	(2,335)
HRA Balances Carried Forward	(19,477)	(21,750)	(2,273)

Collection Fund

2.13.55 The tables below show the forecast outturn position for the Collection Fund and the forecast position in relation to the share of balances.

Table 14 - Collection Fund Forecast Position

Collection Fund Balance	Council Tax £000	NDR £000	Total £000
Balance Brought Forward	(2,883)	(1,264)	(4,147)
Prior Year Surplus Released In Year	2,550	-	2,550
Deficit for the Year	299	(104)	195
Surplus Balance Carried Forward	(34)	(1,368)	(1,402)

Table 15 - Collection Fund – Share of Balances; Forecast Position

	Council Tax £000	NDR £000	Total £000
Share- Oldham Council	(29)	(1,354)	(1,383)
Share- Greater Manchester Combined Authority (Police and Crime Commissioner)	(4)		(4)
Share- Greater Manchester Combined Authority (Fire and Rescue Services)	(1)	(14)	(15)
Total (Surplus) / Deficit	(34)	(1,368)	(1,402)

- 2.13.56 Council Tax and Business Rates are becoming increasingly important with regards to funding Council services. However, these areas can be volatile and subject to a myriad of external influences, as such the financial position of the Collection Fund is under constant review.
- 2.13.57 A forecast in-year deficit of £0.195m (excluding the in-year release of the prior year Council Tax surplus of £2.550m, of which the Councils share is £2.289m) means that the projected year-end Collection Fund position (incorporating both Council Tax and Business Rates) is a surplus of £1.402m of which the share for the Council is £1.383m.
- 2.13.58 As expected, the Greater Manchester 100% Business Rates Retention Pilot has continued into 2019/20. The additional proceeds from the pilot are currently shared with GMCA who receive a maximum of 50% of the benefit in line with the original pilot agreement.

3 Use of Reserves

- 3.1 The total planned use of reserves at quarter 2 is £5.820m (£3.215m at quarter 1), £5.223m being Earmarked Reserves and £0.597m being the use of Revenue Grant Reserves. This is in addition to the utilisation of £8.818m of reserves that were applied in setting the initial 2019/20 budget.
- 3.2 In line with the Council's reserves policy, the recommended use of reserves to fund spend during the year have been initially approved by the appropriate officers prior to consideration by Cabinet. In a change from previous years, the reserve will be drawn down against the approval at the end of the financial year after all the relevant expenditure has been incurred. Members will be aware that the forecast use of reserves can change throughout the year as decisions are made and that the total reserve usage will continue to change up to the year end.

4 Flexible Use of Capital Receipts

- 4.1 Members will recall that at the Council meeting of 27 February 2019, it was approved that up to £3.000m of capital receipts would be used to underpin the revenue budget in line with the flexibilities agreed by Secretary of State for Housing, Communities and Local Government in March 2016.
- 4.1 A number of schemes were identified which met the qualifying expenditure requirements as detailed within the statutory guidance issued by the Ministry of Housing, Communities and Local Government (MHCLG). To date, each scheme is forecast to achieve the required outcomes with costs anticipated to be slightly lower than projected however still within the approved £3.000m.

5 Conclusion

- 5.1 The current projected position, after adjustment for reserves, is an overall corporate overspend with the forecast over spending within People and Place, Community Services and Adult Social Care and the Children's Services portfolios all being a cause for concern. As outlined at paragraphs 2.10 to 2.12, management action is being taken to control expenditure in all areas, particularly those that are not subject to demand changes, in order to offset expenditure over which the Council has little control. Although there has been improvement since the quarter 1 position, it is anticipated that the Month 8 financial monitoring report will further reflect the outcome of such activities and show an improved financial forecast for 2019/20.
- 5.2 In relation to demand led pressures; work, in the form of mitigations and alternative delivery solutions is on-going, there will, however, be an inevitable lead in time for these benefits to be realised. The implications arising from the 2019/20 in year position will be factored into financial planning estimates for 2020/21 and future years as appropriate.

APPENDIX 1
Planned Use of Reserves 2019/20 - Quarter 2

Reserve Name	Balance as at 01 April 2019 £000	Forecast use 2019/20 £000	Anticipated Closing Balance 31 March 2020 £000	Reason for Use of Reserve
Earmarked Reserves				
Integrated Working Reserve				
Strategic Planning and Information	(40)	16	(24)	Supports delivery of Local plan taking into account the Greater Manchester Spatial Framework, as agreed in January 2017
Transformation Reserve				
Transformation	(2,971)	589	(2,383)	Helps to deliver various Transformation projects across the council
Resident First	(180)	180	0	To provide funding to facilitate the Digital by Design project 2019/20
Public Health	(436)	208	(228)	To offset pressures within the Public Health Service.
Regeneration Reserve				
Town Centre Masterplan	(3,147)	500	(2,647)	Costs associated with progressing the Town Centre Vision
Alexandra Park Depot Site Project	(300)	300	0	Costs associated with the development of a new Depot at Alexandra Park
Council Initiatives Reserve				
Green Dividend Ambassador	(67)	24	(43)	To fund the Green Dividend Ambassador costs in 2019/20
Learning & Attainment Reserve	(737)	250	(487)	Oldham Education Skills Commission Expected Activity in year
Local Welfare Provision	(731)	100	(631)	To fund costs incurred for the Local Welfare Provision scheme 2019/20
Leadership Priorities	(300)	180	(120)	As agreed by at Cabinet at its meeting of 20 August 2018 to fund revenue costs relating to the Street cleaning initiative in 2019/20
Chadderton Historical Society	(20)	20	0	Reserves to support Chadderton Historical Society
Career Advancement Service	(81)	81	0	Career Advancement Service
Northern Roots	(555)	245	(310)	Supporting the initial costs for Northern roots
Emergency and External Events Reserve				
Emergency Incident, Threat or Hazard	(250)	40	(210)	Emergency repairs; Denshaw
Fiscal Mitigation Reserve				
District Partnership Excess	0	(224)	(224)	As agreed at Annual Council on 22 May 2019, £0.224m of uncommitted funds from the District Partnership Reserve to be re-prioritised for priority Council initiatives
Business Rates	(1,753)	1,619	(134)	Payment to Greater Manchester Combined Authority with regard to their share of the 100% Business Rate Retention Pilot Scheme for 2018/19.
Directorate Reserve				
Catering Services IT	(25)	25	0	To fund implementation of new IT system within catering service
Fixed Assets - Land Registry	(65)	0	(65)	To fund the Voluntary Registration team to record Council land with the Land Registry Agency
Highways / Environmental Services	(283)	43	(240)	Annual payment to CAMEO to support the upgrade of cremators with mercury abatement equipment
Adult Social Care Reserve	(781)	781	0	To support pressures within the adults community care budgets and contractual obligations re pay awards within Miocare.
Registrars Reserve	(15)	15	0	To create a storage room for data sensitive registration records in the cellar at Chadderton Town Hall
Legal Fees re CWD Team	(8)	8	0	Complaints for independent investigations
Balancing Budget Reserve				
Housing 21 Budget Reduction	(250)	250	0	As agreed by Council 27 February 2019, £8.818m of Earmarked Reserves to be used to balance the 2019/20 revenue budget
Corporate Reserve to balance budget	(3,890)	3,890	0	
Waste Smoothing	(157)	157	0	
Business Rates Return on Growth	(1,825)	1,825	0	
Business Rates Retention - National Levy Account 2018/19 Surplus	(978)	978	0	
Business Rates 2018/19 Pilot Scheme Gain	(1,218)	1,218	0	
Business Rates Retention Pilot	(500)	500	0	
District Partnership Reserve				
District Partnership carry forwards	(733)	224	(509)	Reserve to be re-prioritised for priority Council initiatives
Total Planned use of Earmarked Reserves 2019/20	(22,296)	14,041	(8,255)	
Revenue Grant Reserves				
High Needs Strategic Planning	(11)	11	0	To support various SEND Activities throughout 2019/20
SEND Reform / Implementation	(147)	147	0	To support various SEND Activities throughout 2019/20
Pocket Park Funding	(10)	10	0	To fund works at Lees Street in Shaw
High Street Clean Up Fund	(32)	32	0	To fund clean up activities within communities in Oldham
GMCA Targeted - Children's Review	(500)	138	(363)	Implementation supports costs towards GM Stockport family model
Tackling Troubled Families	(1,407)	131	(1,276)	Early help support towards delivery; tackling troubled families
Children's Social Care - National Assessment and Accreditation System	(118)	25	(93)	Implementation of the national assessment and accreditation system
Well North Growing Oldham Feeding Ambition funding	(438)	103	(335)	Supporting various feeding projects around the community in Oldham
Total Planned use of Revenue Grant Reserves 2019/20	(2,664)	597	(2,067)	

Appendix 2

Financing of the 2019/20 Budget at Quarter 2		
	£'000	£'000
Net Expenditure Budget		(227,007)
Financed by:		
Business Rates Top-up Grant	(40,653)	
Grants in Lieu of Business Rates	(10,503)	
Improved Better Care Fund Grant – 2015 Allocation	(8,150)	
Improved Better Care Fund Grant – 2017 Allocation	(1,586)	
Independent Living Fund Grant	(2,580)	
Adult Social Care Support Grant	(1,917)	
Winter Resilience Grant	(1,122)	
Housing Benefit & Council Tax Administration Grant	(1,121)	
New Homes Bonus Grant	(961)	
School Improvement Monitoring & Brokerage Grant	(104)	
GMCA Mayoral Grant	(693)	
DWP - Implementation of Universal Credit Grant	(68)	
DWP - New Burdens Grant	(104)	
Homelessness Support Grant	(194)	
Homelessness New Burdens Grant	(62)	
Lead Local Flood Authority Grant	(12)	
Extended Rights to Free Travel Grant	(36)	
Staying Put Grant	(63)	
Extended Personal Advisor Duty Implementation Grant	(21)	
Verify Pensions Earnings Service	(39)	
Retail Discounts New Burdens Grant	(9)	
Brexit Preparation Funding Grant	(105)	
Capital Grants	(2,623)	
Total Government Grant Funding		(72,726)
Council Tax Income - General	(85,677)	
Council Tax Income - Adult Social Care Precept	(6,691)	
Collection Fund Surplus	(2,269)	
Retained Business Rates	(50,826)	
Total Locally Generated Income		(145,463)
Total Grant and Income		(218,189)
Balance to be addressed by Use of Reserves		(8,818)
Total Financing		(227,007)

CAPITAL INVESTMENT PROGRAMME REPORT 2019/20

Quarter 2 - September 2019

1 Background

- 1.1 The original capital programme for 2019/20 reflects the priorities outlined in the 2019-2024 Capital Strategy and Capital Programme as approved at Cabinet on 11 February 2019 and confirmed at the Council meeting on the 27 February 2019.
- 1.2 The position as at 30 September 2019 is highlighted in this report but as the year progresses the outturn projections will reflect the evolving position.
- 1.3 For the remainder of the financial year, the programme will continue to be monitored and revised to take account of any new developments and changes in the profile of planned expenditure.

2 Current Position

- 2.1 The approved capital programme summary position for the five years 2019/20 to 2023/24, approved by Council on 27 February 2019 is summarised in Table 1 and shows capital programme expenditure of £84.332m in 2019/20.

Table 1 : Original Budget - Capital Programme 2019/20 to 2023/24

2019/20	2020/21	2021/22	2022/23	2023/24	TOTAL
£000	£000	£000	£000	£000	£000
84,332	77,706	80,785	13,411	5,964	262,198

- 2.2 Table 2 shows the revised capital programme for 2019/20, with revised expenditure of £65.052m as at 30 September 2019. This is after taking account of approved new schemes and other approved and proposed variations including those arising from the recently concluded Annual Review of the Capital programme as discussed below. There is therefore a net decrease of anticipated expenditure in 2019/20 of £12.091m compared to £77.143m reported at Quarter 1.
- 2.3 Actual expenditure to 30 September 2019 was £25.590m (39.34% of forecast outturn). This spending profile is in line with previous years. The position will be kept under review and budgets will be managed in accordance with forecasts.

Annual Review of the Capital Programme

- 2.4 In accordance with previous practice, there was once again a review of the capital programme over the summer months (the Annual Review). This examined any further opportunities to reallocate, decommission or reprofile resources. It also includes an in-depth analysis of capital receipts which may lead to opportunities to increase resource levels to support new projects or provide an alternative to prudential borrowing.

- 2.5 Officers from within the finance team met with project managers and service officers to critically review the 2019/20 and future years capital programme. The annual review highlighted a number of areas where significant reprofiling totalling £12.655m would be required, it also identified areas of realignment and also a project where S106 funding of £0.015m can be removed from the programme. The financial impact of these changes is summarised in table 2 below and detailed within Appendix G.

Table 2 – 2019/20 Capital Programme

Directorate	Revised Budget (M03) £000	Approved Amendments (to M6) £000	Proposed Virement/ Rephase £000	Proposed Annual Review Virement £000	Revised Budget (M06) £000	Forecast £000
Corporate Services	7,544	0	0	292	7,836	7,836
Children's Services	22,576	514	0	(4,204)	18,886	18,886
Community Services & Adult Social Care	2,325	2	0	(303)	2,024	2,024
Housing Revenue Account	2,269	0	0	(415)	1,854	1,854
People and Place	42,278	140	(71)	(7,933)	34,413	34,413
Reform	151	(6)	0	(106)	39	39
Overall Total	77,143	650	(71)	(12,669)	65,052	65,052

(subject to rounding – tolerance +/- £1k)

- 2.6 In addition the Annual Review there are further proposed changes to the programme with a value of £0.071m, the cumulative effect, if approved would reduce the forecast expenditure by £12.740m to £65.052m, a detailed breakdown of the proposed virements/ re-phasing is shown in appendix G.
- 2.7 There remains an element of uncertainty about the forecast position and it is inevitable that this will change in the remaining months; that said the forecasts are based on the latest and most up to date information and give a better picture of the likely outturn. A further breakdown of Table 2 on a scheme by scheme basis is shown in appendices A to F.

Re-profiling of the Capital Programme

- 2.8 The revised capital programme for 2019/20 to 2023/24, taking into account all the above amendments in arriving at the revised forecast position, is shown in Table 3 together with the projected financing profile. Further work will be undertaken to revise the profile for 2020/21 and future years.

Table 3 – 2019/2024 Capital Programme

Directorate Budget	Revised Budget 2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Corporate Services	7,836	6,760	3,575	2,700	1,700
Children's Services	18,886	17,591	10,305	5,000	0
Community Services & Adult Social Care	2,024	1,400	703	400	400
Housing Revenue Account	1,854	2,865	922	800	0
People and Place	34,413	70,756	69,102	7,610	3,864
Reform	39	345	400	0	0
Grand Total	65,052	99,718	85,007	16,510	5,964

Funding	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Grant & Other Contributions	(29,866)	(34,727)	(16,443)	(3,202)	(1,973)
Prudential Borrowing	(19,437)	(51,546)	(50,877)	(5,955)	(42)
Revenue	(1,859)	(5,265)	(5,822)	(800)	0
Capital Receipts	(13,890)	(8,180)	(11,865)	(6,553)	(3,949)
Grand Total	(65,052)	(99,718)	(85,007)	(16,510)	(5,964)

(subject to rounding – tolerance +/- £1k)

- 2.9 The revised Provision for Emerging Priorities for 2019/20 to 2023/24, taking into account all the above amendments, contained within the Corporate Services budget is as follows:

Table 4- Provision for Emerging Priorities

	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Provision for Emerging Priorities	806	4,500	3,576	2,700	1,700

(subject to rounding – tolerance +/- £1k)

Capital Receipts

- 2.10 The capital receipts position as at 30 September 2019 is as follows:

Table 5 – Capital Receipts 2019/20

	£000	£000
Capital Receipts Financing Requirement		13,890
Usable Capital Receipt b/fwd.	0	
Actual received to date	(5,942)	(5,942)
Further Required/(Surplus) in 2019/20		7,948

(subject to rounding – tolerance +/- £1k)

- 2.12 The revised capital programme requires the availability of £13.890m of capital receipts in 2019/20 for financing purposes. The total net usable capital receipts currently received in year is £5.942m, leaving a requirement for an additional £7.948m of capital receipts in the current financial year against which there is an anticipated £8.990m worth of receipts expected to be realised, creating an in-year surplus of £1.042m (as demonstrated in Table 6 below). Given the significant amount of receipts needed to finance the capital programme in the current and

future years it is imperative that the capital receipts/disposal schedule is adhered to. This is monitored at the monthly Capital Receipts meeting and will be subject to ongoing review throughout the year, current projection is that this target will be met.

- 2.13 The Capital Strategy and Capital Programme 2019/24 introduced an expectation of the level of receipts that is anticipated in each of the respective years and therefore an estimate as to the resultant level of over or under programming in order to present a balanced budget. The position as at 30 September 2019 is illustrated in the table below:

Table 6 – Capital Receipts 2019/24

Capital Receipts	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Capital Receipts Carried Forward	-	(1,042)	(1,399)	4,634	11,154
Estimated Capital Receipts	(8,990)	(8,536)	(5,832)	(33)	(250)
Received in year	(5,942)				
Total Receipts	(14,932)	(9,578)	(7,231)	4,601	10,904
Capital Receipts Financing Requirement	13,890	8,179	11,865	6,553	3,949
Over/(Under) programming	(1,042)	(1,399)	4,634	11,154	14,853

(subject to rounding – tolerance +/- £1k)

- 2.14 The most recent projections are for there to be a surplus in 2019/20 and 2020/21, however, the last three years of the programme shows a deficit in resources. Until a thorough review of the asset disposal programme has taken place, it is prudent to retain the current programme. The capital receipt available in future years will be reviewed and updated as part of the Capital Strategy 2020/21 to 2024/25.

3 **Conclusion**

- 3.1 Whilst the current projected position is showing the outturn to match budget, early indications are that there is likely to be some rephasing across all years to reflect the current developments of individual projects/schemes.
- 3.2 The capital programme is being continually monitored and is reported to Members on a regular basis.

4 **Appendices**

- 4.1 Appendix A - SUMMARY – Quarter 2 – Corporate Services
 Appendix B - SUMMARY – Quarter 2 - Children’s Services
 Appendix C - SUMMARY – Quarter 2 - Community Services & Adult Social Care
 Appendix D - SUMMARY – Quarter 2 - Housing Revenue Account (HRA)
 Appendix E - SUMMARY – Quarter 2 - People and Place
 Appendix F - SUMMARY – Quarter 2 - Reform
 Appendix G - SUMMARY – Quarter 2 - Proposed Variations

SUMMARY – Quarter 2 – Corporate Services

Service area	Revised Budget (M03) £000	Approved Changes /Virements £000	Proposed Virement £000	Proposed Annual Review Virement £000	Revised Budget (M06) £000	Forecast £000
Corporate	7,544	0	0	292	7,836	7,836
	7,544	0	0	292	7,836	7,836

(subject to rounding – tolerance +/- £1k)

Major Variances Commentary

No additional variances to report

SUMMARY – Quarter 2 - Children's Services

Service area	Revised Budget (M03) £000	Approved Changes/ Virements £000	Proposed Virement £000	Proposed Annual Review Virement £000	Revised Budget (M06) £000	Forecast £000
Children, Young People & Families	623	0	0	0	623	623
Schools – General Provision	3,777	(127)	0	(423)	3,227	3,227
Schools – Primary	4,879	341	0	(2,464)	2,756	2,756
Schools – Secondary	11,408	0	0	(635)	10,773	10,773
Schools – Special	1,889	300	0	(682)	1,507	1,507
	22,576	514	0	(4,204)	18,886	18,886

(subject to rounding – tolerance +/- £1k)

Major Variances Commentary

No additional variances to report

SUMMARY – Quarter 2 - Community Services & Adult Social Care

Service area	Revised Budget (M03) £000	Approved Changes/ Virements £000	Proposed Virement £000	Proposed Annual Review Virement £000	Revised Budget (M06) £000	Forecast £000
Adult Services	2,325	2	0	(303)	2,024	2,024
	2,325	2	0	(303)	2,024	2,024

(subject to rounding – tolerance +/- £1k)

Major Variances Commentary

No additional variances to report

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SUMMARY – Quarter 2 - Housing Revenue Account (HRA)

Service area	Revised Budget (M03) £000	Approved Changes/ Virements £000	Proposed Virement £000	Proposed Annual Review Virement £000	Revised Budget (M06) £000	Forecast £000
Housing Revenue Account	2,269	0	0	(415)	1,854	1,854
Reform Total	2,269	0	0	(415)	1,854	1,854

(subject to rounding – tolerance +/- £1k)

Major Variances Commentary

No additional variances to report

SUMMARY – Quarter 2 - People and Place

Service area	Revised Budget (M03) £000	Approved Changes/ Virements £000	Proposed Virement £000	Proposed Annual Review Virement £000	Revised Budget (M06) £000	Forecast £000
Asset Management	3,508	0	0	(149)	3,359	3,359
Asset Mgt - Education Premises	2,617	0	0	(577)	2,040	2,040
Boroughwide Developments	1,336	0	(4)	0	1,332	1,332
Development	448	0	0	0	448	448
District Partnership – Boroughwide	63	7	0	0	70	70
Environment - Countryside	222	0	0	0	222	222
Environment - Parks	26	0	0	0	26	26
IT	5,350	0	0	0	5,350	5,350
Parks & Playing Fields	23	0	0	(15)	8	8
Private Housing - HMRF	250	0	0	0	250	250
Private Housing	2,000	0	0	0	2,000	2,000
Public Realm	233	0	0	0	233	233
Strategic Acquisitions	4,291	0	0	(795)	3,496	3,496
Town Centre Developments	3,162	0	(155)	(2,154)	853	853
Transport - Accident Reduction	453	0	0	(120)	333	333
Transport - Bridges & Structures	2,106	133	0	(979)	1,260	1,260
Transport - Fleet Management	3,662	0	0	(431)	3,231	3,231
Transport - Highway Major Works/ Drainage schemes	8,414	0	12	(2,230)	6,196	6,196
Transport - Metrolink	155	0	0	0	155	155
Transport - Minor Works	1,154	0	0	(475)	679	679
Transport - Miscellaneous	2,779	0	76	(8)	2,847	2,847
Transport - Street Lighting	25	0	0	0	25	25
	42,278	140	(71)	(7,933)	34,413	34,413

(subject to rounding – tolerance +/- £1k)

SUMMARY – Quarter 2 - People and Place Cont'd**Major Variances Commentary**

No additional variances to report

SUMMARY – Quarter 2 - Reform

Service area	Revised Budget (M03) £000	Approved Changes/ Virements £000	Proposed Virement £000	Proposed Annual Review Virement £000	Revised Budget (M06) £000	Forecast £000
District Investment Fund	151	(6)	0	(106)	39	39
	151	(6)	0	(106)	39	39

(subject to rounding – tolerance +/- £1k)

Major Variances Commentary

No additional variances to report

SUMMARY – Quarter 2 - Proposed Variations

Portfolio / Service / Cost Centre	2019/20	2020/21	2021/22	2022/23	TOTAL	Proposed Action
Corporate Services						
Funding for Emerging Priorities	292,085.40				292,085.40	Realigned from other services
Corporate Services Total	292,085.40				292,085.40	
Children's Services						
Clarksfield Primary (Oasis Academy) Expansion	(1,500,000.00)	1,500,000.00			-	Rephase to future years
Schools Dedicated Capital Fund (DFC)	(595,810.00)	595,810.00			-	Rephase to future years
Kingfisher School Expansion of PAN and Hydro Pool Replacement	(669,676.54)	669,676.54			-	Rephase to future years
Mayfield Academy Expansion	(500,000.00)	500,000.00			-	Rephase to future years
North Chadderton School Expansion	(324,713.98)	324,713.98			-	Rephase to future years
Oasis Academy - Additional 2FE	(246,935.93)	246,935.93			-	Rephase to future years
Boyton & Crompton Sec School (OCL) - Full Astro – pitch replacement.	(14,044.89)	14,044.89			-	Rephase to future years
Boyton & Crompton Secondary - Mechanical, Electrical and Roofing works - Essential Condition Works	(330,962.60)	330,962.60			-	Rephase to future years
SEND - Special Provision Capital Fund (SPCF) General Provision 2018-2021	(130,333.00)	130,333.00			-	Rephase to future years
Suitability in Schools	(37,601.62)	37,601.62			-	Rephase to future years
Saddleworth School New Build	457,000.00	(457,000.00)			-	Budget Acceleration
Realign to Basic Need Provision						
Education Basic Need General Provision		172,919.75			172,919.75	
New Secondary 'Free' School	(42,911.00)				(42,911.00)	Funds not required realigned to Basic Need General Provision, as projects have been completed
School Places - Oasis Limeside / Oasis Academy- internals, classrooms, kitchen & dining	(62,669.33)				(62,669.33)	
University Technical College (UTC) Upgrade	(10,530.33)				(10,530.33)	
School Places - New 3FE Build Primary School- former Grange school site	(56,809.09)				(56,809.09)	

Portfolio / Service / Cost Centre	2019/20	2020/21	2021/22	2022/23	TOTAL	Proposed Action
Surplus Resources						
School Places - New 3FE Build Primary School- former Grange school site	(39,301.69)				(39,301.69)	Budget realigned to Funds for Emerging Priorities.
Targeted Basic Need - Expansion of 4 Schools	(96,092.33)				(96,092.33)	
Targeted Basic Need - New Special Academy - Hollinwood Academy	(2,339.99)				(2,339.99)	
Children's Services Total	(4,203,732.32)	4,065,998.31	-	-	(137,734.01)	
Community Services & Adult Social Care						
Social Care- General Provision	(303,087.79)	-	303,087.79		-	Rephase to future years
Community Services & Adult Social Care Total	(303,087.79)	-	303,087.79		-	
Housing Revenue Account						
HRA Capital Strategy	(415,001.00)	415,001.00			-	Rephase to future years
Housing Revenue Account Total	(415,001.00)	415,001.00	0	0	-	
People and Place						
A62 Manchester Rd Drury Ln/Spencer St Northbound	(4,833.21)	-	-	-	(4,833.21)	Realign to Gen. Provision
Northshire Street Connectivity (LGR2)	(2,698.40)	-	-	-	(2,698.40)	Realign to Gen. Provision
HE - Tactile paving - various locations A663	(3,940.19)	-	-	-	(3,940.19)	Realign to Gen. Provision
Eastern Gateway Improvements (Prince's Gate)	(8,224.81)	-	-	-	(8,224.81)	Realign to Gen. Provision
Transport Investment General Provision	19,696.61	-	-	-	19,696.61	Realign from 4 transport schemes above
Cycling / Walking Improvement Schemes	(55,000.00)	-	-	-	(55,000.00)	Realign within Service
Acorn Street, Lees	55,000.00	-	-	-	55,000.00	Realign within Service
Eastern Gateway Improvements (Prince's Gate)	(147,342.34)	-	-	-	(147,342.34)	Reduction in Grant
Flood Defence: Churchyards Dobcross	76,000.00	-	-	-	76,000.00	New Grant Funding
2019/20 HIP Schemes - Amber	(500,000.00)	500,000.00			-	Rephase to future years
2019/20 HIP Schemes - Red	(300,000.00)	300,000.00			-	Rephase to future years
A6104 Hollins Road Corridor Improvements	(95,000.00)	95,000.00			-	Rephase to future years
Chadderton Town Hall Toilet Refurbishment	(78,651.18)	78,651.18			-	Rephase to future years
BR 224 Rhodes Hill Culvert, Rhodes Hill Lees	(30,000.00)	30,000.00			-	Rephase to future years
Br 504 Union Street West Footbridge	(192,323.47)	192,323.47			-	Rephase to future years

Bridge Work - King Street Roundabout Footbridge	(659,671.53)	659,671.53			-	Rephase to future years
Portfolio / Service / Cost Centre	2019/20	2020/21	2021/22	2022/23	TOTAL	Proposed Action
Challenge Fund- A62 Oldham Way- A669 Middleton Road Bridge Strengthening	(96,869.76)	96,869.76			-	Rephase to future years
Corridor Improvement Schemes	(40,000.00)	40,000.00			-	Rephase to future years
DfT Safer Roads Fund	(300,000.00)	300,000.00			-	Rephase to future years
Essential Condition Works - General Provision	(500,000.00)	500,000.00			-	Rephase to future years
Fleet Replacement Vehicles 7 years	(431,436.78)	431,436.78			-	Rephase to future years
Mercury Abatement		(992,037.00)	992,037.00		-	Rephase to future years
New Barn changing Rooms - Essential repairs	(70,000.00)	70,000.00			-	Rephase to future years
Oldham Heritage & Arts Centre – Off Site Storage (PoW Units A & B)	(800,000.00)	800,000.00			-	Rephase to future years
Oldham Heritage & Arts Centre – Phase A	(400,000.00)	400,000.00			-	Rephase to future years
Park Road - Kings Road - Woodstock Street Junction Improvements	(130,000.00)	130,000.00			-	Rephase to future years
Pedestrian and vehicle improvements	(77,671.00)	77,671.00			-	Rephase to future years
Pot Hole Funding	(270,000.00)	270,000.00			-	Rephase to future years
Princes Gate Site C	(800,000.00)	800,000.00			-	Rephase to future years
Springhead Primary School - Re-roof	(76,702.76)	76,702.76			-	Rephase to future years
Wellyhole Street - Constantine Street Traffic Calming	(25,000.00)	25,000.00			-	Rephase to future years
Transport Investment Programme	(1,134,974.27)	1,095,942.00			-	Rephase to future years
Realign to Transport Investment Programme						
Transport Investment Programme					(39,032.27)	Realign within Service
A62 Manchester Rd/Drury Ln to Spencer St N'bound	4,833.21				4,833.21	Realign within Service
GD3 - Town Centre Hungers Lane Improvements	1,039.38				1,039.38	Realign within Service
GD3 - Waterloo St Rhodes Bank Traffic Signal	6,750.00				6,750.00	Realign within Service
Growth Deal 3 Match Funding	23,711.28				23,711.28	Realign within Service
Yorkshire Street Connectivity (LGR2)	2,698.40				2,698.40	Realign within Service
Provision not Required						
Incline Rd Hollinwood - Install new play equipment	(14,790.35)				(14,790.35)	Budget not required S106 – remove from the capital programme

Portfolio / Service / Cost Centre	2019/20	2020/21	2021/22	2022/23	TOTAL	Proposed Action
Surplus Resources						
Creation of Digital Enterprise Hub in Oldham Town Centre	(153,309.39)				(153,309.39)	Budget realigned to Funds for Emerging Priorities.
Creation of Digital Enterprise Hub in Oldham Town Centre	(1,042.00)				(1,042.00)	Budget realigned to Funds for Emerging Priorities.
Strategic Acquisitions- General Provision	(795,005.92)	(204,994.08)	500,000.00	500,000.00	-	Rephase to future years.
Realign to Strategic Acquisition General Provision						
Strategic Acquisitions- General Provision	40,485.39				40,485.39	Funds not required realigned to Strategic Acquisitions General Provision, as projects have been completed
Strategic Acquisitions- 13 Yorkshire Street (Greaves Public House)	(3,665.43)				(3,665.43)	
Strategic Acquisitions- Bank at Mumps	(12,939.62)				(12,939.62)	
Strategic Acquisitions- Land at Rhodes Bank (RSPCA)	(1,000.93)				(1,000.93)	
Strategic Acquisitions- Metropolitan House	(10,459.34)				(10,459.34)	
Strategic Acquisitions- 52 Yorkshire Street (St Mary's)	(12,420.07)				(12,420.07)	
People and Place Total	(8,004,758.48)	5,772,237.40	1,492,037.00	500,000.00	(240,484.08)	
Reform						
DIF - Chadderton District Partnership (3 wards)	(17,500.00)	17,500.00			-	Rephase to future years
DIF - Failsworth District Partnership (3 wards)	(24,500.00)	24,500.00			-	Rephase to future years
DIF - Oldham District Partnership (7 wards)	(31,500.00)	31,500.00			-	Rephase to future years
DIF - Royton District Partnership (2 wards)	(11,878.00)	11,878.00			-	Rephase to future years
DIF - Saddleworth & Lees District Partnership (3 wards)	(6,851.81)	6,851.81			-	Rephase to future years
DIF - Shaw & Crompton District Partnership (2 wards)	(10,536.56)	10,536.56			-	Rephase to future years
DIF- Coalshaw Green MUGA	(3,500.00)	3,500.00			-	Rephase to future years
Reform Total	(106,266.37)	106,266.37	0	0	0	
Grand Total	(12,740,760.56)	10,359,503.08	1,795,124.79	500,000.00	(86,132.69)	

Surplus Resources	2019/20	2020/21	2021/22	2022/23	TOTAL
Grant & Other Contributions - Ringfenced	6,758,936.88	(6,922,163.46)	-	-	(163,226.58)
Prudential Borrowing	3,073,055.63	(1,799,845.09)	(556,361.58)	(500,000.00)	216,848.96
Revenue Contributions	415,001.00	(415,001.00)	-	-	-
Capital Receipts	2,493,767.05	(1,222,493.53)	(1,238,763.21)	-	32,510.31
Grand Total	12,740,760.56	(10,359,503.08)	(1,795,124.79)	(500,000.00)	86,132.69

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Report to Cabinet

SEND Strategy and Development Plan

Portfolio Holder: Cllr Shaid Mushtaq, Cabinet Member for Education and Skills

Officer Contact: Andrew Sutherland, Director of Education, Skills and Early Years

Report Authors: Shirley Woods-Gallagher, AD Education (SEND) and Claire Smith, Executive Nurse NHS Oldham Cares
Ext. 1365

18 November 2019

Purpose of the Report

The purpose of this report is to share both the development and key highlights of Oldham's new SEND strategy and development plan.

Recommendations/Requirement from Cabinet

Cabinet is recommended to endorse and approve both the mission and outcomes of the strategy and development plan and to consider using the approach used to develop these to be applied to other strategies and plans being developed in Oldham.

SEND strategy and development plan

1 Background

- 1.1 Following the Ofsted/CQC Inspection of Oldham's effectiveness in identifying and meeting the needs of children and young people who have Special Educational Needs and/or Disabilities (SEND) in October 2017, the local SEND Partnership has co-produced a new SEND strategy and development plan for Oldham to follow on from its Written Statement of Action.
- 1.2 As a local partnership, we are driving significant improvement in the services we offer to make a real difference to the lives of Oldham's children and young people with special educational needs and disabilities.
- 1.3 In September 2019 Ofsted/CQC revisited the borough and acknowledged Oldham's improvement journey and the positive changes made since 2017 in terms of provision for children and young people with SEND. The significant improvements in governance, leadership and processes/practice around SEND, and the joint working with parents/carers and children/young people to develop and embed changes were commended. The outcomes of the revisit will be formally communicated in due course.

2 Current Position

- 2.1 The Oldham SEND Partnership is at the final stage of formalising its new co-produced SEND strategy and development plan. The Partnership has held consultation and engagement sessions with parents, carers, young people, partners and staff within and outside SEND services. There were also a series of stakeholder engagement events which helped to shape both the SEND strategy and development plan (2019-22).
- 2.2 During September and October 2019, draft versions of the SEND strategy and development plan (2019-22) were presented and consulted upon with the following:
 - SEND Management Group
 - SEND Partnership Board
 - Primary/Secondary Headteachers and the SENCOs Forums
 - Early Years Managers Forum
 - Barrier Breakers
 - Health and Wellbeing Board
 - POINT Parent Carer Forum
 - Overview and Scrutiny Board
- 2.3 The final version of both the SEND strategy and development plan are appended to this report for Cabinet consideration and approval.
- 2.4 The SEND strategy reflects Oldham's ambition 'to be a place where children and young people thrive'. The mission of the SEND strategy is that: 'We want all our

children and young people with special educational needs and disabilities (SEND) to achieve well in their early years, at school and in further education; find employment; lead happy, healthy and fulfilled lives and have choice and control over their support'. We believe that all children and young people should be:

- Able to be educated in the borough where they live
- Able to access opportunities that prepare them to be successful in life, learning and work
- Able to access appropriate high-quality support to build their emotional resilience and improve their health and wellbeing
- Safe and happy when taking part in all experiences
- Listened to and actively involved in decisions that affect their lives and communities

2.5 The key outcomes of the SEND strategy have shaped and directed the local partnership's development plan which focuses on the following key priorities for improvement:

- Every child and young person is a confident communicator
- Every learning setting is inclusive
- Every young person is ready for adulthood
- Every child and young person is a part of their community

3 Data and Intelligence

3.1 In addition to the extensive engagement, quantitative data and intelligence has also been used to inform the strategy. This has been derived from the SEND Joint Strategic Needs Assessment (JSNA) which is available on the Local Offer for further information if required.

3.2 Qualitative intelligence for the JSNA was gathered using co-production methodologies with parents and carers, children and young people, SENCOs, headteachers, SEND staff in the local authority, health providers, health commissioners, adult social care, children's social care, early years and post 16 providers. This process further ensured that all views were considered within the evaluative process.

4 Links to Health and Wellbeing Outcomes

4.1 The SEND strategy and development plan will impact positively on the wider determinants of health and life chances for SEND cohorts both during their childhood and during their preparation for adulthood.

5 Key Issues for Cabinet to Discuss

5.1 Cabinet may wish to discuss the four priorities that have emerged from the SEND strategy, and their relevance to the needs of children and young people with SEND over the next three years.

6 Key Questions for Cabinet to Consider

-
- 6.1 Does the strategy and development plan, when unpacked, cover all the key determinants that will improve the education and health and wellbeing of children and young people with SEND?

7 Next steps

- 7.1 The SEND strategy and development plan will follow on from the Written Statement of Action issued by Ofsted/CQC in October 2017 and drive continuous improvement in SEND across the local partnership from 2019-2022.

8 Appendices

- 8.1 Appendix 1 – Oldham SEND Strategy 2019-22
Appendix 2 – Oldham SEND Development Plan 2019-22

SEND

Oldham SEND Strategy 2019-22

Our approach to build a better future for
children and young people with
special educational needs
and/or disabilities

Foreword

Our ambition is to create an environment for all our children and young people with SEND to be safe, healthy, happy and supported. Our aim is also to generate opportunities for our children and young people with SEND to achieve their potential and have an active voice in the community.

Putting children and young people at the heart of everything we do and helping them thrive in their lives is of paramount importance. To achieve this ambition, we work together with our partners and providers to co-produce high quality policy and practice that brings alive our aspirations.

The Oldham SEND Partnership has now launched its 2019/22 strategy to continue the successful and committed joint-working approach that's already taken place within the borough. This strategy will take us onto the next stage of our journey to ensure we better support all children and young people with special educational needs and disabilities and their families.

This co-produced strategy has been shaped by the local authority, schools, colleges, health providers – and most importantly, parents, carers, children and young people. This integrated input ensures all voices are listened to and we take the best course of action.

By working together in partnership, we will provide the right support at the right time, for all children and young people with SEND across our community and ensure we deliver the very best outcomes based on their needs.

This SEND strategy 2019-22 sets out how we'll achieve our ambition and we commend it to you.



Councillor Shaid Mushtaq

Cabinet Member for
Education & Skills
and Chair of SEND Oldham
Partnership Board



Dr Carolyn Wilkins OBE

Chief Executive, Oldham Council
and Accountable Officer, NHS Oldham CCG

Our vision

Oldham's vision is to be a place where children and young people thrive. We want all our children and young people within the borough to:

- Be safe and supported
- Be as healthy and happy as they can
- Have opportunities to achieve their potential
- Have a voice and be part of a community
- Feel proud and be ready for life

Our mission

We want all our children and young people with special educational needs and disabilities (SEND) to achieve well in their early years, at school and in further education, find employment, lead happy, healthy and fulfilled lives and have choice and control over their support.

We believe that all children and young people should be:

- Able to be educated in the borough where they live
- Able to access opportunities that prepare them to be successful in life, learning and work
- Able to access appropriate high-quality support to build their emotional resilience and improve their health and wellbeing
- Safe and happy when taking part in all experiences
- Listened to and actively involved in decisions that affect their lives and communities

What is the Oldham SEND Partnership?

The Oldham SEND Partnership brings together senior leaders from Oldham Council, NHS Oldham Clinical Commissioning Group, the Parent Carer Forum, all local education settings, and children and young people with Special Educational Needs and Disabilities (SEND).

All of these partners share the common ambition to build a better future for children and young people with SEND and are committed to working together to achieve this.

What are Special Educational Needs and Disabilities?

A child or young person has special educational needs and disabilities if they have a learning difficulty and/or a disability that means they need special health and education support - we shorten this to SEND.

Special Education Needs and Disabilities can affect a child or young person's ability to learn, potentially making it harder for them to benefit from the same education facilities as most children and young people of the same age.

SEND may affect a child or young person's:

- Ability to communicate and interact with others
- Ability to understand or learn at the same pace as others their age
- Reading and writing
- Concentration levels
- Behaviour or ability to socialise, for example they struggle to make friends
- Sensory or physical needs

Not all children with special education needs are disabled and children and young people with a disability do not necessarily have a special educational need (SEN).

Co-production

We believe that working together delivers better outcomes and we need each other to achieve success.

We believe our parents, carers, children and young people should continue to be valued, respected and treated as equal partners.

We are committed to making sure that our children, young people, parents and carers continue to be a part of the decision-making process, not only for their own care and support, but as part of our partnership as we continue to make significant improvements to all services in Oldham.

Oldham's Coproduction Values

Co-production is sensitive to power imbalances, respectful and valuing of all contributions; it demands successful and sustained engagement from all parties and a shared willingness to listen, understand and work towards common goals.

- Equal Partnership**
 - Treat me as an equal.
 - Engage me in all aspects of support planning and delivery.
 - Involve me fully from the start. Include me in decision making.
 - Empower me by supporting my understanding.
 - Respect my right to participate.
 - Embrace my knowledge.
 - Be flexible... My time is as valuable as yours.
 - Know my boundaries and understand of confidentiality.
 - All partners have a clear understanding of levels of engagement.
 - Everyone understands their roles and responsibilities.
- Communicate**
 - Give me the time and information I need to prepare.
 - Inform me of what support is available to enable me to contribute.
 - Choose your language carefully and avoid abbreviations and jargon.
 - Involve me in the planning, design and delivery of support and take my views seriously.
 - Implement, maintain and update support.
 - Keep me involved & informed about outcomes and next steps.
- Be Transparent**
 - No surprises and No shocks.
 - Be open and honest.
 - Keep me updated.
 - Prepare me for meetings. An agenda is always useful.
 - No conversations behind closed doors.
 - Be clear about the level of engagement we are working at.
- Be Accountable**
 - Take ownership.
 - Be clear who is responsible & accountable for actions for actions.
 - Be clear about timeframes.
 - Be honest if something cannot be done.
 - Don't give false hopes.
 - Commit to participation and where things arise have a Plan B.
 - Ensure appropriate people relevant to the conversation are represented.
- Value My Contribution**
 - Give me opportunities to share my skills, knowledge and expertise.
 - I can learn a lot from you. You can learn a lot from me.
 - My opinion counts so allow my voice to be heard in the way that meets my needs.
 - Express my own views appropriately.
 - Create an environment which enables me to engage.

Working together delivers better outcomes. We need each other to achieve success.



You can find out more about local parents' views and experiences [by visiting](#)

www.oldham.gov.uk/sendcasestudies.

What is important to children, young people, parents and carers

We wanted to make sure that the views of children and young people are at the heart of this strategy, so we asked children and young people, parents and carers what is important to them.

Children, young people, parents and carers told us they want:

- All children to be part of their community and develop a sense of belonging
- All children and young people to have the chance to develop friendships with one another
- All learning settings to have a positive culture of respect and acceptance with the opportunity to learn about and celebrate individual differences
- All learning settings to have high expectations of all children and develop their individual strengths and gifts
- Support for parents and carers to allow them to take a joint lead in their child's education and experiences, both in learning settings and in their community
- Parents and carers to feel confident that their opinion is valued by all the professionals involved in their child's care and education

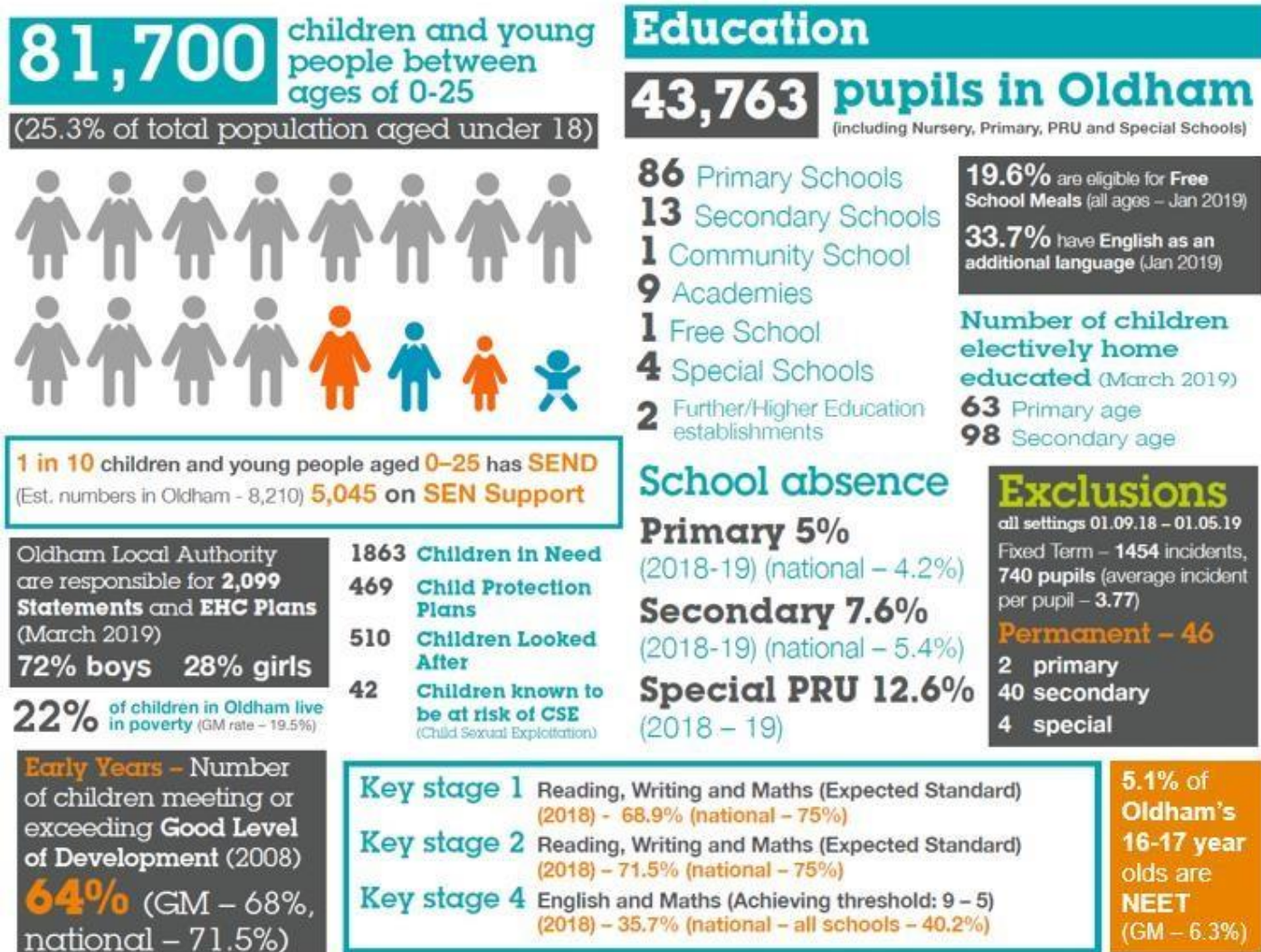
Where we are now

National Policy

The [Children and Families Act 2014](#) made changes to the law to give greater protection to vulnerable children and support strong families. The [SEND Code of Practice 2015](#) relates to Part 3 of the Act and is statutory guidance for health and social care, education and local authorities to make sure that children and young people with SEND are properly supported.

Both the legislation and guidance give children, young people and their parents/carers more say over what support and services are offered in their local area.

Some key local facts



Full details of the Children and Young People's Joint Strategic Needs Assessment (including SEND) can be found [here](#).

How we work together

The Oldham SEND Partnership includes leaders from the council, health, education, housing, police, fire service, leisure, employment, the voluntary and community sector and elected members who are all committed to working together to make Oldham a better place to live. The Partnership also involves parents, carers, children / young people and families via the Parent Carer Forum, Barrier Breakers and the Youth Council.

In our Oldham Plan we describe how we will all work together to make Oldham the best possible place for the people who live here because we believe this is what they deserve.

The Oldham Model is how we believe we can make a difference:



Thriving Communities – we want local people and communities to be healthy, happy and able to make positive choices as well as offering and accessing support when needed

Inclusive Economy – we want Oldham to be a place where everyone has a fair and real chance to improve their own lives so we're working hard to bring money and investment into the borough.

Co-operative Services - we want to have the best public services in Greater Manchester that work together to improve ways of living for our residents

The local partnership explains that model of working through:

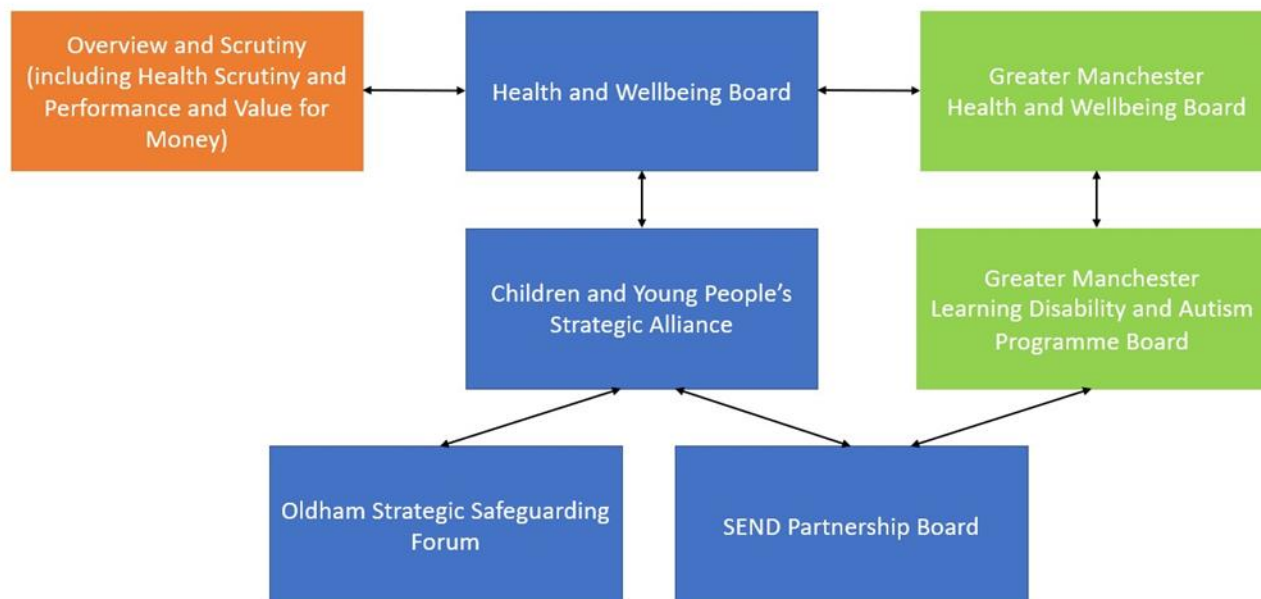
- **#ourbit** - the things we commit to doing in our role as local leaders - not as separate organisations, but working as a team
- **#yourbit** - the things that people living in Oldham do to help deliver the maximum benefit from all our combined actions – because we know that communities who work together are most powerful
- **#result** – what we can achieve when we work together

The aim is to make it easier for everyone to understand how they can play their own part – big or small – in improving things in Oldham.

Our SEND Strategy

- **#ourbit** – to work together to provide a clear vision for our children and young people with Special Education Needs and Disabilities (SEND); hold each other to account for the delivery of our ambition and listen to feedback that is provided by children, young people and their families.
- **#yourbit** – keep informed about what is on offer in Oldham; make the best use of the support and provision available and provide feedback to inform decisions about what is provided for children, young people and families in Oldham.
- **#result** - all our children and young people with Special Educational Needs and Disabilities (SEND) achieve well in their early years, at school and in further education; they find employment, lead happy, healthy and fulfilled lives and have choice and control over their support.

Our governance structure



We have various groups which help us to make sure we are doing what is needed to support children and young people with SEND. These are:

- **Health and Wellbeing Board** brings together representatives from health, social services and the local community to decide what the main public health needs of the local population are and agree how we can all work together to meet them. The Board representatives have a statutory duty to encourage joint working between health and social care to improve the health and wellbeing of people in Oldham. Health and Wellbeing Board has oversight of the local health and care system, including all SEND provision, and is responsible for the local Health and Wellbeing Strategic Plan.
- **Children and Young People's Strategic Alliance** brings together leaders from the main organisations working with children and young people to make sure we achieve our ambition of making Oldham 'a place where children and young people thrive'. The Alliance has overall responsibility for the Children and Young People's system in Oldham and makes sure we are doing what we should to deliver our Children and Young People's Plan.
- **Oldham Strategic Safeguarding Forum** has been developed by Oldham Council, Greater Manchester Police and the Oldham Clinical Commissioning Group to ensure that all children, young people and vulnerable adults in the area get the safeguarding and protection they need. The forum provides leadership and accountability for the prevention and protection from harm and provides a coordinated response to cross-cutting safeguarding concerns. Safeguarding is everyone's business, but the Strategic Safeguarding Forum has a lead responsibility for demonstrating what this means for everybody living and working in Oldham.
- **SEND Partnership Board** oversees the work of professionals, volunteers, service providers and the parent carer forum in Oldham who are involved in SEND. This Board will make sure that we deliver what we set out to do in the SEND Development Plan.

This is supported by embedded processes for co-production with children and young people and their families, a communication and engagement plan and a workforce development plan.

We are also part of the North West SEND Regional Network which enables all us to work in co-production and to support colleagues, partners and wider agencies to improve the life chances, aspirations and outcomes for children and young people with additional needs and disabilities across the North West. More information can be found on the NW SEND network [website](#). Additionally, we are members of the GM SEND Board which enables collaboration across the region on key issues of common importance, such as transport.

Local context

In October 2017, Ofsted/CQC carried out its inspection of the SEND Service. Following the inspection, the local partnership received a Written Statement of Action with five identified priority areas for improvement. Since October 2017, there has been a significant amount of work undertaken to address each of the five priority areas and the local partnership has worked collaboratively to deliver changes in practice and improve outcomes for our children and young people with SEND.

In September 2019, Ofsted/CQC revisited the borough and recognised Oldham's improvement journey and the positive changes made since 2017 in terms of provision for children and young people with SEND. The significant improvements in governance, leadership and processes/practice around SEND and the joint working with parents/carers and children/young people at every stage to develop and embed changes were commended.

Some of the improvements we made include:

- A stronger and more co-productive partnership, where the voice of the child matters
- Education, health, social care and parent carer forum (POINT) working better together to improve the quality of Education, Health and Care (EHC) Plans
- Improved processes so that more children now receive high-quality EHC Plans within statutory timeframes
- Children, young people and their families receive better information and guidance through a transformed and co-produced Local Offer
- Better transport offer
- Support to schools to improve attendance and reduce exclusions
- Improved results in school for most young people, including those with SEND.

Our approach

Local Offer

The Local Offer is an online resource which details services, support and guidance available to children and young people with special educational needs and disabilities (SEND) aged 0-25 and their families.

The Local Offer has been co-produced by children, young people, parents, carers and practitioners working together. Families have been engaged throughout the development of the Local Offer and we are committed to parental engagement and co-production.

We have invested to make sure that our Local Offer is the best it can be, and we are committed to making sure we regularly review provision, keep the information up to date and that we are responsive to local needs and aspirations.

The Local Offer is available on the council website: www.oldham.gov.uk/localoffer

Graduated Response

In Oldham, we operate a Graduated Response model. We recognise that an early response to any causes for concern with early identification and intervention are important to helping children to reach their potential.

Where children and young people are identified as having SEND, educational settings put effective special educational provision in place. This special educational need (SEN) support should take the form of a four-part cycle of 'assess, plan, do, review' - which we call a Graduated Response.

More information on the Graduated Response can be found on the [Local Offer](#).

We expect reasonable adjustments to be made to ensure that most children and young people with special educational needs can access and have their needs met within a mainstream provision. This means they can enjoy the same opportunities as their peers wherever possible and be fully included within their communities.

The Graduated Response is a 'strengths-based' approach, providing different levels of support, dependent on need.

This should ensure there is an understanding of the child or young person's needs; that outcomes are identified to meet these needs and that support is put in place to ensure the children and young people are making good progress towards those outcomes.

As part of the Graduated Response, it may be necessary for learning settings to refer to partners for additional assessment and advice. Learning settings and partners will consider the following and make sure that the support put in place meets the child or young person's individual needs for example:

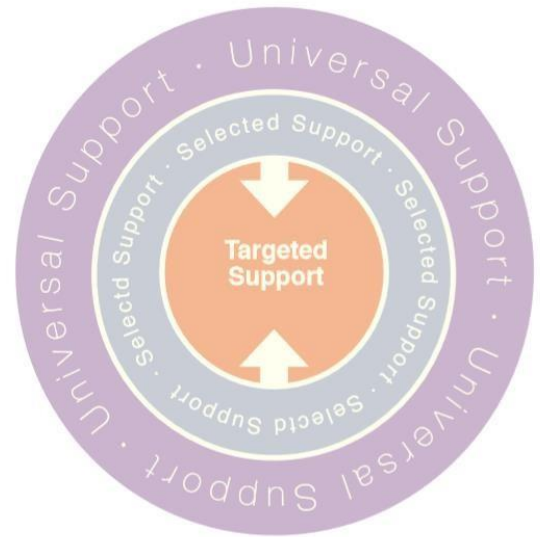
- curriculum and teaching methods;
- behaviour policies and practices;
- interval and lunchtime practices;
- referrals to specialist services for assessment and additional advice, where necessary
- transition at each key stage of their education.

It is important that children and young people and their parents and carers are involved at all stages. To support this, we use a 'person-centred framework'. How a child or young person (or their parent and carer if they are very young) is involved will depend on their personal circumstances, but professionals will listen to what is important **to** them and what is important **for** them and they will work together to agree a personalised care and support plan.

Education, Health and Care (EHC) Plans

If a child or young person's needs cannot be met through the Graduated Response and special educational need (SEN) support, an Education, Health and Care (EHC) Plan may be produced. EHC Plans identify educational, health and social care needs and set out the additional support to meet those needs.

More information on Education, Health and Care (EHC) Plans can be found on the [Local Offer](#).



The Whole School and College Approach to Emotional Health and Mental Wellbeing

The Oldham Whole School and College Approach to Emotional Health and Mental Wellbeing aims to promote positive social, emotional and mental wellbeing for all children and young people.

The framework offers practical guidance to schools and colleges to develop essential knowledge and skills which support mental health and wellbeing interventions and prevent minor problems from escalating into more serious long-term issues. As part of the approach, there is also a specific graduated response to meeting children and young people's emotional health and wellbeing needs. This is designed to help staff recognise if a child or young person requires selected or targeted support to meet their emotional health and wellbeing needs in addition to the universal support already delivered by the school.

More information on the Whole School and College Approach can be found on the Oldham Council [website](#).

Oldham in Action

An example of how our Whole School and College Approach to Emotional Health and Mental Wellbeing works is the successful use of the learning programme “Zippy and Apple’s Friends” at an Oldham primary school with the support of local mental wellbeing advisors.

The learning programme improves children’s emotional literacy, the classroom environment and coping and social skills. It allows children to come together to talk about real life experiences and things that are important to them and feedback from the children has been really positive.

You can watch a video, explaining how “Zippy and Apple’s Friends” is making a difference to children in Oldham [here](#).

Health Services

Much of the health care for children and young people will be delivered through universal and specialist services available in Oldham, which include:

- Primary Care (e.g. GPs)
- Health Visiting
- Family Nurse Partnership
- School Nursing
- Children’s Medical Services
- Children’s Community Nurses
- Children’s Therapies including
 - Occupational therapy
 - Physiotherapy
 - Speech and Language Therapy
 - Nutrition and Dieticians
- Children’s Learning Disabilities Team
- Children and Young People’s Mental Health Services

In addition, a continuing care package may be required when a child or young person has complex health and medical needs that cannot be met by existing universal or specialist services alone. The continuing care process typically comprises three phases: the assessment, the decision-making and the development of a package of care. More information in relation to continuing care for children and young people can be accessed [here](#).

The transition of young people from children’s to adult health services, where appropriate, will be managed by health care providers to ensure that the transition is as smooth as possible.

SEND Service

The SEND Service is composed of several teams providing support to children, young people, families and educational settings on all of the above, but who also provide the following:

- **Intelligence and Commissioning for SEND**
A core team of staff who produce service trackers, performance dashboards, SEND Joint Strategic Needs Assessment, Special School Sufficiency, service level agreements, contracts, automation of processes, data analysis and commissioning
- **SEND Team**
A core team of EHC and SEND Support Officers who process EHC applications and managed Annual Reviews, changes of placements and costs. The team can be contacted at ehcinfo@oldham.gov.uk
- **Educational Psychology**
A core team of educational psychologists who provide consultation, assessment and interventions to promote best outcomes for children and young people with SEND.
- **Quality and Effectiveness Support Team (QUEST)**
A team of Advisory Specialist Teachers and Teaching Assistants who work with SENCOs to support children, young people and staff in mainstream educational settings, schools and academies to improve outcomes for pupils SEND.
- **Sensory and Physical Impairment Team**
A specialist support service for children and young people with a sensory or physical impairment. The team can be contacted on sapss@oldham.gov.uk
- **Home to School Transport Team**
Travel assistance is available for pupils who, because of their special educational needs, disability or mobility difficulties, cannot reasonably be expected to walk to their nearest qualifying school. More information about travel options and how to apply for travel assistance can be found [here](#).

Short breaks

Short breaks as a term can relate to many different services that can be accessed by children and young people with disabilities and their families. It can describe services that anyone can access or those where they can only be accessed following an assessment.

Short breaks provide families with a break from their caring responsibilities, giving parents a chance to unwind, rest or spend time with other children. They can also provide children and young people with disabilities an opportunity to spend time away from their parents, relaxing with friends and having fun.

If you are finding that universal activities (open access for all) are not able to meet the needs of a child or young person, you can contact the Early Help team on 0161 770 7777 to find out if there is additional support available.

More information about Short Breaks can be found on the [Local Offer](#).

Early Help

Early Help services work with families using a family-centred approach to support people to help themselves, understand their strengths and enable them to manage their own lives. It also supports people to identify any areas where they may need additional support.

More information about Early Help and how to make a referral can be found [here](#).

Funding arrangements

We are committed to making sure that we have the right provision and resources to meet all children and young people's needs. We want to make the most effective use of our resources as a partnership and move towards a more consistent approach to joint commissioning.

However, [research](#) by the Local Government Association shows that councils are currently facing a SEND funding gap of almost £500 million in 2018/19. In December 2018, the Government announced much welcomed [additional funding](#), although this will only partially address the gap, which is expected to reach £800 million by 2019/20, and a potential £1.6 billion by 2020/21.

As a result of concerns about the funding allocated, The Department for Education has recently undertaken a [call for evidence](#). They have consulted with local authorities, schools and colleges and any other interested organisations and individuals regarding the funding arrangements for young people with SEND and those who need alternative provision.

We look forward to hearing the findings of the call for evidence and will consider them and any further announcements when agreeing funding for SEND in Oldham.

In addition, Oldham commissioned a deep analysis of its high needs funding block for the borough in 2018-19 from Social Finance. The findings of this commission will be developed by the local partnership with the Schools Forum and will include new ideas for targeted early intervention models.

The current arrangements around funding in Oldham are as follows:

Early Years

Disability Access Fund (DAF)

A lump sum is available for eligible children to aid access to early years places by, for example, supporting providers in making reasonable adjustments to their settings and/or helping with building capacity (either for the child in question or for the benefit of all the children attending the setting).

More details around eligibility and the payment process is available at [Disability Access Fund \(DAF\)](#)

Additional SEND funding

Early Years providers will use a Graduated Approach and provide appropriate activities and support for individual children according to their needs. Some children may have greater difficulties in learning and developing skills and may need SEND support. The provider will use effective strategies and interventions to make a positive impact for most children. However, funding is available for Early Years providers to support those children who need extra funding to make progress.

More information about additional SEND funding, and how to apply, can be found on the [Additional SEND funding webpage on Oldham Council's website](#).

Funding for special educational needs (SEN) in schools

Funding is agreed locally and is given to schools under three main headings:

Element 1: an amount of money for each pupil in the school

Schools get most of their funding based on the total number of pupils in the school. Every pupil in a school attracts an amount of money. The amount varies from one authority to another. There is usually more funding for each pupil in a secondary school than in a primary school.

This is the core budget for each school and it is used to make general provision for all pupils in the school, including pupils with SEN.

Element 2: the school's notional SEN budget

Every school receives an additional amount of money to help make special educational provision to meet children's special educational needs. This is called the 'notional SEN budget'.

The amount in this budget is based on a formula which is agreed between schools and the local authority. The formula usually gives more money to schools that have more children on free school meals and more children who are not doing as well as others in English and maths. This provides a good guide to how many children with SEN a school is likely to have.

A small number of schools may find they have many more children with SEN than expected. This might happen where, for example, a school has a good reputation for teaching children with SEN. Where this does happen, the school can ask the local authority for additional funding.

The government has recommended that schools should use this notional SEN budget to pay for up to £6,000 worth of special educational provision to meet a child's SEN. Most children with SEN need special educational provision that comes to less than £6,000.

Element 3: High needs funding (Top-up funding)

High Needs funding is provided to local authorities through the high needs block of the dedicated schools grant (DSG). Local authorities must spend that funding in line with the associated conditions of the grant, and [School and Early Years Finance \(England\) Regulations](#).

The high needs funding system supports provision for children and young people with SEND from their early years to age 25. High needs funding is also intended to support good quality Alternative Provision (AP) for pre-16 pupils who, because of exclusion, illness or other reasons, cannot receive their education in mainstream or special schools.

The high needs funding block provides local authorities with resources to fund places and to top-up funding for educational setting. It also provides funding for high needs services which are either delivered directly by the authority or under a separate funding agreement with providers.

Element 3 is provided by the local authority for an individual pupil who has a high level of needs and schools are expected to use this funding to make provision for that individual pupil. More information can be found [here](#)

Academies

Academies are funded through the Education Funding Agency, not through the local authority. Academies get the same level of funding for each pupil as local authority schools in the same area; their notional SEND budget is worked out in the same way; they can get top-up funding from the local authority in the same way. Academies do get extra funding, but this is not related to SEND: it is for services that Academies must buy for themselves, services that are provided by the local authority for local authority schools.

Personal Budgets

Children or young people with a special educational need (SEN) or a disability can make a request to receive money from the council in place of services. It's called a 'personal budget'.

A personal budget is used to buy services and support that will help the child or young person live more independently.

A budget is made available if an assessment shows they have:

- social care needs - if they need individual support in their home and outside; or
- health needs - if they have a complex, long-term, or life-limiting condition; or
- educational needs - if they have a greater difficulty in learning than the majority of other children at school or college.

More information is available at: [Personal budgets: paying for services \(SEND\)](#)

Tripartite funding

Tripartite funding may be used in the most complex cases and involves funding from care, health and education settings. The element to be funded by each agency will be determined through a funding panel. However, shared funding arrangements will be considered for all children and young people who have an EHC plan, where this is indicated.

There are some good examples of effective tripartite funding arrangements already in cases where children and young people are in residential, out of borough or independent settings and the costs are shared.

If more children can live at home and attend school within the borough then the money that would otherwise have been spent on care or out of borough placements can be spent in different ways to benefit our children and young people.

What we plan to do

We are developing joint commissioning arrangements to ensure resources are used fairly and effectively to provide maximum impact on outcomes.

We will:

- Continue to use an evidence-based approach to commissioning. We will make the best use of data to ensure that we understand the needs of our children and young people and work together as a partnership to commission provision that meets those needs.
- Regularly review the special educational needs and disability (SEND) funding system in Oldham to ensure resources are appropriately aligned with agreed expectations, and to enable cost-effective preventative work to take place
- Explore opportunities for pooled resources and joint commissioning

What we want to achieve - our priorities

We are now working towards a three- year SEND Development Plan (2019-22). The plan sets out what we will do as a partnership to further improve the SEND offer in Oldham. We have worked with practitioners, the Parents Carer Forum and children and young people to produce it.

We have identified four priority areas that we will focus on:

- 1) Every child and young person is a confident communicator
- 2) Every learning setting is inclusive
- 3) Every young person is ready for adulthood
- 4) Every child and young person is a part of their community

1) Every child and young person is a confident communicator

What do we mean by ‘confident communicator’?

A child or a young person who is a confident communicator can understand and be understood. As well as being able to get their message across, listen and remember what they have been told, a confident communicator also has ‘social communication’ skills. These include using and/or understanding body language, gestures and facial expressions and non-verbal clues and cues such as, changing words and information depending on who they are talking to and considering other’s points of views. It also includes being able to use appropriate language in varying contexts with different people for a number of different reasons. A confident communicator makes the best use of appropriate methods of communicating and assistive technology based on the situation in which they find themselves.

We recognise that parents/carers are often the voice or means of communication for their child and consequently understand the importance of empowering the parent/carer to also be a confident communicator.

Why is it a priority?

Speech, language and communication skills are vital for all children and impact on every aspect of their development. Communication is the foundation of relationships and essential for learning, play and social interaction. Without these skills, children will struggle to manage emotions and make friends, learn and enjoy life. Good communication helps children to achieve their potential at school and beyond.

One in 41 children and young people in Oldham have speech, language and communication needs.

Children and young people with speech, language and communication needs find it hard to have conversations with others because they have difficulty listening, speaking or understanding. They are more likely to underachieve at school, be excluded, be involved in the youth justice system and have mental health difficulties.

More information on why communication is important can be found [here through The Communication Trust](#).

Oldham in Action

Kyra is a young person with visual impairment who has benefitted from the use of technology to help her to communicate with others. Oldham Visual Impairment Team and Kyra's school worked together to find the best technology that worked for Kyra. The school also spoke to other children in the school to raise awareness of Kyra's visual impairment and the reasons why she uses the technology to support her learning. Kyra can now use technology to join in lessons within her school. She has also learned that she can use technology to help her communicate and interact with her peers outside of school. It has allowed her to access learning and reading materials in her own time, and she is now able to read for pleasure.

You can find out more about Kyra's story [here](#).

Where do we want to be?

- Everyone has a clear understanding of the Oldham offer to support Speech, Language and Communication
- There is a consistent approach to meeting Speech, Language and Communication needs in Oldham

How will we get there?

- We will map the full range of services to identify and remove gaps and barriers to access and we will consider the best way to share this information with professionals and residents
- We will actively campaign across the borough using the Local Offer, social media and other means to make sure everyone understands and promotes the crucial importance of good communication, speech and language development by giving practical advice and support for families in all of Oldham's communities
- We will promote key messages around speech, language and communication development and give practical advice and support for families in all of Oldham's communities
- We will develop a Speech, Language and Communication Strategy which sets out Oldham's approach and the pathways for children and young people
- We will develop an approach to make best use of technological advances and promote innovation in all settings by sharing information across the system.

How will we know we've made a difference?

- Children and young people are confident that they are understood and can get their message across to different people in different circumstances.
- There are clear pathways in place which are understood by professionals and families and facilitate children and young people to access the services they need, when they need them.
- Feedback from parents, carers and families confirms they understand what they can do to support their child's speech, language and communication; when it is appropriate to access services and what support is available.
- There is an increased use of Assistive Technology in all settings and a clear directory of options available to families displayed on the Local Offer
- An improvement in early and preventative support for children and young people with Speech, Language and Communication as a primary need
- There is improved feedback from stakeholders in relation to the support and provision for Speech, Language and Communication and the pathways in place

2) Every learning setting is inclusive

What we mean by an 'inclusive learning setting'

"Inclusion is a journey, not a destination" (nasen Advisory Group)

We provide and promote opportunities for children and young people to develop key character traits, so that they are school ready, life ready and work ready

This is our Oldham Pledge. For more information, please visit www.theoldhampledge.co.uk to remove the barriers to learning and participation which can hinder or exclude individual pupils, or groups of pupils.

We make reasonable adjustments and use our best endeavours to allow all children and young people to be included in all aspects of their learning environment.

We consider the impact of our setting's physical environment and how this may affect a child or young person's experiences.

We are appropriately flexible in our application of behaviour and attendance policies for children and young people with SEND.

We take a Quality First Teaching approach for all our children and young people and this continues wherever a child may be on the Graduated Response

Why is it a priority?

Most of the children and young people who live in Oldham attend mainstream educational settings, and around a fifth of them will have additional needs – either throughout their education or at some point during it.

An inclusive learning and teaching approach recognises all children and young people's rights to a learning experience that respects diversity, enables participation, removes barriers and anticipates and considers a variety of learning needs and preference.

We believe that all children and young people should have the opportunity and support to succeed in their education and be able to develop skills, knowledge and attributes to achieve what they want in life.

We also recognise that it is not just a social and ethical responsibility for us to treat all of our children and young people fairly and promote open and respectful environments, but a legal requirement (under the Equality Act 2010) that we take positive steps to promote equality across our partnership.

Oldham in Action

The Hub is a new pathway set up by St Herbert's RC Primary School to better meet the needs of the children with the most acute SEND in school. The Hub is open every morning and accessed by children from Year 1 – Year 6, but children learn in their mainstream class in the afternoons. Provision in the Hub is planned for each child based on their individual needs, social skills and academic ability.

Within the Hub, there is an emphasis on Early Literacy and Maths Skills, Speech and Language, Sensory Needs, Occupational Therapy and Life Skills. The children access weekly cooking lessons, gardening and yoga and have daily sessions in the Sensory Room to help teach and promote self-regulation and a better awareness of their own sensory needs.

Parents, school staff and the children themselves have said that all the children have become more confident and happier in school. This success is not only down to the children being taught in the Hub in mornings, but also because they have been fully integrated and included in their classes in the afternoons. Class Teachers and Hub staff work closely to share targets, expectations, achievements and plans.

Case study:

"In 2016, prior to setting up the hub, school requested advice from an Educational Psychologist (EP) for a child who was then in Year 4, who was working at approximately 22-36 months and was completely disengaged with school and learning. At that point, the EP stated that she had never come across a child who had such a poor opinion of themselves as a learner and until that changed, it would be difficult to engage him in any learning. This child is now in Year 6 and has accessed the hub for the past 16 months. His parents, staff and outside agencies have all commented on his enthusiasm and enjoyment of school. He has said that now he helps other children in the hub, he knows that he is able to learn things. Last week, he requested to sing a solo at the Christmas Carol Concert, in front of an audience of approximately 200 people! This is something that we never thought would happen! We are extremely proud, as are his parents!" (Year 6 boy EHCP)

Where do we want to be?

- There is a whole school and college approach to SEND
- Children and young people enjoy high attainment and achievement
- Children and young people are encouraged to have high school attendance and low levels of exclusion

How will we get there?

- All education settings will develop a flexible curriculum which is strengths based, inclusive and meet the needs of Oldham children and young people.
- The local partnership will work with schools and settings to support staff to better understand SEND aiming to match the degree of knowledge appropriate to the role of the individual.
- All education settings will communicate and publish as appropriate, a provision and support offer for all children and young people, including those with additional needs
- The local partnership will regularly review the special educational needs and disability (SEND) funding system in Oldham to ensure resources are appropriately aligned with agreed expectations, and to enable cost-effective preventative work to take place

- The local partnership will work with Special Educational Needs and Disability Co-ordinators (SENCOs) to further develop networks to share good practice and learning to improve identification and assessment of need and all aspects of inclusive practice
- The local partnership will provide guidance to Governing Bodies (or equivalent) in educational settings to support them to fulfil their 'best endeavours' duty and let them know where to go for support and guidance.
- Schools and settings will implement Quality First Teaching and Learning for all children and young people, with particular attention on children and young people with SEND who require additional support via the graduated response.
- The local partnership will support schools and settings to tackle persistent absence for pupils with SEND through a digital feedback system to share and act upon live data
- The local partnership will support schools and settings to reduce the need for use of fixed term and permanent exclusions for SEND pupils

How will we know we've made a difference?

- All children and young people have positive educational experiences with full access to a curriculum tailored to meet their needs and aspirations
- Children and Young People with SEND have access to the latest assisted technology to support their learning and testing
- More children and young people complete their education in a mainstream setting (at least matching national average)
- More children achieve a Good Level of Development at the Early Years Foundation stage (matching national average)
- Improved rates of academic progress for all children and young people including those with SEND (matching national average)
- Improved school attendance levels for all children and young people and fewer children who are persistently absent from school (at least 1% faster than the national level of improvement year on year)
- Fewer fixed term and permanent exclusions (at least 1% faster than the national level of improvement year on year)
- Growing achievement and progression rates for post 16 students with SEND matching or exceeding mainstream equivalents
- Increased knowledge of SEND and confidence amongst the education workforce about how best to support our children and young people
- Governing Bodies are fully informed about how to meet their 'best endeavour' duty and reduced demand on SEND services.
- More schools and Colleges achieving or maintaining Good or Outstanding Ofsted judgements (matching national average)

3) Every young person is ready for adulthood

What we mean by 'ready for adulthood'

'Ready for adulthood' means being prepared for higher education or paid employment, independent living, having friends and relationships, being part of your community and enjoying good health.

We want all our children and young people to be fully equipped to successfully graduate to adulthood and lead fulfilling lives. Therefore, we believe that preparation for adulthood is everyone's responsibility and should start as early as possible in the life of a young person.

Why is it a priority?

All children and young people want to make friends, have fun, learn, work and have the opportunity to be part of their community. Children and young people with SEND have the same hopes and aspirations as their peers. Their particular needs may result in experiencing barriers to learning skills for life, learning and work.

The SEND Code of Practice records that support for children and young people with SEND should have a focus on preparing them for adulthood. This support should start early and revolve around the child or young person's own aspirations, interests and needs.

We want all children and young people with SEND to experience a seamless transitions process, which builds on high expectations and aspirations.

Oldham in Action

In Oldham, we support our young people to achieve their ambitions. Amin has a goal to set up his own painting and decorating company. He also has severe hearing loss and uses both BSL (British Sign Language) and speech as his means of communication. He embarked on an Entry to Employment Programme, focussing on painting and decorating, at Oldham College. Amin achieved Level 1 and 2 diplomas and won first place in the Greater Manchester College's Construction Trades Skills award in 2017. He has since undertaken a supported internship and is now employed as an apprentice with the Oldham College maintenance team. He is well on his way to achieving his goal.

You can find out more about Amin's story [here](#).

Where do we want to be?

- Our families have high aspirations from an early age
- Our children and young people are prepared for life, learning and work
- Our parents are empowered to promote and support independence

How will we get there?

- We will support all parents to aspire for their children and young people, and themselves
- We will ensure that preparation for adulthood is actively planned for and included in statutory children's individual plans from early years and throughout each stage of transition
- We will work towards a personalised approach to preparing for adulthood and transition
- We will ensure integrated working between children's services and adult services

- We will listen to the aspirations of our children and their families and use this information to commission services and provision which helps them to achieve their goals
- We will ensure all children and young people with additional needs receive good quality, impartial and aspirational careers information, education and advice
- We will provide an Employment Strategy for school leavers with SEND and provide increased opportunities for work tasters, work experience, supported internships and apprenticeships for children & young people with SEND
- We will support local employers to become employers of young people with SEND
- We will ensure that children and young people have the information, knowledge and skills they need to keep themselves safe and healthy.
- We will pay attention to children and young people's emotional well-being and confidence, and actively support them to develop the resilience and life skills needed for successful adulthood
- We will engage with parents and carers to identify what they would find helpful to support their child's preparation for adulthood and independence and will develop and provide practical strategies for parents and carers to use at home

How will we know we've made a difference?

- Children, young people and families have aspirations and clear plans for how to achieve their goals.
- Children and young people have access to services and provision that helps them to achieve their goals.
- Children and young people can see that their views and input have been recognised and used to plan and develop services.
- Children and young people who feel well supported and make informed decisions relating to their education, career and future aspirations
- Children and young people are making well informed decisions to keep themselves happy, safe and healthy
- More children and young people with additional needs moving successfully into employment (at least matching national average)
- More children and young people living independently (at least matching national average)
- Parents and carers who feel confident to support their child's preparation for adulthood and can see the benefit of promoting independence

4) Every child and young person is a part of their community

Our vision for Thriving Communities in Oldham is that people and communities have the power to be healthy, happy and able to make positive choices. We want people and communities to offer and access insightful and responsive support when required. We believe all children and young people should have the opportunity to be part of, contribute to, and benefit from a Thriving Community.

Why is it a priority?

We want children and young people to enjoy growing up in Oldham and to be confident and hopeful about their future.

We want all our children and young people, including those with additional needs, to be proud to belong to Oldham, to feel safe and happy, and to be able to build successful lives here.

The principle of co-production is fundamental to Thriving Communities with our residents enabled, encouraged and engaged to inform, design and support services for the public. This ties with our ambition to ensure that all children and young people have choice and control over their support and our commitment to listen to, and act upon, what our children and young people tell us.

Oldham in Action

Kaleem had a dream to become a football coach. Kaleem attends a unique secondary resource for hearing-impaired students in Oldham. Through his educational communicator, Gemma, Kaleem learned about Little Kickers, sessions that gives children a positive introduction to football in a friendly, pressure-free environment. After Volunteering his services for week and impressing the coaching staff with his determination, skills and overcoming adversity, he was able to secure a job as a football coach.

Find out more about Kaleem's story [here](#).

Where do we want to be?

- There is an exciting, diverse and inclusive offer for children, young people and families in Oldham
- Everybody knows what is available in the community and how they can take part or contribute
- There is improved community awareness of SEND
- There are opportunities for every children and young person to participate and contribute to their community

How will we get there?

- We will create opportunities for learning, play, culture, leisure, sport and work that are inclusive, accessible and fun for all children and young people, including those with SEND
- We will ensure that any offer to children and young people and their families is attractive and inclusive
- We will regularly review pathways and provision to ensure there is a diverse range of options available and that this is advertised widely
- We will explore opportunities to develop an inclusion audit toolkit to be used when considering planning and development proposals that affect the borough's built and green environment
- We will teach and model the core values of equity, inclusion, respect and dignity for all to all children and young people from an early age.

- We will promote and champion the aspirations of children and young people with SEND across Oldham – we will celebrate success and challenge stereotypes.
- We will ensure that children and young people with SEND feel safe from harm and can move confidently around the local area
- We will provide a range of opportunities for children and young people to contribute to their community through participation, volunteering and employment

How will we know we've made a difference?

- There is a wide choice of activities available for children, young people and families, including children and young people with SEND.
- Children and young people report that they feel respected and that they belong to a community, educational setting and enjoy the full range of services across the local partnership.
- There is a positive culture and ethos across Oldham which provides an opportunity to engage, learn about and accept individual differences
- All children and young people are afforded opportunities to develop friendships with one another.
- Children and young people with additional needs reporting that they feel safe, happy and confident to travel
- More children and young people participating and contributing to activities within their local community
- Oldham's built and green environment can be accessed, used and enjoyed by everyone together.

Key Enablers

In order to help us achieve all of the above, we have a number of other key things that will make it possible.

An effective **Graduated Response** is critical to all priorities to ensure that our children and young people's needs are being met in all educational settings. We appreciate that there needs to be consistency in the offer across the borough and all pupils should receive the right support to meet their needs. It is crucial that we identify needs early to enable children to thrive within the community and therefore **early identification and intervention** will also underpin all four priority areas.

We will continue to operate effective **partnership working** across the system to enable seamless processes that are coherent and fluid. The right provision and resources will be in place to meet the needs of our children and young people and we will have increased examples of **integrated commissioning** in order to make **effective use of resources**.

We will have a knowledgeable, flexible and integrated **workforce** who support children and families in a timely manner and to the highest quality.

All the actions for our priorities and the enablers are included in the SEND development plan which is available ([link to Development Plan on Local Offer](#))

Our principles and values

These are the ways we will work together to ensure that we deliver our ambitions for Oldham's children and young people and their families:

- **Child-friendly** – support and learning provision for all our children and young people is appropriate to meet their individual strengths and needs and provision reflects the views, wishes and feelings of the child or young person, and the child's parents
- **Inclusive** – all our children and young people are supported to have access to the same high- quality services, activities and opportunities
- **Co-produced** – all our children, young people, families and the local community are involved in key decisions that affect their lives, and we work together to meet challenges and agree solutions.
- **Evidence based** – we use information known to us to plan our services and make the best use of the resources available to meet the needs of our children and young people.
- **Flexible** - we are innovative and creative in how we commission and provide support to meet the needs of each individual child or young person.
- **Working together** – all our services work together in a collaborative environment effectively to 'do their bit'. This means our children, young people and families receive the support they require at the point of need and only have to tell their story once
- **Place-based** – children, young people and families feel a part of their local community and, wherever possible and appropriate, access support where they live.

How will we know if we are successful?

Measuring success

We will know we have made a difference if we have made a positive impact on the lives of our children and young people.

We will use the following information to let us know how we are performing, what is working well and where we need to continue to make improvements.

- Feedback from children, young people and their families experiencing change
- Feedback from stakeholders experiencing or observing change
- Feedback from regulatory and public bodies, such as Ofsted, CQC and Department for Education.
- Performance measures – SEND Dashboard
- Qualitative measures – Multi-agency audits

Reviewing our progress

We will follow a Plan-Lead-Deliver-Evaluate cycle and all of the above information will be used to track and review our progress.

Progress against the strategy and SEND development plan will be monitored on a termly basis via the SEND Partnership Board. Regular updates will be provided to the Children and Young People's Strategic Partnership Board which will feed back to Health and Wellbeing Board. An annual report will be published outlining the progress that has been made.

The priorities will be reviewed and the strategy will be refreshed in three years' time as we move to the next stage of our improvement journey around SEND in Oldham.

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SEND

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Oldham SEND Development Plan 2019-22

Introduction

The Oldham SEND Partnership has the highest ambitions for our children and young people with Special Educational Needs and/or Disabilities (SEND). We want Oldham to be a place where all children and young people thrive and live a happy and healthy life.

Since the SEND Inspection in October 2017, there has been a significant amount of work undertaken to address each of the five priority areas in the Written Statement of Action and the local partnership has worked collaboratively to deliver changes in practice and improve outcomes for our children and young people with SEND.

In September 2019 Ofsted/CQC revisited the Oldham SEND Partnership and recognised Oldham's improvement journey and the positive changes made since 2017. As such, it noted that there had been good progress made over the past 2 years and outcomes are improving for our children and young people. We want to build on these successes and continue to deliver a seamless, high quality service, underpinned by a methodology and culture of continuous improvement.

This SEND Development Plan sets out 4 priority areas taken from the Oldham SEND Strategy 2019-22 and describes the actions to be taken for the priorities to be achieved. There has been a series of stakeholder engagement events which have helped shape both the SEND Development Plan and the SEND Strategy. The principles of the local partnership working as an integrated entity and sharing equal accountability are core to the whole process for delivery of this Plan.

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Our principles and values

These are the ways we work together to ensure the delivery of our ambitions for Oldham's children and young people and their families:

- **Child-friendly** – support and learning provision for all our children and young people is appropriate to meet their individual strengths and needs and provision reflects the views, wishes and feelings of the child or young person, and the child's parents
- **Inclusive** – all our children and young people are supported to have access to the same high-quality services, activities and opportunities
- **Co-produced** – all our children, young people, families and the local community are involved in key decisions that affect their lives, and we work together to meet challenges and agree solutions.
- **Evidence based** – we use information known to us to plan our services and make the best use of the resources available to meet the needs of our children and young people.
- **Flexible** – we are innovative and creative in how we commission and provide support to meet the needs of each individual child or young person.
- **Working together** – all our services work together in a collaborative environment effectively to 'do their bit'. This means our children, young people and families receive the support they require at the point of need and only have to tell their story once
- **Place-based** – children, young people and families feel a part of their local community and, wherever possible and appropriate, access support where they live.

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Key Enablers

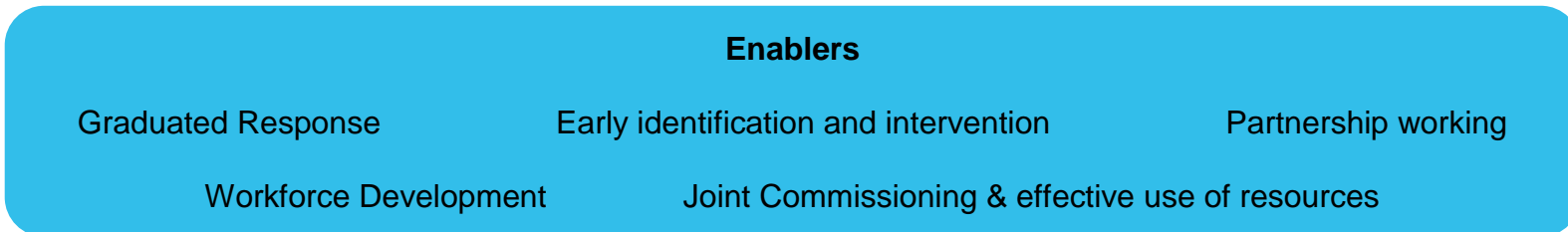
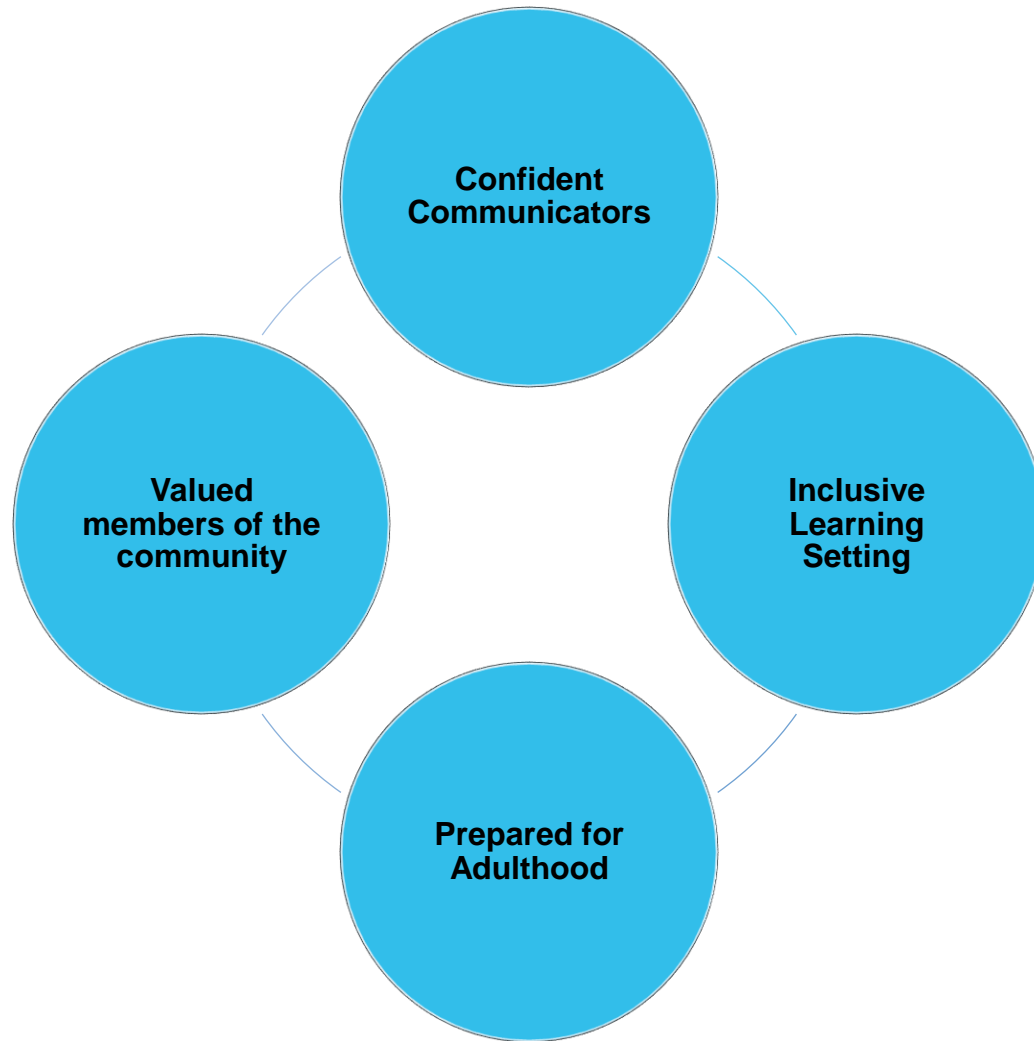
An effective **Graduated Response** is woven into all priorities to ensure our children and young people's needs are being met in all educational settings. We aim for consistency in the SEND offer across the borough and all pupils must receive the right support to meet their needs. Early intervention and identification of need enables children to thrive within the community and underpins all four priority areas.

We will continue to operate effective local **partnership working** across the system to enable better processes which are integrated and demonstrate the benefit of an economy of scale. The right provision and resources must be in place to meet the needs of our children and young people and **joint commissioning** will continue to facilitate **effective use of resources**.

We will have a knowledgeable, flexible and integrated **workforce** who support children and families in a timely manner and deliver services of the highest quality.

Priority Areas and Key Enablers

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Making a difference to all stakeholders

Oldham and its partners are committed to making a difference to the lives of its children and young people. To deliver on this aspiration, it is essential to ensure the Oldham SEND Partnership have a shared understanding of what good looks like.

We have captured in the section below what this difference will look like for children, young people and their families. We have described how this will be measured, and how we will know we have made a difference.

What does 'making a difference' look like?	
Child	Children are safer and will be helped earlier through effective early intervention activity. Children will have their voice heard. We will carry out audits to ensure that this is happening. We will ask children and young people with Special Education Needs and/or Disabilities (SEND) for their direct feedback and engage them in shaping services. We will monitor engagement of children and young people in their assessments, their participation in reviews and the timeliness in which we see them.
Parents and Carers	We will work with parents to build their confidence and capacity to enable the best possible outcomes for their children. Parents and carers will have the confidence to know that their views are valued and taken seriously and will be able to share their aspirations for their children and young people.
Our partners	All professionals and partner agencies in Oldham will know how they contribute to services for children and young people with SEND, particularly in relation to prevention and early help. Together we will establish new ways of working together to support and safeguard children and young people.
Workforce	All professionals working with children and young people with SEND will be confident, well trained and supported to achieve the best possible outcomes for children and young people. They will receive effective support and guidance and we will monitor this through surveys and auditing.
Front line managers	Front line managers will provide effective management oversight and opportunities for reflective practice which contribute to better outcomes for children and young people with SEND.
Senior Leaders	Senior Leaders across the local partnership will drive change to improve services and visibility to staff. They will ensure the appropriate governance is in place and performance is regularly monitored and that improvements are having a positive impact. They will develop effective relationships with all partners to ensure the system works effectively for children and young people with SEND.
Elected Members	Elected Members will hold Leaders to account. They will have confidence in the workforce to deliver a safe and consistent service.

Governance Structure

The four priorities will be given oversight by a range of Task and Finish Groups, overseen by the SEND Partnership Board.

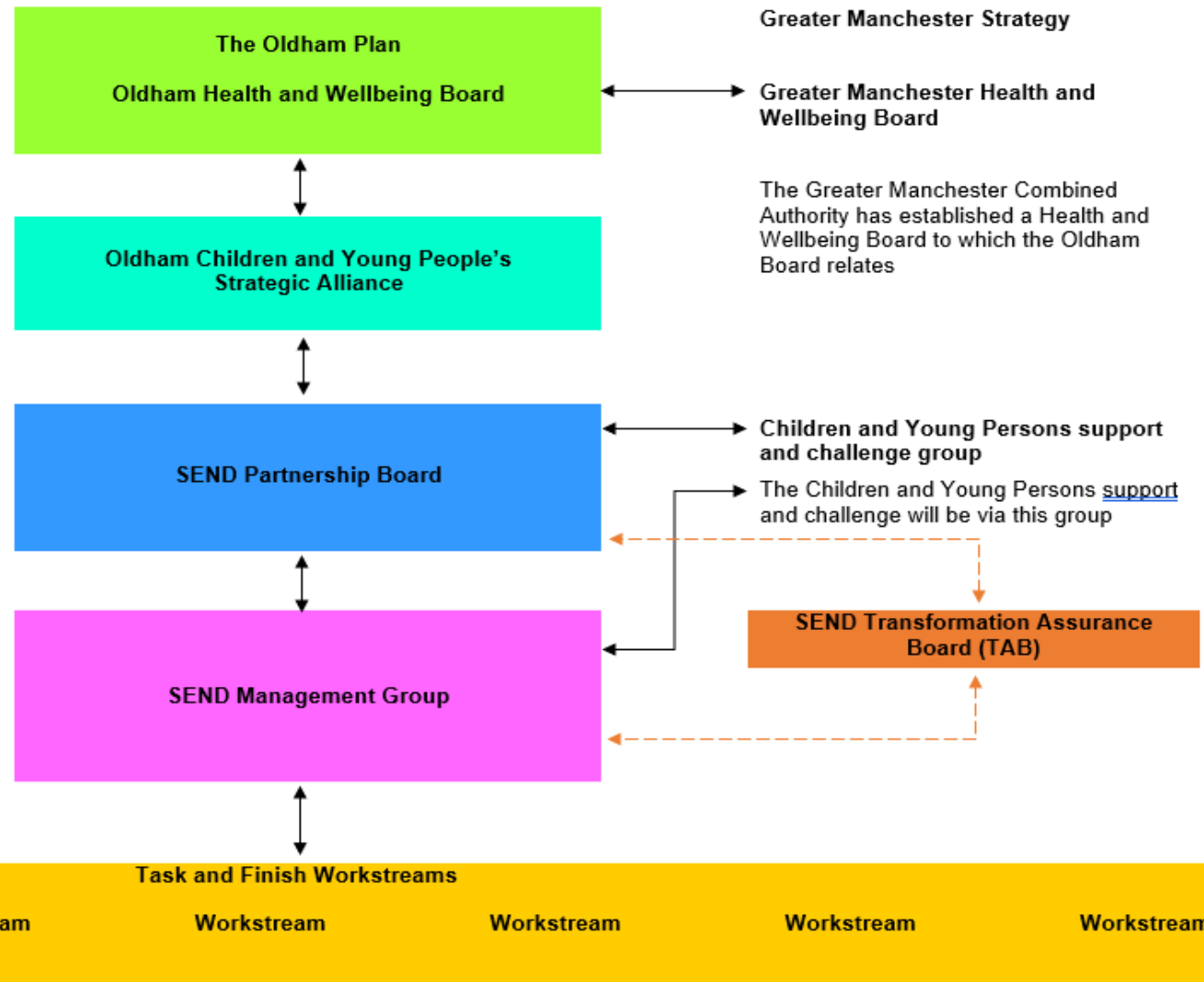
Governance Structure

The Oldham Health and Wellbeing Board is the Statutory Board overseeing the delivery of SEND in Oldham

The Oldham Children and Young People's Strategic Alliance, reporting to the Health and Wellbeing Board leads on Children's Strategy and joint commissioning

The SEND Partnership Board, reporting to the Children and Young People's Strategic Alliance and chaired by the Lead Member will have direct oversight of the SEND Development Plan.

The SEND Management Group, reports to the SEND Partnership Board and will direct and hold to account the work of the Task and Finish Workstreams.



Priority Areas



Priority 1: Confident Communicators

Objective 1.1 to create change: Everyone has a clear understanding of the Oldham offer around Speech, Language and Communication

Actions	Lead	Timescale	Evidence of Success
Map the full range of services to identify and remove gaps and barriers to access and consider the best way to share this information with professionals and residents	Commissioning Leads	Year 1	Report published outlining the findings with clear actions of how we aim to address the gaps as a Partnership.
Actively campaign across the borough to make sure everyone (i.e. parents/carers, teachers, early years practitioners and other stakeholders) understands and promotes the crucial importance of good communication, speech and language development and what is available to support this	SEND Partnership Board Schools and settings Local authority Health	Year 1 (development) Ongoing (implementation)	Improved feedback from stakeholders in relation to Speech, Language and Communication An improvement in early and preventative support for Children and Young People with Speech Language and Communication as primary need.
Promote key messages around speech, language and communication and give practical advice and support for families in all of Oldham's communities - We recognise that parents/carers are often the voice/means of communication for their child and consequently understand the importance of empowering the parent/carer to also be a confident communicator	Comms Leads for all partners – coordinated via Local Offer task and Finish Group and overseen by SEND Partnership Board	Year 1 (development) Ongoing (implementation)	Feedback from parents, carers and families confirms that they understand what they can do to support their child's speech, language and communication, when it is appropriate to access services and what support is available.

Objective 1.2 to create change: Consistent approach to meeting Speech, Language and Communication needs			
Actions	Lead	Timescale	Evidence of Success
Develop a Speech, Language and Communication strategy which sets out Oldham's approach and the pathways for children and young people	Representatives from across the system, including commissioners	Year 1 Year 2	Communication Strategy in place and recommendations progressed Clear pathways in place that are understood by professionals and families and allow children and young people to access the services they need, when they need them
Develop an approach to make best use of technological advances and promote innovation in all settings by sharing information across the system.	All partners	Year 1	An increased use of Assistive Technology in all settings and schools and a clear directory of options available to families displayed on the Local Offer



Priority 2: Inclusive Learning Setting

Objective 2.1 to create change: Develop a whole school and college approach to SEND

Actions	Lead	Timescale	Evidence of Success
Develop a flexible curriculum across all our education settings which is strengths based, inclusive and meets the needs of our children and young people.	Educational Settings	Year 2	All children and young people have positive educational experiences with full access to a curriculum tailored to meet their needs and aspirations
Work with schools and settings to support staff to better understand SEND aiming to match the degree of knowledge appropriate to the role of the individual	SEND Partnership	Year 1	Increased knowledge of SEND and confidence amongst the education workforce about how best to support our children and young people Staff satisfaction and feedback regularly collated
Communicate and promote (and regularly review) as appropriate, a provision and support offer for all children and young people, including those with additional needs particularly at each transition stage	Educational Settings	Year 1/ongoing	Local Offer and websites for Education Settings that are accessible, engaging and up to date.
Regularly review the special educational needs and disability (SEND) funding system in Oldham to ensure resources are appropriately aligned with agreed expectations, and to enable cost-effective preventative work to take place <ul style="list-style-type: none"> • Ensure High Needs funding impacts successfully on progress. • Review funding to achieve best value from resources. 	SEND Partnership	Year 1/ongoing	Shared knowledge and understanding of the funding system in Oldham with clear expectations in place from all partners

Work with Special Educational Needs and Disability Co-ordinators (SENCOs) to further develop networks to share good practice and learning to improve identification and assessment of need and all aspects of inclusive practice	Special Advisory Teachers	Year 1	Increased engagement from SENCOs at the SENCO Development Days and SENCO Forums
Provide guidance to Governing Bodies (or equivalent) in Educational Settings to support them to fulfil their 'best endeavours' duty and let them know where to go for support and guidance.	Local Authority Educational Settings	Year 1	Governing Bodies that are fully informed about how to meet their 'best endeavour' duty and reduced demand on SEND services.

Objective 2.2 to create change: Children and young people enjoy high attainment and achievement

Actions	Lead	Timescale	Evidence of Success
Implement Quality First Teaching and Learning for all children and young people, with particular attention on children and young people with SEND who require additional support via the graduated response.	Education Settings	Ongoing (Annual Review to take place)	More children and young people completing their education in a mainstream setting (at least matching national average) More children achieving a Good Level of Development at the Early Years Foundation stage (matching national average) Improved rates of academic progress for all children and young people including those with SEND (matching national average)

Objective 2.3 to create change: Children and young people are encouraged to have high school attendance and low levels of exclusion

Actions	Lead	Timescale	Evidence of Success
Support schools and settings to tackle persistent absence for pupils with SEND through a digital feedback system to share and act upon live data	SEND Partnership	Ongoing	Fewer children who are persistently absent from school

			Improved school attendance levels (at least 1% faster than the national level of improvement year on year)
Support schools and settings to reduce the need for use of fixed term and permanent exclusions for SEND pupils	SEND Partnership	Ongoing	Fewer fixed term and permanent exclusions (reduction at least 1% faster than the national level of improvement year on year)



Priority 3: Prepared for Adulthood

Objective 3.1 to create change: Develop whole family aspirations from an early age

Actions	Lead	Timescale	Evidence of Success
Guide all parents to better understand how to effectively aspire for their children and young people, and themselves	SEND Partnership	Ongoing	Children, young people and families have aspirations and clear plans for how to achieve their goals.
<p>Ensure that preparation for adulthood is actively planned for and included in statutory children’s individual plans from early years and throughout each stage of transition.</p> <p>Take a personalised approach to preparing for adulthood and transition</p> <p>Ensure integrated working between children’s services and adult services</p> <ul style="list-style-type: none"> • Co-produced workshops to consider most effective approaches to ensure a seamless transition for young people. • Develop Practice Guidance for practitioners on preparing for adulthood and transitions 	All partners via the SEND Partnership Board including Third Sector, Voluntary Sector and the Parent Carer Forum	Ongoing	<p>Young people are excited by the prospect of adulthood and have clear goals on how to prepare for transition.</p> <p>More young people with SEND are prepared for adulthood and supported to achieve what they want in life.</p>
Listen to the aspirations of our children and their families and use this information to commission services and provision that helps them to achieve their goals	CCG/Oldham Cares	Ongoing	<p>Children and young people have access to services and provision that helps to achieve their goals.</p> <p>Children and young people can see that their views and input have been recognised and used to plan and develop services.</p>

Develop a clear partnership strategy to identify our approach/policy when parents and children disagree on their next steps or aspirations	Educational settings/SENCOs/ 3 rd Sector Voluntary Sector	Year 1	Clear and consistent approach in place which is adhered to and works well for both parents and schools to plan support for children and young people to achieve their aspirations.
Objective 3.2 to create change: Ensure that children and young people are prepared for life, learning and work			
Actions	Lead	Timescale	Evidence of Success
Ensure all children and young people with additional needs receive good quality, impartial and aspirational careers information, education and advice	Positive Steps Educational settings (careers advisors) Third Sector as appropriate	Year 2	Children and young people feel well supported and make informed decisions relating to their education, career and future aspirations More children and young people living independently
Develop an employment strategy for school leavers with SEND Provide increased opportunities for work placements, work experience, supported internships and apprenticeships for children & young people with SEND	Higher Education providers Employers Get Oldham Working	Year 2-3	More young people with additional needs moving successfully into employment
Ensure that children and young people have the information, knowledge and skills they need to keep themselves safe and healthy.	Health Education Settings Care/SEND Services Third Sector	Year 1	Children and young people with SEND are making well informed decisions to keep themselves happy, safe and healthy
Pay attention to children and young people's emotional well-being and confidence, and actively support them to develop the resilience and life skills needed for successful adulthood	Health Education Settings Care/SEND Services	Year 1	Children and young people with SEND are making well informed decisions to keep themselves happy, safe and healthy

Objective 3.3 to create change: Empower parents to support their child's preparation for adulthood and promote independence

Actions	Lead	Timescale	Evidence of Success
<p>Critically review how we currently work with parents and carers to achieve our shared priority of the best outcomes for their children.</p> <p>We will engage with all parents and carers to identify what they would find helpful to support their child's preparation for adulthood</p>	<p>SEND Partnership Board</p> <p>Parent Carer Forum</p>	<p>Year 1</p>	<p>Parents and carers who feel confident to support their child's preparation for adulthood and can see the benefit of promoting independence</p> <p>(To be evidenced via engagement and feedback from parents/carers and young people)</p>
<p>Develop and provide practical strategies for parents and carers to use at home that support a young person's preparation for adulthood and to promote independence</p> <p>Page 110</p>	<p>All partners</p> <p>Parent Carer Forum</p> <p>Third Sector</p> <p>Voluntary Sector</p>	<p>Year 1 (Development – follow review as per above)</p> <p>Year 2 (Implementation)</p>	<p>Parents and carers who feel confident to support their child's preparation for adulthood and can see the benefit of promoting independence</p> <p>(To be evidenced via engagement and feedback from parents/carers and young people)</p> <p>More children and young people living independently</p>
<p>Tailor our communications with parents and carers to encourage positive dialogue about preparation for adulthood and independence</p> <ul style="list-style-type: none"> Parental/carers engagement strategy to be developed 	<p>Parent Carer Forum</p> <p>All partners</p>	<p>Year 1 (Development)</p> <p>Year 2 (Implementation)</p>	<p>Parents and carers who feel confident to support their child's preparation for adulthood and can see the benefit of promoting independence</p>



Priority 4: Valued members of the community

Objective 4.1 to create change: Clear understanding of what is available in the community and the creation of a diverse and inclusive offer

Actions	Lead	Timescale	Evidence of Success
<p>Create opportunities for learning, play, culture, leisure, sport and work that are inclusive, accessible and fun for all children and young people, including those with SEND.</p> <ul style="list-style-type: none"> Ensure that any offer to children and young people and their families is an attractive and inclusive offer 	<p>All Partners – to be coordinated/collated by Local Authority for inclusion on Local Offer</p>	<p>Ongoing</p>	<p>Increased choice in activities for children and young people with SEND</p> <p>Positive feedback from families</p>
<p>Regularly review pathways and provision to ensure that there is a diverse range of options available that are advertised via the Local Offer (via links to other platforms of activities in Oldham)</p>	<p>Local Authority</p>	<p>Year 1</p>	<p>Detailed review to ensure that options are available.</p> <p>Comparator analysis with statistical neighbours to highlight any gaps in our offer.</p>
<p>Explore opportunities to develop an inclusion audit toolkit to be used for planning and development proposals to make sure that our borough's built and green environment is inclusive</p>	<p>Local Authority (Economy)</p>	<p>Year 2</p>	<p>An inclusive built and green environment that can be accessed, used and enjoyed by everyone together.</p>


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Objective 4.2 to create change: Improve community awareness of SEND and increase the opportunities for fully inclusive participation

Actions	Lead	Timescale	Evidence of Success
<p>Core values of equity, inclusion, respect and dignity for all to be taught and modelled to all children and young people from an early age.</p>	<p>Education settings</p>	<p>Ongoing</p>	<p>A culture of respect and belonging is evident in all communities, educational settings and services across the local partnership.</p> <p>There is a positive culture and ethos across Oldham which provides an opportunity to engage, learn about and accept individual differences</p> <p>All children and young people are afforded opportunities to develop friendships with one another.</p>
<p>Promote and champion the aspirations of children and young people with SEND across Oldham – celebrate success and challenge stereotypes</p>	<p>Comms Leads (all partners – coordinated approach)</p>	<p>Year 1</p>	
<p>Ensure that children and young people with SEND feel safe from harm and can move confidently around the local area</p>	<p>Police Community Cohesion</p>	<p>Year 1-2</p>	<p>Children and young people with additional needs reporting that they feel safe, happy and confident to travel</p>
<p>Provide a range of opportunities for children and young people to contribute to their community through participation, volunteering and employment</p>	<p>Voluntary and Community Sector</p>	<p>Year 2</p>	<p>More children and young people participating and contributing to activities within their local community</p> <p>Case studies of young people who have been positively impacted by the opportunities available.</p>

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Key Enablers

 Enabler 1: Graduated Response			
Actions	Lead officer	Timescale	Evidence of Success
To work with early years providers and schools to implement a consistent approach to the graduated response, including SEN support.	Local Authority Early years' providers Education settings	Year 1	Implementation of the Graduated Response is consistent across the borough
Ensure that effective interventions are in place in line with the graduated approach as set out in the SEND Code of Practice: 0-25 (2015)	SEND Service Manager/Assistant Director of Education	Year 1	Children and young people's needs are met within their educational setting
<p>Develop a whole system approach (0-25) where partnerships and transitions are differentiated and reflect the Graduated Response</p> <ul style="list-style-type: none"> • Explore the opportunities to develop a neuro-developmental pathway in Oldham in order to improve and develop the current pathways on offer for children and young people with additional needs and those with dual diagnosis. • Explore opportunities to further improve our SEMH offer for children and young people through targeted support within educational settings 	All Partners (via SEND Partnership Board)	Year 2	



Enabler 2: Early identification and intervention

Actions	Lead officer	Timescale	Evidence of Success
<p>Critically review our current approaches to early identification and intervention (in line with the Graduated Response).</p> <ul style="list-style-type: none"> Consider how we can further develop/improve joint approaches to increase protective factors (and reduce any potential risk factors where appropriate) 	SEND Partnership Board	Year 1	Children and young people with SEND are identified and receive the appropriate intervention at the earliest opportunity
<p>Ensure professionals who meet young children signpost to specialist services quickly and sensitively</p>	All partners	Ongoing	Children and young people with SEND are identified and receive the appropriate intervention at the earliest opportunity
<p>Identify vulnerable families, so that multi-agency support can be quickly in place.</p>	All partners	Ongoing	Children and young people with SEND are identified and receive the appropriate intervention at the earliest opportunity



Enabler 3: Partnership working

Actions	Lead officer	Timescale	Evidence of Success
<p>Continue to embed co-production throughout the SEND agenda at a strategic commissioning level.</p> <p>All services to be designed in collaboration with children, their families and service providers.</p>	All partners	Ongoing	Effective and efficient services and provision that truly meets the needs of our children, young people and families.
Hold each other to account and all work to our common set of values and behaviours	All partners	Ongoing	Effective partnership working which demonstrates openness, honesty, trust, respect and values each other's opinions to meet the needs of our children, young people and families.
Define levels of accountability and responsibility within the local partnership	All partners	Year 1	Clear governance in place with a shared understanding of roles and responsibilities. Actions within the plan are in progress with a clear tracking mechanism in place
Collect and use data to hold each other to account in terms of effective practice and outcomes for children and young people	SEND Partnership Board	Ongoing	The SEND Dashboard is accurate, up to date and effective and feeds into the wider strategic planning. The data is used to inform decision making such as exclusions and attainment
Collaborate with partners and neighbouring boroughs, where appropriate, to ensure that we make the best use of the physical resources available for the benefit of children and young people with SEND.	All partners	Ongoing	Physical resources are fully utilised and meet the increase in demand for children and young people with Special Educational Needs and Disabilities.

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Enabler 4: Workforce development

Actions	Lead officer	Timescale	Evidence of Success
<p>A commitment from all partners that staff are appropriately trained to meet the SEND communication needs of children and young people</p> <ul style="list-style-type: none"> Develop a SEND workforce plan to ensure that Oldham has the right number of staff with the right skills Utilisation of national, regional and partnership competency-based training opportunities for Oldham's SEND workforce <p>Clear understanding and consistent approach to meet and support Speech, Language and Communication needs in Oldham</p>	<p>All partners including, Education, Health, Care and any commissioned services</p>	<p>Ongoing</p>	<p>Recruitment and retention of staff Staff satisfaction Family feedback</p>
<p>Sharing of learning and good practice across the partnership in relation to workforce development</p>	<p>All partners including, Education, Health, Care and any commissioned services</p>	<p>Ongoing</p>	<p>Consistent message delivered by all partners</p>
<p>Ensure that staff are appropriately trained to use assistive technology and are kept update with advances</p>	<p>All partners including, Education, Health, Care</p>	<p>Ongoing</p>	<p>Staff are confident at using technological advances and children and young people benefit from using such technology</p>



Enabler 5: Joint commissioning and effective use of resources

Actions	Lead officer	Timescale	Evidence of Success
<p>Continue to use an evidence-based approach to commissioning.</p> <p>Ensure there is an ongoing and robust needs analysis in place to enable the local partnership to work together to commission the specialist provision that is required to meet the needs of our children and young people.</p>	<p>Commissioning Leads</p> <p>Business Intelligence Leads</p>	<p>Annual (Needs analysis)</p>	<p>Services and provision that meet the needs of our children and young people</p> <ul style="list-style-type: none"> - Reduced waiting times - Positive feedback from children, young people and families that they have been able to access the services that they need/want when they need/want them
<p>A Market Position/Sufficiency Statement to be produced that outlines the needs of our children and young people in Oldham</p> <p>We will evaluate how well our current provision meets young people’s needs and identify any gaps in order to support us to plan how we will continue to develop our provision over the next three years.</p> <ul style="list-style-type: none"> • There will be focus on 16-25 years age cohort and individuals with complex needs. 	<p>Commissioning Leads</p> <p>Business Intelligence Leads</p>	<p>Year 1</p>	<p>Clear statement of need and a plan to meet that need either through existing provision or to commission services/provision to meet that need.</p>
<p>Ensure resources are appropriately aligned with agreed expectations, and to enable cost-effective preventative work to take place to support all children and young people with SEND.</p>	<p>SEND Partnership Board</p> <p>Schools</p> <p>Third Sector</p> <p>Parent Carer Forum</p>	<p>Year 1</p> <p>(then 3 yearly in line with updates to SEND strategy and plan – or in line with changes to central policy and guidance)</p>	<p>A SEND funding system that ensures appropriate and effective use of resources to meet the needs of our children and young people</p>

<p>Commission SEND services using a joined-up approach from the highest strategic level.</p> <p>Explore opportunities for pooled resources and joint commissioning</p>	<p>Commissioning Leads</p>	<p>Year 1 for governance</p> <p>Year 2 for implementation</p>	<p>An agreed approach to joint commissioning that is both effective and efficient</p>
<p>Explore opportunities to further develop the use of Personal Budgets for children and young people with SEND</p>	<p>Commissioning Leads</p>	<p>Year 1 for scoping</p>	<p>A sufficiently flexible financial model that works for professionals and our children, young people and families</p>

What will success look like

We are performing well against our key performance indicators

Children and young people are confident communicators

We can evidence the impact we have on children's lives

Improved data, management information and performance reporting

We are working well with all partners and championing a co-productive way of working

We have a stable and thriving workforce

We assess well and we plan well

Children are influencing the way we deliver services

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Report to CABINET

Homeless Friendly

Portfolio Holder:

Councillor Hannah Roberts, Cabinet Member for Housing

Officer Contact: Emma Barton, Director of Economy

Report Author: Fiona Carr, Principal Homelessness Strategy Officer

Ext. 5163

18th November 2019

Reason for Decision

A request has been made to Oldham Council that it adopts pledges to become Homeless Friendly. This involves reviewing the way services are run and making them more accessible to homeless people.

Executive Summary

Homeless Friendly is a charity, founded in 2017 as part of not-for-profit social enterprise Beacon GP Care. It asks that services examine the way they conduct their business, and pledge to make them accessible to homeless people. Their aim is to promote a cultural shift in how homeless people are viewed and treated. This report provides an overview of the pledges that they ask other organisations to make, and how this could operate in practice within Oldham Council. It also provides an overview of the benefits and implications of adopting the pledges to become a Homeless Friendly organisation.

Recommendations

It is recommended that Oldham Council pledge to become Homeless Friendly.

Homeless Friendly**1 Background**

- 1.1 Homeless Friendly is a registered charity that was founded in 2017 as part of not-for-profit social enterprise Beacon GP Care. It asks that services examine the way they conduct their business, and pledge to make them accessible to homeless people. Their aim is to promote a cultural shift in how homeless people are viewed and treated; for example offering understanding and flexibility in terms of practical issues such as attending appointments.
- 1.2 A representative from Homeless Friendly approached the Chief Executive of Oldham Council in April 2019 to encourage it to formally adopt their pledges towards making services more accessible for homeless people.
- 1.3 Homeless Friendly asks participating organisations to pledge to:
- Help meet the needs of homeless people
 - Speak to homeless people with understanding and compassion
 - Examine your policies and procedures to ensure they are homeless–friendly
 - Train your staff to meet the needs of homeless people
 - Work with your partners and include and encourage them to care for the homeless
 - Act as a hub for your community in their efforts to help the homeless
- 1.4 At least three GP surgeries in Oldham have signed the Homeless Friendly pledges; practical examples of how they are putting this into practice include a commitment to register homeless patients without a fixed address, and offering flexible appointments. Other local authorities have also signed, including Bury Council.
- 1.5 Homeless Friendly will support all organisations who sign up to its pledges by:
- Accrediting the organisation as “Homeless-Friendly” and provide a logo;
 - Promoting the organisation’s involvement in the programme using social media, web and printed materials;
 - Allowing the organisation to use the Homeless Friendly logo for business activities reinforcing its social and ethical contribution;
 - Providing resources for campaigns.
- 1.6 The Housing Options (homelessness) service has as of 1st July returned in-house to Oldham Council. This presents an opportunity to review the way the service is delivered, as suggested in the pledges.
- 1.7 Pledging to become Homeless Friendly will promote positive publicity for the Council, particularly at a time when services are changing. It will provide reassurance to homeless people that they are able to access advice and support in a non-judgemental, understanding environment.
- 1.8 Homeless Friendly also supports the Council’s Corporate Plan to work with a resident focus and support thriving communities by ensuring its services and staff are responsive to the needs of homeless people. Our holistic approach is already in action with regards

to ensuring wrap-around support for care leavers in conjunction with another report being presented.

2 **Current Position**

2.1 Oldham Council is responsible for the provision of local statutory homelessness services, and therefore the majority of the Homeless Friendly pledges are already embedded in service delivery. However, some work including appropriate publicity and information sharing may be required to ensure this applies to all Council services.

2.2 The following points consider the implications of each of the pledges in turn:

2.1.1 *Help meet the needs of homeless people:* given the broad scope of this pledge, and the fact that Oldham Council delivers a universal advice offer and statutory homelessness services, this pledge can easily be met. Oldham Council also has a Homelessness Strategy in place, which includes an action plan reviewed annually according to emerging trends and needs.

2.1.2 *Speak to homeless people with understanding and compassion:* all Oldham Council staff are expected to deal with customers in this way. Additional training is provided where needs are identified; for example, teams working with specific customers groups, or where individual issues arise. There should therefore be no difficulties in meeting this pledge.

2.1.3 *Examine your policies and procedures to ensure they are homeless-friendly:* the Housing Options service is in the process of reviewing its policies and procedures following the service reverting to being directly delivered by the Council. These will include flexible service delivery where required and where capacity allows; for example, outreach and partnership working.

2.1.4 *Train your staff in the needs of homeless people:* the Housing Strategy team already offer training to external organisations on homelessness duties and provision, and this can be extended to include internal teams.

2.1.5 *Work with your partners and include and encourage them to care for the homeless:* the Housing Strategy team facilitate the Oldham Homelessness Forum, a multi-agency group which convenes to share information and feed into service improvements for homeless people. Homeless Friendly can be promoted via this forum, and throughout other partnerships. In addition to this, Oldham Council includes a social value requirement in all of its tenders. Where appropriate, these can include a link to helping homeless people; for example donations, volunteer hours or work experience.

2.1.6 *Act as a hub for your community in their efforts to help the homeless:* this pledge applies particularly to community based organisations. However, Oldham Council is already committed to providing advice and support to members of the community throughout Oldham who enquire about helping the homeless. For example, district teams are knowledgeable about signposting homeless people, and the third sector groups that support them, to appropriate services. The aforementioned training can support this.

2.2 There may be some operational implications where challenges arise about the extent to which these pledges are being met, as with all commitments made by the Council. In order to ensure these are minimised, there will be appropriate promotion of pathways to

the new Housing Options team to staff across the Council; for example via the Intranet and newsletters.

- 2.3 Homeless Friendly will request that Oldham Council publicise their agreement to pledge; this will require a time commitment from senior representatives such as the Council Leader and/or Portfolio Holder. The Housing Strategy team will liaise with the Communications Team to ensure the Homeless Friendly pledge is appropriately promoted, including a 'signing' event with appropriate Council representatives.

3 Options/Alternatives

- 3.1 Option 1: Pledge that Oldham Council becomes Homeless Friendly: This option will help to ensure that homeless people receive an inclusive service from the Council and promote positive engagement from this group. It will also promote the Council as an inclusive organisation that is responsive to the needs of some of its most vulnerable residents. Whilst it may also mean the Council is held to greater account, this will present an opportunity to strive for continuous improvements in service delivery.
- 3.2 Option 2: Do not pledge that Oldham Council becomes Homeless Friendly: This option would not reflect positively upon the Council in terms of reputation or its commitment to working with a resident focus.

4 Preferred Option

- 4.1 It is recommended that Oldham Council pledges to become Homeless Friendly and demonstrates its commitment to delivering inclusive services to homeless residents.
- 4.2 This action will require correspondence with Homeless Friendly representatives from an officer of appropriate seniority at the Council to confirm its decision. It is suggested that this should be the Leader of the Council, and/or the Cabinet Member for Housing. It is also suggested that a meeting is organised between both parties where the Homeless Friendly pledges can be signed with appropriate publicity in order to highlight the important focus that Oldham Council is giving to this agenda.
- 4.3 This decision does not fall outside of the existing budget and policy framework.

5 Consultation

- 5.1 Consultation has been undertaken with the Cabinet Member for Housing, who has supported this decision being taken to Cabinet.

6 Financial Implications

- 6.1 The Council currently carries out its duties and responsibilities using the policies recommended by The Homeless Friendly charity. It is not expected, therefore, that it will substantially change the way the Council provides its services. As such it is not anticipated that there will be any additional financial implication in adopting these policies.
- 6.2 If in the event it is decided that some publicity is given to this initiative than any expenditure, which would be expected to be minimal, would be met from within existing budgets. (David Leach / John Hoskins)

7 **Legal Services Comments**

7.1 The council has its statutory Homelessness functions and is currently very aware of its obligations to provide a high service of support to those suffering from homelessness. By agreeing to the Homelessness friendly pledge a benchmark is set that will further help the Council and its staff attain higher standards and competencies in tackling homelessness. Although there are no legislative constraints upon the council to compel it to the pledge, it would have reputational repercussions should it not, therefore option 1 is recommended. (Alex Bougatef)

8. **Co-operative Agenda**

8.1 Developing Fairness: Homeless Friendly encourages an understanding and compassionate approach to homeless people.

8.2 Working together: Homeless Friendly encourages organisations to work with partners and care for the homeless.

9 **Human Resources Comments**

9.1 None.

10 **Risk Assessments**

10.1 Not applicable.

11 **IT Implications**

11.1 None.

12 **Property Implications**

12.1 None.

13 **Procurement Implications**

13.1 None.

14 **Environmental and Health & Safety Implications**

14.1 None.

15 **Equality, community cohesion and crime implications**

15.1 None.

16 **Equality Impact Assessment Completed?**

16.1 No.

17 **Key Decision**

17.1 No.

18 **Key Decision Reference**

18.1 N/A.

19 **Background Papers**

19.1 None.

20 **Appendices**

20.1 None.



Report to CABINET

Proposed Charging Scheme for Pre-Application Advice for Planning Proposals

Portfolio Holder:

Councillor Hannah Roberts, Lead Member for Housing

Officer Contact: Deputy Chief Executive

Report Author: Sean Hannaby Interim Head of Planning
Ext. 1917

18th November 2019

Reason for Decision

Unlike most authorities, Oldham Council currently provides a free of charge service to applicants or developers that would like advice or help with a planning application before submitting a planning application. The statutory planning fees do not cover the cost of pre-application planning advice and the cost of providing this service could be recovered directly so as not to fall as a general cost to the Council taxpayer and enable an improved service to be delivered.

Executive Summary

This report seeks the approval in principle of charging fees for providing pre-application advice to prospective applicants/developers and the approval of the charging schedule attached at Appendix 1.

Recommendations

1. That Cabinet approve the implementation of a fee charging scheme for planning pre-application advice.
2. That Cabinet approves the fee charging schedule as set out in Appendix 1

Proposed Charging Scheme for Pre-Application Advice for Planning Proposals

1 Background

- 1.1 The current statutory planning fees do not cover the cost of preapplication planning advice and as a result of workload pressures and staff resources the service being provided is not as effective as it might be, with some applicants having to wait an unreasonable length of time to obtain advice. Therefore, in order that the Council can provide a timely and consistent service to a high standard, it is considered that the cost of providing this advice should be recovered directly from the developer and not fall as a general cost to the Council taxpayer. The income generated can be invested back into the service to pay for the resources necessary to provide it.
- 1.2 The provision of pre-application advice is encouraged by the Government as best practise as it helps to ensure a better understanding of planning issues and requirements and speeds up the development process. This can help minimise subsequent planning application costs, avoid abortive applications and improve the quality of development proposals.

2 Current Position

- 2.1 Unlike most authorities, Oldham Council currently provides a free of charge service to applicants or developers that would like advice or help with a planning application before submitting a planning application. Due to competing work pressures and a limited officer resource there have been delays in providing advice that has resulted in customer complaints and dissatisfaction.
- 2.2 Most other planning authorities already charge for pre-application advice and the number of authorities that do not charge a fee is diminishing.

3 Options/Alternatives

- 3.1 The main alternative options available are:
- a) Not to provide a pre-application advice service
 - b) To continue to provide a free advice service without any additional funding
 - c) To continue to provide a free advice service with additional budget support to enable a better service to be delivered.

4 Preferred Option

- 4.1 To introduce a charging regime as recommended so that the pre-application advice service could be self-funding by reinvesting the income in the Development Management Service and provide an improvement upon the existing free advice service without additional cost to the public purse. The current advice service is attracting customer complaints due to delays in providing advice and an inconsistency in approach. Stopping providing pre-application advice will result in a poor level of customer service and result in abortive or ill-conceived schemes.
- 4.2 The service is intended to cover all planning applications from the simplest to the most complicated and is an optional service with applicants able to choose to seek their own advice instead. A turnaround of 20 working days will be set as the target for advice to be provided.

4.3 In considering the level of fees to charge, information has been gathered to enable a comparison with the fees charged by nearby authorities. This revealed that the level of fees being charged from authority to authority vary considerably and the fee schedule proposed in Appendix 1 been set to fall comfortably within the range of those being charged by neighbouring councils.

5 **Consultation**

5.1 None

6 **Financial Implications**

6.1 Charging for pre-application advice will increase the revenue income to the Planning service. As the charges are new it is not currently known exactly how income will be generated. However, it is estimated that the income will be in the order of £50k p.a. The total amount of income received will kept under review. Any income received will be used to off-set existing reported pressures within the Planning Service. (James Postle)

7 **Legal Services Comments**

7.1 Section 1 of the Localism Act gives a local authority the power to do anything that individuals generally may do (the general power of competence). Under section 2, the general power of competence does not enable a local authority to do anything which the authority is unable to do by virtue of a limitation expressly imposed by a statutory provision that is contained in an Act of Parliament or statutory instrument. Therefore just as individuals/companies can offer planning advice, the Council may also do so and there is no specific Act or statutory instrument prohibiting local authorities from offering pre planning application advice.

7.2 Under section 3 of the Act, the general power of competence confers power to charge a person for providing the service to the person, but the Council must secure that, taking one financial year with another, the income from charges does not exceed the costs of provision i.e. local authorities can recover up to the full cost of providing discretionary services, but cannot make profit from such services and cannot subsidise the cost of one discretionary service with profit from another. (A Evans)

8. **Co-operative Agenda**

8.1 The proposals will enable a better service to be provided that will help to improve the quality of planning submissions. response and provide applicants with a better chance of submitting a valid application which meets all policies and requirements. This is particularly important for large scale developments which will have a major impact on the surrounding area.

9 **Human Resources Comments**

9.1 None

10 **Risk Assessments**

10.1 None

11 **IT Implications**

11.1 None

12	Property Implications
12.1	None
13	Procurement Implications
13.1	None
14	Environmental and Health & Safety Implications
14.1	None
15	Equality, community cohesion and crime implications
15.1	None
16	Equality Impact Assessment Completed?
16.1	No – no impact
17	Key Decision
17.1	No
18	Key Decision Reference
18.1	N/A
19	Background Papers
19.1	None
20	Appendices
20.1	Appendix 1 Fee Charging Schedule

Category	Development Type	Fee for a meeting or letter (no site visit)	Follow Up
Householder	Extensions/ alterations/ outbuildings to single-family dwellings only (including 1 flat but not a listed building)	£50 for a letter only	
		£85 for a meeting	
Minor	<ul style="list-style-type: none"> • Residential - 1 unit • Non-residential up to 99sqm • Agricultural Buildings up to 540sqm • Glasshouses up to 465sqm • Plant and machinery • Car Parks • Advertisements • Demolition of Buildings • CLEUDs • Discharge of conditions • Non-material alterations • Minor-material alterations • Change of use • Shop fronts 	£350	£200
Medium	<ul style="list-style-type: none"> • 2-9 dwellings • 100-999sqm commercial floorspace • Telecommunication • Minerals or Waste less than 0.5ha 	£500	£300
Small Major	<ul style="list-style-type: none"> • 10-20 dwellings • 1,000- 1,999 sqm commercial floorspace • 0.5-1ha site area 	£750	£400
Major	<ul style="list-style-type: none"> • 21-49 dwellings • 2,000-9,999 sqm commercial floorspace • 1-2 ha + site area 	£1,000	£500
Large Major	<ul style="list-style-type: none"> • 50-200 dwellings • Over 10,000sqm commercial floorspace • Over 2ha site area • Energy projects 	£2,000	£1,000
OTHER:			
Planning Performance Agreement	Bespoke service - written advice, a series of meetings, fast track validation & determination	Charge on an individual basis,	
vary, modify or discharge legal agreement	1 dwelling	£300	N/A
	agreement for commercial development or more than 1 dwelling	£500	N/A

Planning History search	Per property	£50 per hour	N/A
Permitted Development Enquiry	As an alternative to applying for a Certificate, an informal opinion will be offered	£50	N/A
specialist officer requested to attend meeting		£150 for each additional officer	



Report to CABINET

Oldham Property Partnerships – North Bank Redevelopment Reconciliation (Failsworth West)

Portfolio Holder: Cllr Sean Fielding – Leader and Cabinet Member for Economy and Enterprise.

Officer Contact: Emma Barton – Director of Economy.

Report Author:

Bryn Cooke - Head of Strategic Housing and Property Partnerships
Ext. 4134

18 November 2019

Reason for Decision

The purpose of the report is to provide an overview of a reconciliation relating to the development of the North Bank at Failsworth District Centre by Oldham Property Partnerships.

Recommendations

It is recommended that the contents of the report are noted only, with a further report, setting out the full implications to be discussed under Part B of the meeting.

Oldham Property Partnerships – North Bank Redevelopment Reconciliation (Failsworth West)**1 Background**

- 1.1 On 27 January 2010, Cabinet resolved to enter into an agreement with Oldham Property Partnerships ('OPP') for the developer to acquire an area of Council owned land in Failsworth District Centre (known as 'the North Bank'). The approved report set out the basis as to how the land value would be calculated, with the capital receipt due to the Council only becoming known once the scheme had been completed and (a) the completed development value known along with (b) the costs of construction.
- 1.2 The legal agreement completed on 15 April 2010 obliged OPP to complete a series of works. OPP were also asked to project manage the Failsworth Town Hall extension and refurbishment together with conversion of the former Library in Main Street (which was being adapted, in part, for use by Jellybabies children's nursery who had previously occupied the Community Centre in the District Centre).
- 1.3 Planning permission for the development was originally approved by the Council in its capacity as the local planning authority on 2 September 2009 (PA/056682/09). Several alterations to the original planning permission were approved by the Council on 20 January 2011 (PA/59031/10).
- 1.4 In terms of the completed development value, the Council and OPP both appointed independent professional valuers, with the Council appointing Jones Lang LaSalle ('JLL') and OPP appointing Lambert Smith Hampton to act on its behalf. In terms of the costs of construction, the Council appointed an independent QS to verify the costs which OPP claimed had been incurred in completing the development.

2 Current Position

- 2.1 Terms have provisionally been agreed with OPP and approval is therefore being sought in order to accept the terms of the agreement. In the event that Council approval is forthcoming, the Authority would then look to remove the benefit of a restriction from the title to the land.

3 Options/Alternatives

- 3.1 There are a number of options available to the Council and these can be summarised as follows;
- Do Nothing
 - Seek to dispute the offer from OPP
 - Agree the settlement being proposed by OPP

4 Preferred Option

- 4.1 It is recommended that the Council seek to agree terms with OPP which would allow the Authority to receive its capital receipt and avoid the need for lengthy dispute resolution.

5 Consultation

- 5.1 None.

-
- 6 **Financial Implications**
- 6.1 These are detailed in the report due to be considered under Part B of the meeting.
- 7 **Legal Services Comments**
- 7.1 These are detailed in the report due to be considered under Part B of the meeting.
8. **Co-operative Agenda**
- 8.1 None.
- 9 **Risk Assessments**
- 9.1 None.
- 10 **IT Implications**
- 10.1 None.
- 11 **Property Implications**
- 11.1 These are discussed in the report.
- 12 **Environmental and Health & Safety Implications**
- 12.1 None.
- 13 **Equality, community cohesion and crime implications**
- 13.1 None.
- 14 **Equality Impact Assessment Completed?**
- 14.1 No.
- 15 **Key Decision**
- 15.1 Yes
- 16 **Key Decision Reference**
- 16.1 ECEN-08-16
- 17 **Background Papers**
- 17.1 None.
- 18 **Appendices**
- 18.1 None.

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Report to CABINET

Procurement of Early Intervention Service and Health Improvement & Weight Management Service

Portfolio Holder:

Cllr Arooj Shah, Cabinet Member - Social Justice and Communities,

Cllr Chauhan, Cabinet Member Health and Social Care,

Cllr Chadderton, Cabinet Member Children's Services

Officer Contact: Rebekah Sutcliffe, Strategic Director of Communities and Reform

Report Authors:

Liz Lyons, Senior Consultant Business Change Services,

Anna Tebay, Public Health Specialist

0161 770 3577, 0161 770 3078

18th November 2019

Reason for Decision

To approve the extension for up to nine months (end of December 2020) of the All age Early Help contract which is currently delivered by Positive Steps.

Positive Steps currently deliver 2 main elements under the Early Help function, these are, all age low and medium level early intervention and stop smoking & community health checks.

This extension will allow time to separate these services and later procure. The two services going to market will be one which will encompass all the elements of the all age low and medium level early intervention and one which expands on the current stop smoking service by incorporating weight management to form a 'Health Improvement' offer for Oldham.

The recommendations in this report are consistent with the commitment within the Oldham Plan to take a person and community centred approach that places prevention at the heart of our emerging new model of delivery.

Executive Summary

1. All age Early Help was established in April 2015. Some of the delivery is in-house, however a significant element of it is delivered through a contract with Positive Steps. The contract was let for three years (to March 2018), with an option to extend for up to a further additional year. This option was exercised with the extension ending on the 31st March 2019.
2. In February 2019 Cabinet considered and agreed a further contract extension of one year, up to 31st March 2020. This was to allow for the completion of a review aimed at considering the longer-term development of Early Intervention and Prevention services, within the wider context of the significant changes in the health and social care sectors in Oldham and regionally, including the emerging Oldham Social and Health care models for Adults and Children.
3. Several key considerations came out of this review and will inform the proposed approach to the procurement and continuing development of these services. These include:
 - the continuing value of the all age early intervention element of this contract, with year on year increases in referrals indicating a continuing need for this type of service;
 - the importance of ensuring seamless integration between low, medium and high-level intervention support;
 - that health improvement and weight management – currently delivered within the Early Help offer– requires more defined responses and resources, and a wider reach;
 - the implications of the continuing development of Oldham’s locality plan/model which is likely to progress further changes within the wider Oldham and regional health and social care system
4. This report requests an additional extension of up to nine months (to 31st December 2020) in order to complete the procurement of a new all age low and medium level early intervention service and a new health improvement & weight management service.

Recommendations

Cabinet is asked to consider and agree:

- a) the extension of the current Early Help contract by up to nine months to 31st December 2020, to allow for the procurement of new services;
- b) the procurement of an all age low and medium level early intervention service, which has seamless step up and step-down integrated links with the intensive early intervention services provided by Children’s and Adults;
- c) the procurement of a new health improvement and weight management service encompassing the current stop smoking offer;
- d) to delegate authority to the Strategic Director of Communities and Reform in consultation with the associated Cabinet Members to award any contracts following completion of the tender evaluation processes.

1. Background

- 1.1 An all age early intervention and prevention service offer is essential to achieve better health and social care outcomes, as well as reducing demand on intensive and statutory services.
- 1.2 The current Early Help offer within Oldham provides an early intervention service for all ages and is based upon a tiered model, with high intensity services delivered in house by Oldham Council and low/medium level services outsourced and provided by a local organisation, Positive Steps.
- 1.3 The current Stop Smoking and Community Health Check provision is included in the low and medium level Early Help contract provided by Positive Steps.

2. Early Help Delivery Model

- 2.1 Oldham's Early Help offer grew out of Oldham's involvement in the national Troubled Families Programme. The Troubled Families Programme supported Oldham's ambition to develop sustainable approaches to the support families and individuals require in dealing with complex issues.
 - 2.2 In its simplest form, Early Help provides support within the community that gives people the tools and resources to tackle a range of societal, health and care issues they face. As well as equipping them to find their own sustainable solutions, it mitigates the need for more intensive and/or statutory support.
 - 2.3 Based upon approaches developed through the Troubled Families Programme, the council and its partners decided to continue to invest in an all age offer, setting up the Early Help Service in 2015. It was tasked with:
 - engaging residents in resolving their own issues;
 - supporting them to understand the root cause of their issues;
 - supporting them to resolve those issues
 - supporting them to learn strategies which will help prevent the reoccurrence of issues.
 - 2.4 The service is delivered through a 3-tiered approach, providing services for all ages:

Intensive support - Provided by an in-house council service. It employs fifteen staff, each with caseloads of around 7- 8 families or individual adults, with whom they work intensively over a period of around six months. The team supports around 230 households per year.

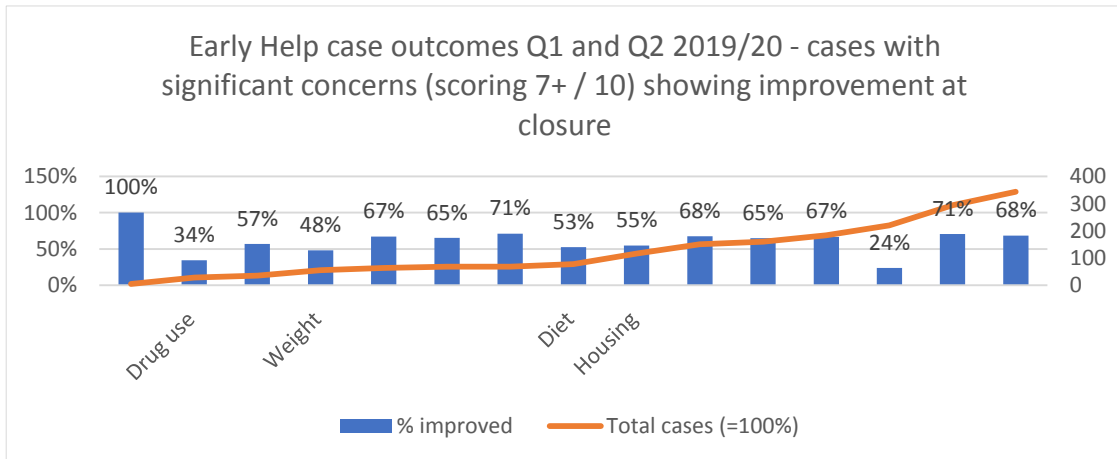
Medium-level support - Externally commissioned through a local organisation Positive Steps and delivered through three teams that operate within Oldham. Each team has a Team Manager, a Senior Engagement Worker, and Eight Engagement Workers (each with caseloads of c.20 families).

Low-level support - Also externally commissioned and delivered by the same provider through the same structure and teams as the medium level of support. Often this will involve a less intensive form of support that may involve information or advice over a shorter period.
 - 2.5 Overall the benefits and need for the early intervention services which are provided by the Early Help offer are very much still apparent. This is clear from quantitative and
-

qualitative data. To illustrate, Figure 1 below shows outcomes of Early Help involvement, where there are issues scored as a significant concern.

2.6 For many areas of concern, success rates are around 65-70%. This includes areas such as managing child behaviour and routines, mental well-being and relationships which affect the largest numbers of families. Scores are also high in relation to measures relating to the Troubled Families Programme – managing finances, school attendance and crime and anti-social behaviour.

2.7 Figure 1: Cases showing improvement at closure Q1 & Q2 2019/20

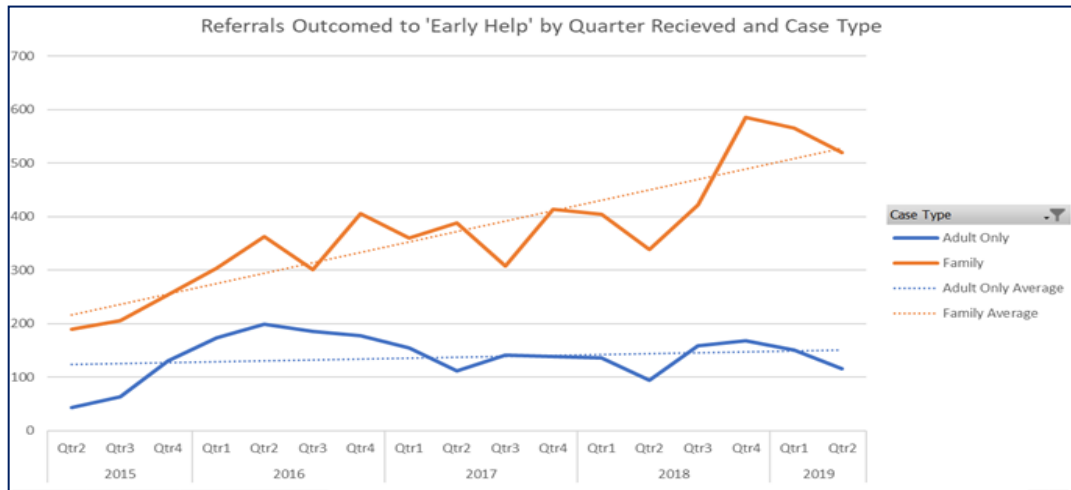


2.8 Data also shows a consistent increase in demand across the last four years. Figure 2 shows the increase in referrals, Figure 3 breaks this down into children and adults over the last four years. Both demonstrates the continuing need for this type of provision.

Figure 2: Referrals to Early Help 2015 - 2019



Figure 3: Adult & Children Referrals to Early Help



- 2.9 In 2018/2019, the all age Early Help offer supported 2,448 cases. Of these 71% (1714) were part of a family with children and 29% (744) were individual adults.
- 2.10 Of the total activity delivered, 92 % was with a low or medium level requirement and involved interventions and management through Positive Steps. 8 % of the activity went through the in-house Intensive Service. Approximately three quarters of the latter was for cases involving Children and Families.
- 2.11 It is important to note that the original expectation was that the bulk of referrals would relate to low level needs, with a smaller number requiring medium level support. In fact, the bulk of referrals have required medium level services, often touching on the edge of the more complex. The service has adapted the delivery model to respond to this, and this is the area of service that continues to see the most growth.
- 2.12 **Stop Smoking and Community Health Checks** - Oldham's stop smoking offer, and community health check service was commissioned as part of the Early Help procurement in 2015 and is also provided by Positive Steps as one element of the low and medium intensity offer.
- 2.13 The Positive Steps staff providing the low and medium level early help support also provide stop smoking and community health checks. In 2018/2019 Positive Steps delivered 2670 stop smoking and health check appointments.
3. **The Changing Social and Health Care Landscape and its Impact on Current Provisions**
- 3.1 These are set out in the report in the restricted part of this agenda
4. **Additional Time**
- 4.1 The additional time allocated to the procurement of these contracts, would provide an essential opportunity to carry out full resident and market engagement, service redesign and specification developments, conduct a full tender process and meet full governance requirements for both elements (All age Early Intervention and Health Improvement & Weight Management Services).
- 4.2 It is not anticipated that the current contract end date of the 31st March 2020 will provide the Council services enough time to run this thorough procurement exercise that meets Contract Procurement Rules (CPR) or Local Authority Governance.

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- 4.3 Advice from Procurement Officers suggest preliminary work of engagement should commence immediately with a view that the tender documentation is present in the marketplace by February 2020 at the very latest. The indicative timeline then suggests a decision on the preferred provider would need to be finalised by July 2020 and a contract award date of August 2020. The associated risks of a new provider receiving the award would indicate a minimum period of 3 months, for implementation and mobilisation including TUPE, suggesting at latest a contract live date of the 1st January 2021.
- 4.4 Another key element is that the current staff resource employed by Positive Steps are shared between two services (all age low and medium level Early Intervention and Stop Smoking and Health Checks). This therefore means there is a key dependency for the services delivered by these staff to be re-focused and procured at the same time. This will help reduce any negative TUPE implications for the current workforce and ensure sustainably of the provider during this time of change.
5. **Approach to Procurement of an All Age Early Intervention Service and Health Improvement & Weight Management Service**
- 5.1 These are set out in the report in the restricted part of this agenda
6. **Options/Alternatives**
- 6.1 These are set out in the report in the restricted part of this agenda
7. **Consultation**
- 7.1 These are set out in the report in the restricted part of this agenda
8. **Financial Implications**
- 8.1 These are set out in the report in the restricted part of this agenda
9. **Legal Services Comments**
- 9.1 These are set out in the report in the restricted part of this agenda
10. **Co-operative Agenda**
- 10.1 The Early Help service has been developed specifically in order to support the Council's Co-operative agenda. It is focused on providing the support to residents that they need in order to develop the skills to be able to help themselves.
- 10.2 All Public Health services fully support the Council's cooperative agenda as they promote the active engagement of Oldham residents in the life of the community.
11. **Human Resources Comments**
- 11.1 These are set out in the report in the restricted part of this agenda
12. **Risk Assessments**
- 12.1 These are set out in the report in the restricted part of this agenda
13. **IT Implications**
- 13.1 These are set out in the report in the restricted part of this agenda
14. **Property Implications**
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- 14.1 These are set out in the report in the restricted part of this agenda
- 15 **Procurement Implications**
- 15.1 These are set out in the report in the restricted part of this agenda
- 16 **Environmental and Health & Safety Implications**
- 16.1 These are set out in the report in the restricted part of this agenda
- 17 **Equality, community cohesion and crime implications**
- 17.1 These are set out in the report in the restricted part of this agenda
- 18 **Equality Impact Assessment Completed?**
- 18.1 As set out in the report in the restricted part of this agenda
- 19 **Key Decision Reference**
- 19.1 HSC-04-19
- 20 **Background Papers**
- 20.1 S:\Unity\Unity Consultants\PMO\Current Projects\Early Intervention and Prevention\00. Misc\001.1 Reference material\EH contract extension report - Cabinet OPEN.pdf
- 21 **Appendices**
- 21.1 None

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Report to CABINET

Levy Allocation Methodology Agreement

Portfolio Holder: Councillor A Ur-Rehman, Cabinet Member for Neighbourhood Services

Officer Contact: Carol Brown, Director of Environmental Services

Report Author: Carol Brown, Director of Environmental Services and Anne Ryans, Director of Finance

Ext. 4452

18 November 2019

Reason for Decision

This report is to provide an update on the Levy Allocation Methodology Agreement.

Executive Summary

The Waste Management Levy Allocation Methodology Agreement (LAMA) is a proposed 6-year agreement between the 9 District Authorities subject to the Combined Authority waste disposal arrangements to fairly allocate fixed and variable disposal costs through the levy.

A review of current methodology i.e. the Inter Authority Agreement (IAA) is deemed appropriate following the recent procurement exercise which resulted in a fundamentally revised contract to deliver waste disposal.

Recommendations

That the contents of this report are noted and that the Levy Allocation Methodology Agreement (LAMA) is accepted as the new agreement between the Greater Manchester Combined Authority.

Levy Allocation Methodology Agreement

1 Background

- 1.1 The Waste Management Levy Allocation Methodology Agreement (LAMA) is a 6-year agreement, being made partially through the first year of a 7-year contract.
- 1.2 The LAMA is the method by which the costs attached to the operating contract for the acceptance, processing and disposal of residual waste, recyclables, pulpables, and green waste etc is dispersed in a fair and transparent way through the annual waste disposal levy.
- 1.3 The LAMA is the proposed method for allocating the Waste and Resources budget between the constituent Districts and will replace, the current Inter Authority Agreement (IAA).

2 Current Position

- 2.1 The LAMA allocates the fixed and variable costs of the budget by waste stream, trade waste, Household Waste Recycling Centres (HWRCs) and GMCA – Waste and Resources' own costs and an update to the LAMA is required as a result of the award of a new contract.
- 2.2 To enable the budget setting process to take account of the potential waste levy costs agreement is required by each District to the revised allocation mechanism by the 31 December 2019. The proposed 2020/21 levy will then be allocated as per the LAMA.
- 2.4 Greater Manchester Chief Officers and Treasurers have discussed and agreed in principle the LAMA.
- 2.5 Failure of a District to agree to the use of the LAMA principles as a replacement methodology for the current Inter Authority Agreement (IAA) will result in the default application of the IAA principles.

3 Conclusion

- 3.1 The LAMA is the proposed methodology for allocating the Waste and Resources budget between the constituent Districts and replaces the 2018/19 the Inter Authority Agreement.
- 3.2 GM Treasurers and District Waste Chief Officers agree the proposal in principle.

4 Preferred Option

- 4.1 To agree the proposed Levy Allocation Methodology Agreement as given at Appendix A

5 Financial Implications

- 5.1 The LAMA determines the Councils allocation of the waste disposal levy. As the levy for 2019/20 agreed at Budget Council was £18.102m, even a small percentage variation to the allocation would have an impact on the budget of the Council.
- 5.2 A significant amount of work has taken place to produce an agreement that all 9 Councils can consider acceptable with input from Finance teams across Authorities.

5.3 The actual value of the Councils levy for 2020/21 will be determined by the overall costs of the GMCA, informed by the level of waste to be processed by each Authority, using the LAMA methodology. The agreement of the revised LAMA will enable a notification of indicative levy figures to inform 2020/21 budget setting

6 Legal Services Comments

6.1 The Levy Allocation Methodology Agreement is a financial model that is used to allocate cost between fixed, variable and GMCA costs in relation to the collection and disposal of GM waste and has been agreed between the relevant Authorities subject to formal approval.

6.2 The approval of the Agreement will enable the model to be put in place and provide certainty and clarity in terms of the cost of waste collection and disposal functions. (Colin Brittain)

7 Human Resources Comments

7.1 N/A

8 Risk Assessments

8.1 N/A

9 IT Implications

9.1 N/A

10 Property Implications

10.1 None

11 Key Decision

11.1 Yes

12 Key Decision Reference

12.1 NEI-15-19

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