

OVERVIEW AND SCRUTINY PERFORMANCE AND VALUE FOR MONEY SELECT COMMITTEE

Overview & Scrutiny Committee Agenda

Date Thursday 28 January 2021

Time 6.00 pm

Venue Virtual Meeting

https://www.oldham.gov.uk/info/200608/meetings/1940/live_council_meetings_online

- Notes
1. DECLARATIONS OF INTEREST- If a Member requires 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 Constitutional Services at least 24 hours in advance of the meeting.
 2. CONTACT OFFICER for this agenda is Constitutional Services email Constitutional.Services@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 Monday, 25 January 2021.
 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. 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 OVERVIEW AND SCRUTINY PERFORMANCE AND VALUE FOR MONEY SELECT COMMITTEE
Councillors Ahmad (Chair), Phythian (Vice-Chair), Stretton, Salamat, Byrne, Haque, Harkness and Shuttleworth

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 Revenue Monitor and Capital Investment Programme 2020/2021 Month 8 (Pages 1 - 50)
- 6 Council Tax Reduction Scheme 2021/22 (Pages 51 - 78)
- 7 Revenue Budget 2021/22 and Medium Term Financial Strategy 2021/22 to 2025/26 (Pages 79 - 630)
- 8 Housing Revenue Account Estimates for 2021/22 to 2025/26 and Proposed Outturn for 2020/21. (Pages 631 - 646)
- 9 Capital Programme & Capital Strategy for 2021/22 to 2025/26 (Pages 647 - 730)
- 10 Treasury Management Strategy Statement 2021/22 (Pages 731 - 782)
- 11 Statement of the Chief Financial Officer on Reserves, Robustness of Estimates and Affordability and Prudence of Capital Investments in the 2021/22 budget setting process (Pages 783 - 812)

Report to Overview and Scrutiny, Performance and Value for Money Select Committee



Revenue Monitor and Capital Investment Programme 2020/21 Month 8 – November 2020

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

Officer Contact: Anne Ryans, Director of Finance

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

28 January 2021

Reason for Decision

The report provides the Select Committee with an update on the Council's 2020/21 forecast revenue budget position at Annex 1 and the financial position of the capital programme as at 30 November 2020 (Month 8) together with the revised capital programme 2020/25, as outlined in section two of the report at Annex 2.

Executive Summary

Revenue Position

The current forecast outturn position for 2020/21 is a projected deficit variance of £8.330m after allowing for approved and pending transfers to and from reserves.

The position also includes additional costs and pressures that have been identified by the Authority in this financial year as a direct result of the Government's ongoing arrangements to mitigate the spread of COVID-19 which commenced on 23 March 2020. The additional pressures include forecasts of both income shortfalls and additional expenditure that have impacted on the Authority's budgets as a result of the pandemic.

The pandemic has affected nearly all aspects of Council service delivery; however, the most significant areas of concern are the People and Place, Children's Services and Community Health & 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 partly being offset by the application of the £24.902m unringfenced Government COVID related grant funding from the Ministry for Housing, Communities and Local Government (MHCLG), of which £7.641m was received in 2019/20 and held in a specific Earmarked Reserve to underpin the 2020/21 budget. There has been actual, in-year, receipts of £16.337m of COVID Emergency Funding, including £1.282m for the first claim for loss of income in relation to sales, fees and charges under the income compensation scheme (SFC). In addition, provision is made for the second SFC claim, calculated as £0.924m for the period August to November, which has been submitted to the MHCLG but not yet formally agreed for payment. In Appendix 1 to the report, the full Government grant is presented as a single sum so that it highlights the level of variation across all Council budgets, given that there is still insufficient resource to fully offset the adverse variance. However, this summary report presents the position after applying the Government grant across Portfolio areas.

An update on the major issues driving the projections are detailed within Annex 1, Section 3.

Section 4 of the report advises the Select Committee of the grants that the Council has received. There have been a number of developments particularly in relation to support for businesses and to provide additional support for the Council. Further grant funding and external contributions are expected, as a result, both the overall financial position and the application of Government grant will therefore change during the remainder of the financial year.

As this financial monitoring report reflects the financial position at Month 8, it can be regarded as an indicator of the potential year end position, however, management action has been initiated across all service areas to review and challenge planned expenditure and to maximise income. As previously mentioned there is an expectation of increased grant funding and external contributions which, based on current projections should bring the Council to a balanced position by the year end.

However, it is important to note the worsening position in relation to the course of the pandemic, potentially made more challenging firstly by the Authority, along with rest of Greater Manchester being placed under Tier 4 Stay at Home restrictions from 31 December 2020 and then the full national lockdown effective from 5 January 2021. Financial pressures on the Council could increase even further and therefore, much therefore depends on the future direction of the pandemic, Government action and the response required from the Council.

Information on the latest 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, is forecasting an in-year, deficit of £7.110m directly as a result of COVID-19. This will have a budgetary impact in 2021/22. The DSG continues to be an area which is facing a financial challenge with a revised, projected deficit of £4.559m at the end of the current financial year. Action is being taken with the aim of reducing the cumulative deficit and bringing the DSG towards a balanced position.

Capital Position

The report outlines the most up to date capital spending position for 2020/21 to 2024/25 for approved schemes. The revised capital programme budget for 2020/21 is £81.013m at the close of Month 8, a net decrease of £66.619m from the original budget of £147.632m. Actual expenditure to 30 November 2020 was £50.566m (62.42% 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 the Overview and Scrutiny Performance and Value for Money Select Committee considers the financial position of the Council as follows;

1. The forecast revenue outturn for 2020/21 at Month 8 being a £8.330m adverse variance having regard to the action being taken to manage expenditure
2. The forecast positions for the Dedicated Schools Grant, Housing Revenue Account and Collection Fund
3. The use of reserves as detailed in Appendix 1 to Annex 1
4. The revised capital programme for 2020/21 to 2024/25 at Month 8 as presented in Annex 2.

Revenue Monitor and Capital Investment Programme 2020/21 Month 8 - November 2020

1 Background

- 1.1 The Authority's 2020/21 revenue budget and capital programme was approved by Council on 26 February 2020. Under established budget procedures, all services are required to monitor and review their approved revenue and capital budgets during the financial year. Reporting to Cabinet in the past has been on a quarterly basis, however, as a result of the impact of COVID-19 and the significant change and challenge to the financial position of the Council, financial monitoring reports will be presented to Cabinet on a monthly basis.
- 1.2 As part of the budget monitoring process, the forecast year-end position for revenue and capital has been prepared by all services as follows:
- a) The revenue forecast is based on a comparison of profiled budgets to the actual position as at the end of Month 8 together with known commitments, issues and planned management actions. The forecasts include an estimation of the costs and lost income arising as a result of the Authority's response to COVID-19. Members will recall that the Council is submitting monthly financial information on COVID related pressures to the MHCLG (as highlighted to Cabinet in previous months). The information in this report is an update on the Round 8 submission made to the MHCLG on 11 December.
 - b) The capital programme forecast has been based on notified revisions to the approved 2020/21 position including new grant announcements, revisions to the Creating a Better Place programme as approved at Cabinet on 24 August 2020 and the outcome of the annual review of the capital programme which took place over the summer months.
- 1.3 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 and of course any further support that the Government may give with regard to additional funding to address the financial challenge created as a result of the pandemic. Clearly, given the changing course of the pandemic, firstly the Government's introduction of a four tier alert system and as of 31 December 2020 the Councils inclusion therein, followed by the national lockdown on 5 January 2021, there are likely to be further changes that cannot be foreseen at this time.

2. Current position

- 2.1 The forecast revenue outturn for 2020/21 is an adverse variance of £8.330m, a decrease of £0.174m compared to the £8.504m reported at Month 7. Further details of the current revenue budget position and a full description of this forecast can be found in Annex 1. The pressures relating to COVID-19 total £33.802m, this reduces to £6.818m with the application of the £24.902m un-ringfenced Government COVID related grant funding received to date and £2.083m refunded by the GMCA. The non-COVID related pressures total £1.512m and are primarily in Community Health and Adult Social Services (£1.560m) and Children's Services (£3.311m).

2.2 The total Portfolio variances are £35.314m as detailed in Annex 1 at Tables 1 and 2 including COVID (£33.802m) and non-COVID (£1.512m) pressures. This is comprised of People and Place reporting an adverse variance of £4.676m (£5.513m COVID related), Community Health and Adult Social Care reporting a pressure of £10.232m (£8.672m COVID related) and Children's Services reporting an adverse variance of £8.851m (£5.540m COVID related). The Services within Communities and Reform and Commissioning are similarly reporting adverse variances of £2.077m (£2.962m COVID related) and £0.843m (£1.176m COVID related) respectively. There is a small favourable variance of £0.276m within Chief Executive, with a £0.528m COVID related pressure. Capital, Treasury and Corporate Accounting is reporting a pressure of £8.912m of this £9.412m is COVID related with an offsetting £0.500m favourable business as usual variance resulting in the main from reduced capital financing requirements.

2.3 However, taking an approach to allocating the grant so far received against the costs incurred and using the information in Tables 1 and 2 of Annex 1 the table below shows the net impact across all Portfolio areas:

Portfolio Area	Gross Costs - COVID-19 Response £000	Apportion Grant Funding (SFC) £000	Apportion Grant Funding (MHCLG) £000	Apportion GMCA Refund £000	COVID Costs Net of Funding £000	Business as Usual £000	Total Variance £000
People and Place	5,513	(1,151)	(2,695)	(390)	1,277	(837)	440
Community Health and Adult Social Care	8,672	(358)	(8,314)		0	1,560	1,560
Children's Services	5,540	(328)	(3,220)	(466)	1,526	3,311	4,837
Communities and Reform	2,962	(87)	(1,776)	(257)	842	(885)	(43)
Commissioning	1,176	(232)	(583)	(84)	276	(333)	(57)
Chief Executive	528	(48)	(297)	(43)	141	(804)	(663)
Capital, Treasury and Corporate Accounting	9,412		(5,814)	(842)	2,756	(500)	2,256
Total	33,802	(2,204)	(22,698)	(2,083)	6,818	1,512	8,330

2.4 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. Robust measures are required to further address and mitigate the impact of COVID-19 on all Council services.

2.5 The local and national position in relation to COVID-19 is worsening and the resultant increase in expenditure and loss of income continues to have a detrimental impact on the financial position of the Council. The fluctuations in the month-on-month outturn position highlights the volatility and potential fragility of the Council in relation to the pandemic and the difficulty in reporting a consistent and settled financial position. Clearly there remains a significant challenge for the Authority and it should be noted that in relation to COVID there is an element of estimation as there can be no certainty, particularly given the current escalation of restrictions and the uncertain timeline for the course of the pandemic. Future reports will advise of the progress of mitigating factors and management actions to control and reduce the forecast deficit.

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- 2.6 The Government has already provided initial funding support of £24.902m, now including the first two claims submitted to the MHCLG Sales, Fees and Charges (SFC) compensation scheme, all of which has been used to offset the overall pressure arising from the pandemic. There is also a new scheme which will allow Council Tax and Business Rates deficits to be repaid over 3 years instead of one (impacting on the 2021/22 budget) and additional grant funding is expected to support irrecoverable Collection Fund losses of £1.000m (this is to be used to support the 2021/22 budget).
- 2.7 The Government has issued further support in the form of a range of unringfenced revenue grants to assist the Council with its response to COVID, a full schedule of which is provided in section 4.1 of Annex 1.
- 2.8 Additional support for business has been received which will be administered by the Council and action is in train to ensure businesses receive grant payments. Further detail is provided in sections 4.2 to 4.7 of Annex 1.
- 2.9 Clearly the forecast deficit of £8.330m is a concern with 4 months of the financial year remaining. It is expected, however, that in addition to the continued management actions to reduce expenditure, increased funding will be received from the Government with contributions expected from other partners (GMCA and Oldham CCG) which will, by the year end, have the effect of producing at least a balanced position. The exact contributions have yet to be finalised and have not therefore been included in the projections. The month 9 monitoring report will set out the estimated projected outturn position including these additional funds.
- 2.10 Information on the latest 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, directly as a result of COVID-19, is forecasting a decreased in-year deficit of £7.110m (£7.833m at month 7).
- 2.11 The DSG continues to be an area which is facing a financial challenge with a projected, albeit reduced deficit of £4.559m (£6.186m at month 7) now being forecast for 2020/21, as reported to the Schools Forum on 13 January 2021, this was incorporated in an update on the DSG Recovery Plan which forecasts a small DSG surplus being achieved in 2023/24, further detail is provided in section 5 of Annex 1.
- 2.12 The original approved capital programme for 2020/21 totalled £147.632m. The revised capital programme as at Month 8 reflecting the outcome of the annual review of the capital programme and therefore taking account of approved carry forwards, approved new funding, new schemes and variations and proposed variations/ re-phasing. This gives projected revised expenditure of £81.013m, a decrease of £9.108m compared to the previous month. Actual expenditure at Month 8 was £50.566m (62.42% 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 Overview and Scrutiny, Performance and Value for Money Select Committee members can either choose to:
- a) note the content of the report
 - b) challenge the information and ask for further detail to be provided.

4 Preferred Option

- 4.1 The preferred option is that Select Committee 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. The report will also be presented to the Overview and Scrutiny Performance and Value for Money Select Committee for review.

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 and implemented.

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 FG - 20 – 20

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 - G
Officer Name: Lee Walsh
Contact No: 0161 770 6608

20 Appendices

Annex 1 Revenue Budget Monitoring Report 2020/21 Month 8 – November 2020

Appendix 1 Month 8 - Planned Transfers to/ from Reserves
Appendix 2 Financing of the 2020/21 Budget at Month 8

**Annex 2 Capital Investment Programme Report 2020/21 Month 8 –
October 2020**

Appendix A	SUMMARY – Month 8 - Corporate Services
Appendix B	SUMMARY – Month 8 - Children's Services
Appendix C	SUMMARY – Month 8 - Communities and Reform
Appendix D	SUMMARY – Month 8 - Community Health & Adult Social Care
Appendix E	SUMMARY – Month 8 - Housing Revenue Account (HRA)
Appendix F	SUMMARY – Month 8 - People and Place
Appendix G	SUMMARY – Month 8 - Proposed Variations

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REVENUE BUDGET MONITORING REPORT 2020/21**Month 8 November 2020****1 Background**

1.1 The Authority's 2020/21 revenue budget was approved by Council on 26 February 2020 at a sum of £233.524m incorporating:

- £3.011m of budget reductions approved within the 2020/21 Budget (and £1.776m approved within the 2019/20 Budget)
- £10.008m use of corporate and specific reserves
- £5.150m of other one-off financing measures.

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 Month 8 together with known commitments, issues and planned management actions. The forecasts include the latest estimates in relation to expenditure arising as a result of COVID-19 and are an update on the round 8 position reported to the Ministry of Housing, Communities and Local Government (MHCLG) on 11 December 2020 and the first two claims in relation to the loss of income as a result of the pandemic under the income compensation scheme for lost sales, fees and charges (SFC). The first claim (£1.282m) has been accepted and paid in full by the MHCLG on 27 November 2020, the second claim for the four month period August to November has been calculated as £0.924m and submitted for payment.

1.3 In considering the projections included in the MHCLG returns and in this report, it is important to note that there is a high degree of estimation in relation to the impact of COVID-19, made even more speculative given the Council, along with the remainder of Greater Manchester was, on 31 December 2020, initially placed under the new, more stringent Tier 4 (stay at home) restrictions which were closely followed by the national lockdown implemented on 5 January 2021. The completion of the returns and the forecasting of the likely impact of the pandemic on the Council's budget is based on both the actual expenditure and the income loss recorded to date but also relies on a series of assumptions, particularly about the phasing of the impact over the rest of the financial year. The estimates are therefore expected to change throughout the remainder of the financial year.

2 Current Position**2.1 Summary Position**

2.1.1 The current net revenue budget of £292.845m represents an increase of £59.321m against the originally approved budget and an increase of £3.418m against the financing of £289.427m that was available at Month 7. The increase from the previously reported position is due to the receipt of an additional £0.155m of School Improvement Monitoring and Brokerage Grant, £0.076m of New Burdens funding to support the

administration of Business Grants, £0.065m for Discretionary Business Grants payments and anticipated grants of £0.924m for lost sales fees and charges and £1.000m for irrecoverable Collection Fund losses. The balance of £1.198m is in relation to the treatment of Capital Grants that for accounting purposes need to be reflected in the General Fund. A full funding analysis of the net revenue expenditure is shown at Appendix 2.

- 2.1.2 The current position for 2020/21 at Month 8 is a projected overspend of £8.330m, a decrease of £0.174m compared to the £8.504m reported at Month 7. A forecast of the year-end position has been prepared by all services. It is based on a comparison of profiled budgets to the actual position as at the end of Month 8 together with known commitments, issues and planned management actions in relation to 'business as usual' and the pandemic. The table below shows the year-end forecast position against budget for each Portfolio, including the additional costs anticipated as a result of the COVID-19 pandemic.

Table 1 - Summary Forecast Revenue Outturn

	Budget	Forecast	In Year Use of Transfer To/ From Reserves	Variance Month 8	Variance Month 7
	£000	£000	£000	£000	£000
People and Place	61,947	66,834	(211)	4,676	5,171
Community Health and Adult Social Care	63,640	73,899	(27)	10,232	10,216
Children's Services	49,691	59,239	(697)	8,851	8,490
Communities and Reform	34,515	37,884	(1,295)	2,077	2,216
Commissioning	9,802	12,692	(2,047)	843	687
Chief Executive	7,712	7,437	-	(276)	(203)
Capital, Treasury and Corporate Accounting	12,347	21,261	-	8,912	7,988
Discretionary Business Support Grants	9,467	9,467	-	-	-
Covid-19 Funding	17,261	-	(7,641)	(24,902)	(23,978)
Additional Section 31 Grant - Business Rate Reliefs	25,463	-	25,463	-	-
Additional Section 31 Grant - Irrecoverable Losses	1,000	-	1,000	-	-
Resources Returned by External Partners	-	(2,083)	-	(2,083)	(2,083)
NET EXPENDITURE	292,845	286,630	14,545	8,330	8,504
FINANCED BY:	(292,845)	(292,845)	-	-	-
NET FORECAST VARIANCE	-	(6,215)	14,545	8,330	8,504

- 2.1.3 The forecast outturn to the end of the year, after a predicted and proposed (net) in-year transfer to reserves totalling £14.545m is an adverse variance of £8.330m. A detailed list of the approved and planned use of reserves at month 8 can be found at Appendix 1. The key issues to note are:

- a) As previously reported, the movement in reserves includes the transfer to reserves of the Section 31 Grant Funding (£25.463m) for Business Rate Relief compensation which will be used to support the 2021/22 budget.
- b) At month 8 a new Section 31 grant is anticipated to compensate the Council for irrecoverable Collection Fund losses. The details of this were announced with the Provisional Local Government Finance Settlement. A prudent estimate of grant of £1.000m is anticipated. As the Collection Fund loss will not impact on the finances of the Council until 2021/22, the £1.000m will be carried forward as a reserve and used to support the 2021/22 budget.
- c) The transfers to reserves are offset by £7.641m of un-ringfenced COVID-19 funding received from Central Government at the end of 2019/20. This was transferred into an Earmarked Reserve at the year-end pending release to offset expenditure in 2020/21. This funding, together with the £16.337m received in year and an estimated £0.924m from the second SFC return brings the total Government unringfenced COVID support to £24.902m.

2.1.4 There are significant variances contained within the projected net overspend. As previously mentioned, the position includes a forecast of all the additional pressures being incurred by the Authority as part of its on-going response to the COVID-19 pandemic, as a direct result of the Governments continually evolving arrangements to mitigate the spread of COVID-19 that commenced on 23 March 2020. These additional in-year COVID related pressures, totalling a net £6.818m include forecasts of both income shortfalls and additional expenditure that have impacted on the Authority's budgets as a result of the pandemic and are a slight increase of £0.089m on the £6.729m included on the Month 7 monitoring report. Reductions in People and Place and Chief Executives are offset by increases in the remaining Portfolios. Conversely business as usual pressures have decreased by £0.263m from £1.775m to the current estimate of £1.512m, reductions across the majority of Portfolios are offset by increases in Children's Services and Commissioning. Table 2 below analyses the variance between COVID-19 and 'Business as Usual' operational variances.

Table 2 - Analysis of Variances

	Variance Month 8 £000	COVID 19 Costs included in forecasts £000	Business as Usual £000
People and Place	4,676	5,513	(837)
Community Health and Adult Social Care	10,232	8,672	1,560
Children's Services	8,851	5,540	3,311
Communities and Reform	2,077	2,962	(885)
Commissioning	843	1,176	(333)
Chief Executive	(276)	528	(804)
Capital, Treasury and Corporate Accounting	8,912	9,412	(500)
COVID-19 Funding	(24,902)	(24,902)	0
Resources Returned by External Partners	(2,083)	(2,083)	-
Total	8,330	6,818	1,512

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- 2.1.5 The People and Place Portfolio has a reported a pressure of £4.676 compared to £5.171m at Month 7, a decrease of £0.495m with a proposed net use of reserves totalling £0.211m. There is favourable business as usual operational variance of £0.837m, an improvement compared to the previously reported favourable outturn of £0.680m. The major movement is a £0.338m decrease in the predicted costs relating to COVID-19; the anticipated pressure is now estimated to be £5.513m compared to that of £5.851m at Month 7.
- 2.1.6 Community Health and Adult Social Care (CHASC) is reporting an overspend of £10.232m, including a £0.027m use of reserves. An increase in COVID-19 related expenditure of £0.223m and a decrease in 'business as Usual' expenditure of £0.207m reflects the minor overall variance increase of £0.016m compared to that reported at Month 7. The adverse variance includes £8.672m of COVID-19 related expenditure due to the demand for care packages following hospital discharges which has increased due to the second wave of the pandemic and which is now funded under revised guidance.
- 2.1.7 Children's Services is forecasting an adverse variance of £8.851m of which £5.540m is related to COVID-19 and with a proposed £0.697m use of reserves. This is an increase of £0.361m compared to the previously reported £8.490m. There are major pressures within the two main service areas: Education, Skills and Early Years; at £1.022m and Children's Social Care; at £7.931m.
- 2.1.8 Communities and Reform is reporting an adverse variance of £2.077m, including £2.962m of COVID related pressures offset by a favourable operational variance of £0.885m. The Commissioning Portfolio is reporting an overall adverse variance of £0.843m. The total variance is comprised of pressures of £0.512m in Procurement and £0.331m in Finance.
- 2.1.9 The Chief Executive Portfolio is reporting a favourable variance of £0.276m, whilst Capital, Treasury and Corporate Accounting is showing an increased adverse position of £8.912m, a COVID pressure of £9.412m is offset by a favourable operational variance of £0.500m.
- 2.1.10 Government un-ringfenced funding received to date has increased to £24.902m with the inclusion of a second SFC submission of £0.924m. Additional funding is expected, at a minimum there will be a further 2020/21 SFC return for the final four months of the financial year, which it is anticipated will again reduce the in-year deficit. Additional funding/ reimbursements are expected from the GMCA, of which the £2.083m received at the end of October has been forecast to offset the increased COVID related expenditure reported in the current period. A more detailed analysis of financial performance and the major variances can be found by Portfolio in the following sections.
- 2.1.11 It is important to note that as a result of COVID-19 the following 2020/21 approved budget reductions are still forecast not to be achieved
- Treasury Management (Capital and Treasury) - £1.000m
 - The Direct Payment Review (CHASC) - £0.150m
 - Property Savings and Accommodation Review (People and Place) - £0.163m (part of an approved £0.261m)

-
- Service efficiencies approved in 2019/20 of £1.776m including Children's Services at £1.660m

All the above pressures are unchanged and are included within the forecasts.

- 2.1.12 As previously reported, in view of the continued projected adverse variance, management action has been initiated across all service areas to review and challenge planned expenditure and to maximise income, in addition the recruitment of staff to vacant posts and significant items of expenditure continue to be monitored via a corporate process. Such service and corporate actions will continue with the aim of bringing expenditure nearer to the resources available. In addition, further measures are being implemented to ensure non-essential expenditure is avoided unless there is an exceptional business case to support it.
- 2.1.13 The effectiveness of management action will continue to be closely monitored by Directorate Management Teams with regular progress updates being provided to Portfolio holders. There has been a slight reduction in the forecast deficit from the previous month. The local and national position in relation to COVID-19 is worsening, firstly with the Council along with the rest of GM being placed in the newly created 'Tier 4' and then the national lockdown, effective from 5 January 2021, all of which imposes even tighter restrictions and this has potential to have an even more damaging and seriously detrimental impact on the financial position of the Council. The fluctuations in the month-on-month outturn position highlights the volatility and potential fragility of the Council in relation to the pandemic and the difficulty in reporting a consistent and settled financial position.
- 2.1.14 Alongside planned management actions to reduce the overspend, further grant is expected from the MHCLG for re-imbursement of COVID related expenditure and loss of sales, fees and charges. A second SFC return was submitted in late December 2020, however, although not yet paid by the MHCLG the claim has been included in the COVID income of £24.902m incorporated in the month 8 position. Obviously any additional grant received will further improve the 2020/21 financial position, this together with a potential easing of restrictions, particularly with the roll out of a vaccine, will hopefully lead to an improvement in the operating environment and will contribute to the Council being able to report a lower adverse position at the end of the financial year
- 2.1.15 The current financial monitoring position is still a major concern as it impacts on the overall financial resilience of the Council. It is evident that there is still time for the financial position to continue to improve and management action to be effective but given the volatility of the COVID-19 position there is no certainty in this regard. Changes are therefore expected in the coming months and updates will continue to be presented to Cabinet.

3 Portfolio Summaries

3.1 People and Place

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

Table 3 – People and Place - Forecast Outturn

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Economic Development	1,542	6,262	(295)	4,425
Enterprise and Skills	777	1,425	-	648
Environmental Services	54,110	53,388	84	(638)
ICT	4,152	4,456	-	304
Customer Services	1,366	1,303	-	(63)
Total Forecast Net Expenditure	61,947	66,834	(211)	4,676

Summary

- 3.1.2 The forecast outturn at Month 8 for the People and Place portfolio, including all pressures associated with COVID-19 and use of reserves of £0.211m, is an overspend of £4.676m.

Economic Development

- 3.1.3 Economic Development Directorate is currently forecasting a pressure of £4.425m compared to £4.448m at Quarter 2, including a £0.295m use of reserves. The main reasons for the adverse variance are detailed by service area below:

- The Catering and Cleaning service is showing an adverse variance of £1.417m. Lost income as a result of the COVID-19 pandemic is partially offset by staffing vacancies and reduced food costs.
- The Car Parking budget is also showing a pressure of £0.929m which relates to the loss of income as a result of COVID-19
- There is an estimated pressure against the Corporate Landlord/ Investment Estate totalling £1.723m, of which £1.109m relates to COVID-19 with the remainder relating to pre-existing issues in the area
- The Strategic Housing Service is projecting a pressure of £0.300m due to additional accommodation costs being incurred as a result of COVID-19
- The Planning Department is projecting a pressure of £0.056m relating to agency staffing costs

- 3.1.4 There is also a requirement to progress work associated with the Greater Manchester Spatial Framework, the Local Plan and the Creating a Better Place Strategy, as per the 2020/21 Revenue Budget and Medium-Term Financial Strategy. This work will be financed from revenue reserves and the appropriate drawdowns have been now been incorporated in the month 8 monitoring position.

Enterprise and Skills

- 3.1.5 The Enterprise and Skills Directorate is forecasting a pressure of £0.648m. The Town Centre area, which includes the Market Service is currently forecasting an overall loss

for the financial year of £0.775m which includes an anticipated loss of certain rental income due to COVID-19. Offsetting this pressure is an anticipated underspend due to a reduction in staffing costs of £0.127m across the Service area.

Environmental Services

3.1.6 The Environmental Services area is forecasting a £0.638m underspend. The Waste Levy payable to GMCA is currently expected to increase by £0.645m which is in excess of the budget available as a result of additional costs incurred in relation to COVID-19. Variances in the overall GM Waste Disposal budget will be managed by the Combined Authority and the pressure has therefore been excluded from the Directorate forecast. Variances triggering the overall underspend include:

- Public Protection is showing a pressure totalling £0.267m, of which £0.142 relates to loss of income due to COVID-19
- The Highways Operations (Council) is showing a pressure of £0.012m of which £0.093m is lost income as a result of COVID-19
- Waste Management is showing an underspend of £0.159m with £0.048m additional COVID-19 impacts being offset by underspends in staffing vacancies
- Underspends totalling £0.554m consisting of £0.249m in Highways Operations (Unity) and £0.305m in Street Lighting (S.38 / S.278 inspection fees).
- Environmental Services Management is forecast to underspend by £0.204m following a number of requests for voluntary redundancy.

ICT and Customer Services

3.1.7 ICT is forecasting an overspend of £0.304m, £0.415m of which is attributable to COVID-19 costs, the overspend is being offset by vacancies within the service. Customer Services is forecasting a small favourable outturn of £0.063m

Achievement of Budget Reductions

3.1.8 There is a £0.261m Budget Reduction in place as part of the Creating a Better Place strategy; however, given the effects of the current COVID-19 pandemic it is anticipated that £0.163m of the saving will not be fully achieved in year. The impact of this is included in the figures above.

3.2 Community Health and Adult Social Care

3.2.1 The Portfolio provides social care support to adults and carers across Oldham with a key aim of integrating and aligning the work with health partners to achieve greater efficiency in service delivery and better outcomes for the resident or patient. This covers both the commissioning and the provision of services. The following table shows the forecast position for the Portfolio at Month 8.

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

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Commissioning	21,859	21,387	-	(472)
Community Business Services	1,664	1,460	-	(204)
Community Health & Social Care	28,003	27,782	-	(221)
Director Adult Social Care	(8,916)	(9,348)	(27)	(459)
Learning Disability	12,149	14,560	-	2,411
Mental Health	7,847	8,412	-	565
Safeguarding	1,034	974	-	(60)
Adult Social Care - COVID 19	-	8,672	-	8,672
Total Forecast Net Expenditure	63,640	73,899	(27)	10,232

Summary

3.2.2 As demonstrated in table 4 above, the pandemic is having a significant impact on the Portfolio, with a projected budget pressure of £10.232m, including a £0.027m use of reserves, the position is virtually unchanged to that reported at Month 7. The predominant factor contributing to the overspend is the COVID-19 related expenditure which has increased by £0.223m since month 7 and now totals £8.672m, in the main attributable to an increase in care package costs for patients discharged from hospital following the second wave of the pandemic and the subsequent tightening of restrictions, which is likely to be perpetuated by the region being classified in Tier 4 at the end December and the subsequent national lockdown in January. The previously reported changes to the arrangements to recharge costs to support hospital discharge to the NHS are also now having an impact on the costs to be borne by the Council and may continue to do so. For this reason the financial forecasts may therefore be subject to further revision.

3.2.3 'Business as usual' variances have reduced by £0.207m against that reported at Quarter 2 and are currently forecast to overspend by £1.560m.

Commissioning & Community Business Services

3.2.4 Commissioning is forecasting an underspend of £0.472m due to a reduction in core payments made to Supported Living care providers in the independent care sector. This is considered to be a temporary position influenced not only by the effect COVID-19 has had on the client base but also the small increase of people becoming eligible for Continuing Health Care funding.

Community Business Services is forecasting a £0.204m underspend for the year due to vacant posts.

Community Health & Social Care

3.2.5 This area is forecasting an underspend of £0.221m; several higher cost packages of care have become fully funded by Continuing Health Care NHS resources due to increased clinical needs. Whilst this is a volatile area of the service, the favourable movement of the forecasts during the financial year have allowed budgets totalling

£0.510m to be re-aligned to the Learning Disability budget to more accurately support the most acute area of demand and cost pressure.

Director of Adult Social Care

- 3.2.6 Director Adult Social Care is continuing to forecast a favourable variance of £0.459m due to the anticipated uplift in the Better Care Fund allocation being consistent with previous years agreements.

Learning Disability

- 3.2.7 Learning Disability is forecasting an overspend of £2.411m compared to £2.435m at Month 7, a slight favourable variance of £0.024m. Additional budget which has been re-aligned from Community Health and Social Care has, in part, assisted to reduce the overspend within this area. The revised variance is related entirely to increases in care costs, both in terms of client numbers and to a greater extent the complexity of care and as previously reported the Transforming Care Programme which continues to present a considerable financial challenge.

Mental Health

- 3.2.8 Mental Health is forecasting an overspend of £0.565m, a favourable movement of £0.019m compared to that reported at Month 7. With the general population living longer and surviving other illnesses, the number of people developing dementia is increasing and therefore attracting the dementia premium when placed in care homes. A working group has been created to identify high cost and/or out of borough support which aims to optimise value for money when reviewing and procuring appropriate care packages.

Safeguarding

- 3.2.9 Safeguarding is reporting an underspend of £0.060m; no change to the variance reported at Month 7.

Achievement of Budget Reductions

- 3.2.10 There is one Budget Reduction for the Portfolio in 2020/21; £0.150m relating to a review of Direct Payments. As previously mentioned, this is currently forecast to be unachievable as a result of COVID-19 and the impact of this is reflected in the information presented above.

Progress Against Locality Plans

- 3.2.11 A key element of the Health and Social Care devolution agenda is the submission of a Locality Plan setting out the joint vision of the 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.

3.2.12 The financial performance against the latest version of the 2020/21 Locality Plan, as reported to the GM Health and Social Care Partnership, is shown in the table below:

Table 5 – Locality Plan

	Revised Budget £000	Forecast £000	Variance £000
Community Health and Adult Social Care	61,360	71,591	10,231
Public Health	18,114	17,985	(129)
Children and Families	41,550	49,481	7,931
Total	121,024	139,057	18,033

3.2.13 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. This includes forecast overspends that are a result of additional activity due to COVID-19. At this stage this shows the gross cost before the allocation of a share of the Government grant that has been paid to compensate the Council for COVID-19.

3.3 Children's Services

3.3.1 The following table shows the forecast position after the approved and planned use of transfer to reserves for the Portfolio.

Table 6 – Children's Services

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Children's Social Care	35,069	43,080	(80)	7,931
Education, Skills & Early Years	11,135	12,719	(562)	1,022
Preventative Services	3,526	3,479	(55)	(102)
Schools	(39)	(39)	-	-
Total Forecast Net Expenditure	49,691	59,239	(697)	8,851

Summary

3.3.2 The Portfolio has a projected overspend of £8.851m, an increased adverse movement of £0.361m compared to that at month 7. The overspend includes costs of £5.540 that are related to the impact of COVID-19 and incorporates the use of reserves totalling £0.697m. The principal underlying reasons are detailed below.

Children's Social Care

3.3.3 This area is projecting a £7.931m overspend, an adverse movement of £0.412m to that which was reported at Month 7, £0.178m of the increase is in relation to cessation of a health care contribution to one placement, the decision is being challenged, if the contribution is reinstated the overspend will reduce accordingly. Of this overspend, £2.894m is due to anticipated cost relating to COVID-19, in the main relating to the provision of placements, particularly children placed outside of the borough, staffing

costs and in-house residential care. The national trend for children's placements shows increases in foster and residential costs resulting from factors including fewer placements ending when anticipated, increases in fee requests from providers and demand spikes following the re-opening of schools which has impacted on the number of safeguarding referrals. Further investigative work will be required to fully assess the financial implications of these factors in Oldham and to evaluate any longer-term financial impact. Unachievable savings of £1.660m are also a contributor to the overspend in 2020/21 and bring the estimated COVID related pressure to £4.554m.

- 3.3.4 There are other additional overspends included within the forecasts, firstly there are one off pressures in relation to restructuring costs and the anticipated loss of contractual income which account for £0.531m of the adverse variance.
- 3.3.5 There is a further forecast operational deficit of £2.846m as a result of increased costs again in the main relating to social care placements including Out of Borough and to a much lesser extent certain elements of staffing costs.

Education, Skills and Early Years

- 3.3.6 The Directorate is estimating a £1.022m overspend, this includes an unchanged £0.986m of costs associated with COVID-19; the main contributing factors in relation to which are as follows:
- £0.361m - Home to School Transport; anticipated impact from September 2020 due to social distancing measures, reduced by financial assistance of £0.180m received from the GMCA.
 - £0.400m - Out of Borough, half term opening costs related to COVID-19, SEN Home Tutoring and Lost Learning and Get Oldham Working
 - £0.225m - Loss of Income; Service Level Agreement (SLA) income to the QEST service and Post16 parental fines
- 3.3.7 Further additional pressures in relation to 'business as usual' total £0.036m and are mainly due to staffing pressures across the Directorate.

Preventative Services

- 3.3.8 Preventative Services includes Early Help, Targeted Youth, Tackling Troubled Families and the Multi-Agency Safeguarding Hub (MASH), plus following a re-allocation of services, the Family Support service which has transferred from Children's Social Care, the Directorate is predicting an underspend of £0.102m for the year, there is a £0.055m use of reserves to support the activity of the MASH.

Achievement of Budget Reductions

- 3.3.9 The Budget Reductions for Children's Services are solely in relation to the Portfolio's target of achieving efficiencies, linked to previous allocated resources for a new operating model; £1.660m in total, all of which is currently forecast to be unachievable as a result of COVID-19 and is included as part of the overall pressure above.

3.4 Communities and Reform

3.4.1 The following table shows the forecast position for the Communities and Reform Portfolio after the approved and planned use of reserves and includes additional costs for COVID-19.

Table 7 – Communities and Reform

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
People	2,558	2,359	-	(199)
Public Health & HLA	23,543	23,888	(502)	(157)
Youth, Leisure & Communities	5,636	8,230	-	2,594
Transformation and Reform	938	998	(190)	(130)
Communications and Research	934	984	-	50
Policy	40	662	(602)	20
Strategy and Performance	864	763	-	(101)
Total Forecast Net Expenditure	34,515	37,884	(1,295)	2,077

3.4.2 The forecast outturn at Month 8 is an overspend of £2.077m compared to £2.216m at Month 7, a decrease of £0.139m. This is after the approved use of £1.295m reserves. COVID related pressures have increased by £0.053m and now stand at £2.962m. A favourable variance of £0.885m relates to 'Business as Usual' and is an improvement of £0.192m on the position reported at Month 7. The paragraphs below outline the main movements within the Portfolio.

3.4.3 Youth, Leisure and Communities is showing an overall overspend of £2.594m. The main driver being the Leisure Centre closures due to the COVID-19 pandemic generating an overall pressure of £2.369m against the Leisure contract which remains the same as that reported at Month 7.

3.4.4 There are several lower value variances, as follows:

- People Services is showing a favourable variance of £0.199m which relates to income pressures against HR Advisory and Occupational Health and interim and exit payment costs which are offset by reduced license costs and vacant posts mainly in Organisational Development.
- Public Health and Heritage Libraries and Arts (HLA) are together showing a joint favourable variance of £0.157m. There are income pressures for the Music Service and Theatre Workshop due to COVID-19 and reduced service provision, which is offset with underspends on staffing and non-pay costs.
- Transformation and Reform is showing an underspend of £0.130m at month 8
- Communications and Research is forecasting an adverse variance of £0.050m; unachievable income and additional spend on payments to contractors
- Policy is showing an overspend of £0.020m - there are pressures on income and supplies and services offset in part with vacant posts.
- Strategy and Performance is showing an underspend of £0.101m at Month 8.

Achievement of Budget Reductions

3.4.5 There are no approved budget reductions in this area for 2020/21.

3.5 Commissioning

3.5.1 The table below shows the forecast position after the approved and planned use of reserves for the Portfolio.

Table 8 - Commissioning - Forecast Outturn

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Commissioning and Procurement	288	800	-	512
Finance	9,514	11,892	(2,047)	331
Total Forecast Net Expenditure	9,802	12,692	(2,047)	843

Summary

3.5.2 The forecast outturn position at Month 8 after a £2.047m use of reserves is an overspend of £0.843m, an adverse variance of £0.156m from that reported at Month 7. A sum of £1.176m of the adverse variance is attributable to the pandemic, leaving a 'business as usual' underspend of £0.333m.

Commissioning and Procurement

3.5.3 Commissioning and Procurement is reporting an overspend of £0.512m. The service is continuing to experience difficulties in recruiting to permanent posts, resulting in a more expensive temporary staffing solution costing an additional £0.235m above current budget levels. The service is also reporting a pressure of £0.277m against the Early Payment scheme which is in part due to Government guidance in response to COVID-19 in that suppliers move to immediate payment terms (£0.081m) and the remainder (£0.196m) relates to an existing budgetary pressure against the Early Payment Scheme income budget.

3.5.4 Finance is showing an overspend of £0.331m. The pressure in relation to summons cost recoveries has reduced to £0.896m at month 8 although it is anticipated there will be no or very few summons cost recoveries in 2020/21 due to COVID19. This is offset in part by vacancies in the Finance division and a forecast reduction in non-pay costs.

Achievement of Budget Reductions

3.5.5 The 2020/21 Budget Reductions for the Commissioning portfolio of £0.400m are forecast to be fully achieved.

3.6 Chief Executive

3.6.1 The table below shows the forecast position including additional cost associated with COVID-19.

Table 9 – Chief Executive

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Chief Executive	2,202	2,116	-	(86)
Chief Executive Management	1,648	1,573	-	(75)
Legal Services	3,275	3,165	-	(110)
Executive Office	588	583	-	(5)
Total Forecast Net Expenditure	7,712	7,437	-	(276)

Summary

- 3.6.2 The Portfolio is showing an underspend of £0.276m a favourable movement of £0.073m compared to the £0.203m underspend at Month 7, 'business as usual' underspends totalling £0.804m are offset by estimated pressures of £0.528m due to the impact of COVID-19.

Chief Executive

- 3.6.3 Chief Executive is reporting an underspend of £0.086m at Month 8. Additional mortuary costs due to COVID-19 are in part offset by a reduction in contributions to GMCA for regionally provided services and a reduction in costs for the Coroners Service in 2020/21.

Chief Executive Management

- 3.6.4 Chief Executive Management is reporting an underspend of £0.075m as at month 8 which relates to a contribution from the NHS Test and Trace service.

Legal Services

- 3.6.5 The service is reporting an underspend of £0.110m at Month 8. There is an impact of COVID-19 with an anticipated reduction in income in Registrars and Land Charges and the recovery of court costs. There are staffing pressures due to COVID-19 as external expertise is required regarding contractual issues and to deal with the backlog of schools' admission appeals. This is in part being offset by an anticipated underspend within the Elections budget due to the postponement of the local election in May 2020.

Executive Office

- 3.6.6 The Service is reporting a small underspend of £0.005m at month 8.

Achievement of Budget Reductions

- 3.6.7 There are no Budget Reductions for the Chief Executive Portfolio in 2020/21.

3.7 Capital, Treasury and Corporate Accounting

- 3.7.1 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	12,347	21,261		8,912
Total Forecast Net Expenditure	12,347	21,261		8,912

Summary

Capital, Treasury and Corporate Accounting

- 3.7.2 The Portfolio includes the budgets associated with the Council's Treasury Management activities including interest payable on loans and interest receivable on investments
- 3.7.3 The adverse variance within the Capital and Treasury service area is £8.912m; being £9.412m of COVID expenditure as a result of the anticipated loss of income from approved treasury management investments, increased by a further re-assessment of the extent to which capital receipts will be available to support transformation change as outlined in Section 9 of the report. The pressure is offset by a £0.500m favourable business as usual variance arising from capital programme reprofiling.

Housing Benefits

- 3.7.4 Included in the above is an anticipated overspend of £0.280m due to the temporary suspension of not recovering benefits overpayments as per Local Government Association (LGA) bulletin 6.4 as part of the Government's response to the COVID-19 outbreak.

Achievement of Budget Reductions

- 3.7.5 The 2020/21 Budget Reductions for Capital, Treasury and Corporate Accounting total £2.200m. Within this is £1.000m for Treasury Management which will not be achieved due to global pandemic and is included within the pressure noted above.

4 Other Grants Received by the Council

- 4.1 Members will recall that in addition to the unringfenced grants highlighted in the report, including the COVID-19 funding which now totals £24.902m (£2.206m of which is in relation to SFC) that has already been or is scheduled to be received and which has increased the net revenue budget of the Council, the Government has provided a range of ringfenced grants to support the response to COVID-19. Whilst these are included in the budget, the increased expenditure is offset by grant within the relevant service area. Those previously presented in financial monitoring reports are set out as follows:

- Hardship Fund Grant (£3.015m)
- Infection Control Fund Grant Round 1 (£2.317m)
- Infection Control Fund Grant Round 2 (£2.276m)
- Local Authority Test and Trace Service Support Grant (£1.560m)

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- Local Authority Emergency Assistance Grant for Food and Essential Supplies (£0.361m)
 - Coronavirus (COVID-19) Rough Sleepers Contingency Fund (£0.002m)
 - Reopening High Street Safely Fund (£0.210m)
 - Self-Isolation Payment (Pilot Scheme) – (£0.027m)
 - Local Authority Support for Clinically Extremely Vulnerable (CEV) Individuals (£0.145m)
 - Enhanced Response to COVID (£0.300m)
 - Next Steps Accommodation Programme (£0.147m)
 - Local Authority Compliance and Enforcement Grant (£0.155m)
 - Test and Trace Support Payment Scheme (£0.245m)
 - Contain Outbreak Management Fund (£1.897m)
 - Additional Dedicated Home to School and College Transport (£0.180m)
 - COVID Winter Grant Scheme - £0.975m

Other ringfenced grants notified since the last report are:

- a) Two additional allocation of the Contain Outbreak Management Fund which is paid to Authorities to support proactive containment and intervention measures. Firstly £0.948m to reflect the Tier 3 status of Oldham and therefore a payment of £4 per head of population for a 28 day period from 2 December 2020. Secondly a payment of £0.440m to reflect 13 days of Tier 3 status prior to 5 November 2020 and the start of the second national lockdown.
- b) A new ringfenced grant recently notified is the Holiday Activities and Food Programme which aims to provide healthy food and enriching activities over the school holiday periods for children who receive benefits-related free school meals. The Department for Education recently announced that the programme will be expanded to reach all Local Authority areas over the Easter, Summer and Christmas holidays in 2021. The Council has been allocated £0.136m in 2020/21 and a further £1.219m in 2021/22.

Grant Support for Businesses – Small Business, Retail, Leisure, Hospitality and Discretionary Grants

- 4.2 Members will also recall that Cabinet on 23 April was advised that the Council had been awarded grant funding of £54.738m to provide support for small businesses and those in the retail, hospitality and leisure sectors in the form of two grant funding schemes, the Small Business Grant Fund (SBGF) and the Retail, Hospitality and Leisure Grant Fund (RLHGF). The Government subsequently announced that this funding allocation would also provide Discretionary Grant support for those businesses not qualifying for the other categories of grant.
- 4.3 The funding had been ringfenced but in accordance with accounting guidance, because the Council was acting as an agent in the administration of the SBGF and RLHGF grant regimes, these payments were to be netted off the grant received and are not required to be shown gross in the budget. The Local Authority Discretionary Grants Fund is required to be included in the 2020/21 revenue budget as additional external funding matched by expenditure.

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- 4.4 The grant schemes closed on 28 August and all final payments have been made and a full reconciliation undertaken. Government was notified in accordance with the deadline of 30 October that in total payments of £47.835m were made under the SBGF and RLHGF grant regimes to 4,232 businesses and £2.501m (the maximum allowable) of discretionary grants paid to 267 businesses. The Councils net budget has been increased by £2.501m to reflect the finalised payment of Discretionary Grants. The Council has not yet been requested to repay the Government £4.402m representing the excess of grant received over that paid out. This funding is being used on a cash basis to support the new round of business grant payments for which Government funding has yet to be received.

Grant Support for Businesses - Local Restrictions Support Grant (LRSB)

- 4.5 On 9 September, the Government announced that there would be further funding to support businesses legally required to close due to restrictions being put in place to manage coronavirus. Further changes were announced during October with variants on the Local Restrictions Support Grant (LRSB) introduced linked to the national lockdown from 5 November to 2 December 2020. At the end of the second national lockdown, further grants and funding was announced. Yet more grants were announced when Oldham entered into the Tier 4 restrictions on 31 December 2020 and the third national lockdown was introduced on 5 January 2021. The business support grants that the Council is administering, prior to Tier 4 restriction and the grant funding available are as follows:
- a) Local Restrictions Support Grant (Closed) at £0.191m – grants payable under this scheme are for businesses required to close as a result of the introduction of Tier 3 restrictions. The grant payments to eligible businesses cover the period from 23 October 2020 to 4 November
 - b) Local Restrictions Support Grant (Closed) Addendum at £3.517m – grants payable under this scheme are to businesses required to close as a result of the second national lockdown. The grant payments to eligible businesses cover the period 5 November to 2 December 2020 –
 - c) Local Restrictions Support Grant (Sector) funding included in the £3.517m above – grants payable under this scheme are to businesses who have been required to remain closed since the first national lockdown ended. These grant payments to eligible businesses cover the period 1 to 4 November 2020
 - d) Local Restrictions Support Grant (Open) at £1.884m – grants payable under this regime are discretionary grants and are for businesses that have suffered losses as a result of reduced trading due to COVID-19 restrictions. The grant payments to eligible businesses cover the period 1 August to 4 November
 - e) Additional Restrictions Grant (ARG) at £5.017m – this grant regime is to support businesses impacted by COVID-19 and there is flexibility as to its use. The grant payments to eligible businesses reflect the discretionary nature of the scheme.
 - f) Local Restrictions Support Grant (Closed) for those businesses who must remain closed under Tier 3 restrictions from 2 to 18 December 2020 – for which grant of £0.288m has been received
 - g) Local Restrictions Support Grant (Closed) for businesses that must remain closed from 19 December to 30 December 2020 for which £0.297m has been received. This sum will be paid every 2 weeks until there is a change in either the Tier or grant regime

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- h) Local Restrictions Support Grant (Open) to fund discretionary payments to businesses that have suffered losses during the period from 2 – 18 December for which £0.036m has been received
 - i) Local Restrictions Support Grant (Open) to fund discretionary payments to businesses that have suffered losses during the period from 19 December to 30 December 2020 for which a grant of £0.029m has been received. This sum will be paid every 2 weeks until there is a change in either the Tier or grant regime
 - j) Christmas Support Payment grant of £1,000 for “wet led” pubs for which £0.128m has been received from Government.

4.6 The Council will act as an agent of Government for the grants at (a), (b), (c), (f), (g) and (j) above. The grants at (d), (e), (h) and (i) are discretionary grants and the budget has been adjusted accordingly. To date, the Council has received £11.387m in grant from the Government including £5.017m received via the GMCA to fund payments to businesses as outlined above.

4.7 More funding will follow as required in accordance with the operating arrangements. The Council is following the detailed guidance issued by Government in the administration of these grant regimes and developing its approach to the two discretionary schemes.

5 Schools

5.1 The Council's expenditure on schools is funded primarily by grant 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 2020. 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.

5.2 Members will recall the DSG is made up of the following 4 blocks of funding as follows;

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

5.3 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, resourced provision and post 16 Further Education 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 has historically agreed transfers between Schools Block and High Needs Blocks in 2018/19 (1%) and 2019/20 (0.84%). A further 0.5% has been agreed for the current financial year (£1.009m). At the Schools Forum meeting in November members agreed a further 0.5% movement for 2021/22.

- 5.4 The position has changed from that previously reported, with the continued support from the Schools Block, the High Needs Block now has an in-year deficit of £0.464m, a reduction of £0.089m from the previously reported deficit of £0.553m. This contributes to a cumulative deficit forecast of £15.343m as at 31 March 2021. The deficit is offset by cumulative virements and savings from the Schools and Early Years Blocks to leave a net deficit of £5.380m (as illustrated in the table below). This in turn is a significant element of the overall deficit on the DSG.

Table 12 – DSG High Needs Block

DSG Key Issues	£000
Original Budget Allocation including adjustment for imports/exports	39,190
Contribution from Schools Block (Schools Forum approval)	1,009
2020/21 Total Budget Available	40,199
Estimated Expenditure	(40,663)
Projected in Year Deficit	(464)
Deficit Brought Forward 01/04/2020	(14,879)
Cumulative Deficit	(15,343)
Offset by;	
- Virement from Schools Block- 2016/17 to 2019/20	6,237
- Savings in Schools and Early Years Block- 2015/16 to 2019/20	3,726
Projected Deficit 31/03/2021	(5,380)

Overall DSG Position and Recovery Plan

- 5.5 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 2019. As previously reported to Members the financial elements of the recovery plan have been continuously updated to take account of estimated additional cost pressures, formal notification of additional funding and the agreed funding methodology for 2020/21 (including the reduced 0.5% transfer of DSG funding between the Schools and the High Needs Funding Blocks for 2020/21) that was approved by Cabinet on 16 December 2019.
- 5.6 In addition, as previously reported, a report was presented to Schools Forum on 18 November 2020 providing an update in relation to the DSG advising of the outcome of the school's consultation on the funding formula for 2021/22. The report included a 0.5% transfer from the Schools Block to the High Needs Block of £1.049m which was subsequently agreed by Cabinet on 14 December 2020.
- 5.7 A further report was presented to Schools Forum on 13 January 2021 providing a further update in relation to the DSG and the DSG recovery plan has been updated

accordingly to take account of the most recent funding announcements, the latest expenditure predictions and their impact on the projections from the current financial year through to 2023/24. The table below shows the revised Recovery Plan and illustrates that with the increased funding anticipated and the planned actions to address new operating arrangements to generate efficiencies, the DSG should be brought into a position where there is a small surplus in 2023/24.

Table 13 - Overall DSG Position

	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Opening Balance - Surplus/(Deficit)	(4,916)	(4,559)	(3,548)	(1,879)
Movements per original plan	1,048	5,081		
Original Forecast Variance	(3,868)	522	(3,548)	(1,879)
Estimated Adjustments including Additional (Pressures) / Savings	(691)	(4,268)	185	123
Estimated Savings Out of Borough	0		286	928
Additional High Needs Funding	0		1,000	1,000
Estimated adjustment re imports/exports	0	198	198	198
0.5% Movement Agreed by Schools Forum				
Revised Net Forecast (Deficit)/Surplus	(4,559)	(3,548)	(1,879)	370

- 5.8 The new 2020 Regulations mean that there will no longer be an automatic 1% trigger for the production of a DSG deficit recovery plan, instead the DfE will focus on those Authorities requiring help through a more measured and targeted approach. As the current recovery plan has been agreed with the Schools Forum, and it is appropriate to present information in this format at this time, it is proposed that the Authority will continue to use the recovery plan arrangements as an effective means of monitoring the DSG position and returning the deficit to a surplus and will continue to liaise with the Schools Forum accordingly. The projected deficit for 2021/22 includes the result of the settlement on 17 December of provisional funding allocations for 2021/22.

6 Housing Revenue Account (HRA)

- 6.1 The current HRA position is presented in Table 14 and compares the initially approved HRA position to the current estimated outturn. The actual closing balance for 2019/20 at £21.795m was £0.045m more than the estimate of £21.750m. The original HRA forecast was for a planned in-year decrease in balances of £3.520m, mainly to support housing related expenditure in the Capital Programme. The revised forecast is for a reduced in year deficit of £2.181m, a net favourable movement of £1.339m. The variance is attributable to the reprofiling of several capital projects, which is partially offset by additional anticipated expenditure on dwellings for the disabled and other essential adaptations and increased contributions to General Fund activity.

Table 14 - Housing Revenue Account Forecast Position

HRA Income & Expenditure Account	Original Budget £000	Latest Forecast £000	Variance to Budget £000
HRA Balances Brought forward	(21,750)	(21,795)	(45)
Deficit on HRA Services	3,520	2,181	(1,339)
HRA Balances Carried Forward	(18,230)	(19,614)	(1,384)

7 Collection Fund

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

Table 15 - Collection Fund Forecast Position

Collection Fund Balance	Council Tax £000	NDR £000	Total £000
Balance Brought Forward	(185)	(3,112)	(3,297)
Surplus Released In Year	410	1,060	1,470
Prior Year Balance Carried Forward	225	(2,052)	(1,827)
(Surplus)/ Deficit for the Year	3,278	29,295	32,573
Additional Section 31 Grant **	0	(25,463)	(25,463)
Net (Surplus)/Deficit for the Year	3,278	3,832	7,110
Collection Fund Balance pre-2020/21 3-year Deficit Spread	3,503	1,780	5,283

**Compensatory Section 31 Grant as referred to at Section 2.1.3

Table 16 - Collection Fund – 2021/22 Share of Balances; Forecast Position

Collection Fund Balance	Council Tax £000	NDR £000	Total £000	2/3 Spread of Deficit	Share of C/fwd Surplus	21/22 Net Total
Share - Oldham Council	2,783	3,794	6,577	(4,385)	(2,031)	161
Share – Greater Manchester Combined Authority Mayoral Police and Crime Commissioner	344	-	344	(229)	-	115
Share – Greater Manchester Combined Authority Mayoral General Precept (including Fire Services)	151	38	189	(126)	(21)	42
Total (Surplus)/Deficit	3,278	3,832	7,110	(4,740)	(2,052)	318

7.2 Council Tax and Business Rates remain a significant source of funding for Council services. However, these areas can be volatile, particularly for the 2020/21 financial year with the impact of COVID-19, as such the financial position of the Collection Fund is under constant review. In recent weeks it has become apparent that it is not only

reduced collection rates that are affecting the Council's Collection Fund balances but also the increased amount of reliefs given thus reducing the overall tax base. This has been most evident in relation to Council Tax with an increased number of individuals becoming eligible for the Council Tax Reduction Scheme and subsequently benefitting from the £150 bill discount as made available by the Government through the award of the COVID-19 Hardship Fund Grant.

- 7.3 The Greater Manchester 100% Business Rates Retention Pilot has continued into 2020/21. Unlike previous years, as a direct result of the coronavirus pandemic there are likely to be no anticipated benefits of the pilot in 2020/21.
- 7.4 After discounting the Business Rates loss due to the extension of 100% reliefs to retail, hospitality, leisure and nursery businesses which will be fully compensated by Government grant, there is a forecast Collection Fund in-year deficit of £7.110m (£6.008m at month 7).
- 7.5 The recent Spending Review advised that there will be grant compensation for irrecoverable Collection Fund losses incurred in 2020/21. This was confirmed together with information on the arrangement for the compensation in the Provisional Local Government Finance Settlement. This grant will be paid to the General Fund rather than the Collection Fund and, as outlined earlier at 2.1.3 (b), a prudent estimate of grant of £1.000m is anticipated. As the Collection Fund loss will not impact on the finances of the Council until 2021/22, the £1.000m will be carried forward as a reserve and used to support the 2021/22 budget
- 7.6 The Government has recently passed legislation that allows Councils to spread the deficit of the Collection Fund over three years. This will be applied to both Council Tax and non-domestic rates and will be incorporated into the regulatory process of estimating the collection fund deficits in January 2021. This will mean that 2020/21 Collection Fund deficits will still be recovered but allowing the longer time frame reduces the impact on the 2021/21 budget setting process.

8 Use of Reserves

- 8.1 Members will recall that at the Council budget meeting of 26 February 2020, it was agreed that Earmarked Reserves of £10.008m be used to support the 2020/21 budget.
- 8.2 At the end of the 2019/20 financial year, funding was received from Central Government to support the Council in its response to COVID-19. This funding was at a value of £7.641m. Due to the timing of the receipt of these funds, it was deemed appropriate to hold these resources in a specific Earmarked Reserve to fund the additional expenditure to be incurred in 2020/21 in this regard. Hence this reserve is required to underpin the budget in 2020/21.
- 8.3 Within the Council's approved Reserves Policy for 2019/20 to 2020/21 are details regarding the requirements for a specific Earmarked Reserve to hold any Business Rates gains that have been generated through the Business Rates Retention Pilot and that are required to be transferred to the GMCA. For 2020/21, the amount to be passported to GMCA is £2.047m. The Business Rates Retention Piloting agreement requires the Council to pay the GMCA the £2.047m in 2020/21 as approved in the month 3 monitoring report.

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- 8.4 As outlined at section 2.1.3 (a), a further £25.463m is to be transferred to reserves. This is additional Section 31 Grant Funding paid to the Council's General Fund in 2020/21 and having been transferred to reserves will be released to reimburse the corresponding element of the Collection Fund deficit in 2021/22. In addition, a further £1.000m representing the anticipated Section 31 grant for irrecoverable 2020/21 Collection Fund losses will also be transferred to reserves and will be used to support the 2021/22 budget to align with the impact of the Collection Fund losses.
- 8.5 Previous monitoring reports have incorporated a net use of reserves totalling £1.406m; being £1.490m released from reserves netted down by a £0.084m transfer back into reserves.
- 8.6 The current report includes requests for a further transfer from Earmarked Reserves of £0.823m, the Service requests for actual drawdowns therefore total £2.313m at month 8.
- 8.7 Therefore, the total planned use of reserves as at Month 8 is £12.001m (excluding the £25.463m, £0.084m and £1.000m transfers to reserves). When this is added to the £10.008m which underpins the 2020/21 budget, earmarked reserves of £21.497m and £0.512m of Revenue Grant Reserves (a total of £22.009m) have been already applied and requested in this financial year. The 2019/20 accounts were closed with £79.360m of Earmarked Reserves and £7.934m of Revenue Grant Reserves. Assuming new requests are approved, current levels (excluding the £26.567m total transfer to reserves) are £57.863m and £7.422m although there are some commitments against the reserves.
- 8.8 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. However, as there is a need to minimise the use of reserves in order to support the financial resilience of the Council, only those reserves supporting essential business will be utilised this year.
- 8.9 The availability of reserves is a demonstration of the financial resilience of the Council and as such the reserves must be carefully managed. However, the use of reserves is also a means by which the Council can support the 2021/22 budget setting process and Medium Term Financial Strategy. Therefore, a reprioritisation of reserves has been undertaken and this has identified a total of £28.000m of existing reserves plus the £1.000m related to irrecoverable Collection Fund losses that are available to support the 2021/22 and future years budgets. This is reflected in the 2021/22 Revenue Budget report elsewhere on the agenda. In total therefore, it is planned to use £29.000m of reserves to support the budget setting process over the life of the Medium Term Financial Strategy, 2021/22 to 2023/24.

9 Flexible Use of Capital Receipts

- 9.1 Members will recall that at the Council meeting of 26 February 2020, it was approved that up to £3.750m 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.

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- 9.2 A number of schemes in support of the transformation programme were identified which met the qualifying expenditure requirements as detailed within the statutory guidance issued by the MHCLG. Following a further review, it is now estimated that only £2.335m of capital receipts will be available within the current financial year, therefore £1.415m of the anticipated transformational work cannot be financed in-year by the anticipated means. The position is and will continue to be closely monitored for the remainder of the year and may therefore change again in future reports.

10 Conclusion

- 10.1 The current projected position, after adjustment for reserves and receipt of additional Government funding to support COVID pressures, remains an overall significant corporate overspend; with the non-COVID related forecast over spending within Community Health and Adult Social Care and the Children's Services Portfolios a cause for concern. As outlined in Section 2, 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; especially in attempting to mitigate the impact of COVID-19 on the day to day operations of the Council.
- 10.2 It is anticipated that the remaining month on month financial monitoring reports will continue to reflect the outcome of such activities and continue to show an improving financial forecast for 2020/21. The Director of Finance has now put in place appropriate measures to attempt to reduce the impact of the overspend which will include detailed reviews of all revenue and capital budgets.
- 10.3 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 2020/21 in year position will be factored into financial planning estimates for 2021/22 and future years as appropriate.
- 10.4 Clearly the forecast deficit of £8.330m is a concern with 4 months of the financial year remaining. It is expected, however, that in addition to the continued management actions to reduce expenditure, increased funding will be received from the Government with contributions also expected from other partners. In January Oldham CCG have refunded £2.950m of the increased contribution to the Section 75 pool made by the Council in 2019/20 and have indicated that up to an additional £2.950m may be received before the end of the financial Year. The GMCA have also indicated a contribution of a further £1.050m may be payable in relation to Business Rates. In addition the Council has submitted a £0.530m bid to the National Leisure Recovery Fund, which is being administered by Sport England, a decision is expected towards the end of January and as previously outlined there will be a final 2020/21 SFC submission for the period December to March. Clearly the income due to be received will have a significant impact on the anticipated year end position and contribute to producing at least a balanced outturn. The contributions have not been included in the current projections, the month 9 monitoring report will set out the estimated projected outturn position including the latest position in relation to these additional funds.
- 10.5 As demonstrated throughout the report, the Council has attributed the deficit between COVID and 'business as usual' activities, there will however be a COVID legacy where

certain of those costs will remain in the cost base of the Authority for a number of years. Estimates of these costs are reflected in the proposed 2021/22 revenue budget.

- 10.6 Members should note that if there are any unaddressed in-year pressures, they will have to be balanced by the use of reserves. At this stage this is considered unlikely and based on the current financial projection, the Council holds sufficient levels of reserves to address any financial shortfall in 2020/21 although any utilisation of reserves in 2020/21 will reduce the Council's financial resilience. Should there be a significant reduction in reserves, it would also limit the ability of the Council to support the implementation of programmes of service transformation and the setting of future years' budgets. Much therefore hinges on the course of the pandemic, the response the Council is required to instigate and any further support received from Central Government and partner agencies.

APPENDIX 1

Reserve Name	Balance as at 01 April 2020	Forecast use / creation of reserves 2020/21 - up to Mth 7	Forecast use / creation of reserves 2020/21 - Month 8	Anticipated Closing Balance 31 March 2021	Reason for Use of Reserve
	£000	£000	£000	£000	
Earmarked Reserves					
Integrated Working Reserve					
GMSF/Local Plan	(200)	200		0	To fund the Local Plan and GM Spatial Framework in order to deliver the Local Plan and ensure that Oldham feeds into GM Spatial Planning
Strategic Planning and Information	(40)	40		0	The reserve is to support delivery of the Greater Manchester Spatial Framework (GMSF) and review of Oldham's Local Plan
Devolution	(140)	20		(120)	To support the Devolution agenda
The Oldham Model	(555)	165	25	(365)	To fund the Strengths Based Approach Model
Directorate Reserves					
Homelessness	(188)		35	(153)	The Council is committed to support the Mayor of Greater Manchester and the "A Bed Every Night" project to end rough sleeping across the county and is now up to phase 3 of the project. This reserve will support the programme in 2020/21
Council Initiatives Reserve					
Learning & Attainment Reserve	(605)	250		(355)	To fund the Oldham Education and Skills commission over a four year period
Northern Roots	(475)		475	0	To support delivery of the Northern Roots project as approved by Cabinet on 28 January 2019
Corporate Plan Priorities	(260)		76	(184)	This funding will support the Wrigley Head Solar Panel Project in this financial year
Transformation Reserve					
Transformation Reserve	(2,421)	30	133	(2,258)	Cultural Strategy
DSG Recovery Plan	(1,000)	245		(755)	SEND Annual Review Team
Social Care Budget Reserve	(455)		27	(428)	To provide resources to fund the MOSAIC Business Analyst post within 2020/21 and support the MOSAIC programme of works
Fiscal Mitigation					
COVID-19	(10,000)	7,641		(2,359)	This funding was provided by Government to support Local Authorities with additional costs incurred as part of the COVID-19 pandemic
Business Rates	(2,617)	2,047		(570)	Detailed within the Reserves Policy for 2019/20 to 2020/21 is the requirement to transfer an element of the Business Rates gains across to the GMCA as part of the Business Rates Retention pilot agreement. The amount to be transferred across in 2020/21 which relates to 2019/20 is £2,047m
Sub Total	(18,955)	10,638	771	(7,546)	
Balancing Budget Reserve					
Corporate Reserve to balance budget	(4,182)	4,182		0	As agreed by Council on 26 February 2020, £10,008m of Earmarked Reserves are required to support the 2020/21 budget
Waste Levy Refund 2019/20	(3,113)	3,113		0	
2019/20 Business Rates Pilot Scheme Gain	(1,413)	1,413		0	
Business Rates Retention Returned Funding	(1,300)	1,300		0	
Sub Total Balancing Budget Reserve	(10,008)	10,008	0	0	
Total Planned use of Earmarked Reserves 2020/21	(28,963)	20,646	771	(7,546)	
Planned Increase / Creation of Earmarked Reserves					
Mercury Emissions	0	(84)	0	(84)	The transfer of a contribution made by via each cremation for the purchase of new Mercury abatement equipment
Business Rates - Collection Fund Deficit Compensation	0	(25,463)		(25,463)	This transfer to reserves reflects the payment of additional Section 31 Grant Funding of £25,463m for the extension of 100% business rates reliefs to retail, hospitality leisure and nursery businesses. It is paid to the in to the Council's General Fund in 2020/21 and will be transferred to reserves and released in 2021/22 to reimburse the corresponding element of the Collection Fund deficit in 2021/22
Collection Fund Irrecoverable Losses - S31 Grant Compensation	0		(1,000)	(1,000)	Anticipated S31 Grant compensation for irrecoverable Collection Fund Losses - transfer to reserve to support the 2021/22 Budget
Total Planned Increase / Creation of Earmarked Reserves 2020/21	0	(25,547)	(1,000)	(26,547)	
NET Use/Increase of Earmarked Reserves	(28,963)	(4,901)	(229)	(34,093)	
Revenue Grant Reserves					
Well North Growing Oldham Feeding Ambition	(339)	339		0	To continue the Growing Oldham Feeding Ambition project in 2020/21
Communication, Speech and Language	(67)	67		(0)	To fund the Communication, Speech and Language Campaign
Thriving Communities	(252)	51		(201)	To support the Northern Roots Project
Tackling Troubled Families	(1,291)	83	(28)	(1,236)	To fund staffing support for the multi agency safeguarding hub
Reform Investment Funding	(2,035)	0	39	(1,996)	To fund additional temporary capacity to support the integration of the MASH team across Children's Social Care and Early Help
Children's Social Care and Accreditation System	(93)	0	26	(67)	To fund the costs associated with delivering the National Assessment and Accreditation System (NASS) for children's social workers
GMCA Targeted Children's Review	(353)	0	15	(338)	The reserve relates to adopting and adapting the Stockport Team Around the Family model. This is part of the wider development of the Council's approach to Early Help. The use of this reserve for 2020/21 will provide staffing resource to support this programme
Total Planned use of Revenue Grant Reserves 2020/21	(4,430)	540	52	(3,838)	
NET Use/Increase of Reserves Earmarked and Grant Reserves	(33,393)	(4,361)	(177)	(37,931)	
Represented by:					
Increase to Reserves	0	(25,547)	(1,000)	(26,547)	
Total Use of / change to Earmarked and Revenue Grant Reserves	(33,393)	21,186	823	(11,384)	Use of a total of £22,009m of reserves in 2020/21. Movement of £28,547m to reserves (£25,463m to address the Collection Fund shortfall in 2021/22, £1,000m or irrecoverable Collection Fund losses and £0.84m mercury emissions)

Appendix 2				
FINANCING OF THE 2020/21 BUDGET AT Month 8	Original Budget	Prior Months	Additions to M8	Revised Budget
	£'000	£'000	£'000	£'000
Net Expenditure Budget	(233,524)			(233,524)
Financed by:				
Business Rates Top-up Grant	(41,048)	(606)		(41,654)
Grants in Lieu of Business Rates	(11,230)	(25,466)		(36,696)
Improved Better Care Fund Grant	(10,858)			(10,858)
Independent Living Fund Grant	(2,580)			(2,580)
Adult Social Care Support Grant	(6,954)			(6,954)
Opportunity Area Grant (Year 4)		(1,580)		(1,580)
Housing Benefit & Council Tax Administration Grant	(1,138)			(1,138)
New Homes Bonus Grant	(598)			(598)
Flexible Homelessness Support Grant	(194)			(194)
Homeless Reduction Grant	(164)			(164)
Rough Sleeping Initiative Grant	(37)			(37)
Lead Local Flood authority grant	(12)			(12)
Department for Works and Pensions (DWP) New Burdens	(122)			(122)
Verify earnings and Pensions service		(30)		(30)
School Improvement Monitoring & Brokerage Grant		(104)	(155)	(259)
Capital grants		(1,261)	(1,198)	(2,459)
Extended rights to Free Travel		(38)		(38)
Transport Grant		(9)		(9)
SEND Regional Co-ordinator		(24)		(24)
New Burdens Funding - Business Grants Round 1		(170)		(170)
New Burdens Funding - Business Grants Round 2			(76)	(76)
Local Housing Allowance Changes		(2)		(2)
Local Reform and Community Voices		(161)		(161)
War Pensions Disregard		(45)		(45)
Local Authority Emergency Assistance Grant		(361)		(361)
COVID-19 Tranche 2		(6,531)		(6,531)
COVID-19 Tranche 3		(2,466)		(2,466)
COVID-19 Tranche 4		(6,058)		(6,058)
COVID-19 Sales, Fees and Charges Grant		(1,282)	(924)	(2,206)
COVID-19 Discretionary Grants - Round 1		(2,501)		(2,501)
COVID-19 Local Restrictions Support Grant (Open) - to December		(1,884)		(1,884)
COVID-19 Local Restrictions Support Grant (Open) - December			(65)	(65)
COVID-19 Additional Support Grant		(5,017)		(5,017)
Wellbeing for Education Return		(38)		(38)
Staying Put Grant		(116)		(116)
External Personal Adviser Duty Implementation Grant		(8)		(8)
Support to Clinically Extremely Vulnerable (CEV) Individuals		(145)		(145)
S31 Grant Compensation - Irrecoverable Collection Fund Losses			(1,000)	(1,000)
Total Government Grant Funding	(74,935)	(55,903)	(3,418)	(134,256)
Council Tax Income - General	(88,078)			(88,078)
Council Tax Income - Adult Social Care Precept	(8,679)			(8,679)
Collection Fund Surplus	(1,400)			(1,400)
Retained Business Rates	(50,424)			(50,424)
Total Locally Generated Income	(148,581)			(148,581)
Total Grant and Income	(223,516)	(55,903)	(3,418)	(282,837)
Balance to be addressed by Use of Reserves	(10,008)			(10,008)
Total Financing	(233,524)	(55,903)	(3,418)	(292,845)

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CAPITAL INVESTMENT PROGRAMME REPORT 2020/21

Month 8 – November 2020

1 Background

- 1.1 The original capital programme for 2020/21 reflects the priorities outlined in the capital strategy as approved at Cabinet on 10 February 2020 and confirmed at the Council meeting on the 26 February 2020.
- 1.2 The position as at 30 November 2020 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 financial years 2020/21 to 2024/25, approved by Council on 26 February 2020 is summarised in Table 1 and shows capital programme expenditure of £147.632m in 2020/21.

Table 1 : Original Budget - Capital Programme 2020/21 to 2024/25

2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	TOTAL £000
147,632	131,467	102,510	40,999	56,973	479,581

- 2.2 Table 2 shows the revised capital programme for 2020/21 as at 30 November 2020 at an overall expenditure level of £81.013m, following a number of changes explained in the following paragraphs.
- 2.3 The approved virements of £0.126m (an increase to the 2020/21 budget) represents changes since the M07 position as detailed later in the report (para 2.5)
- 2.4 Actual expenditure to 30 November 2020 was £50.566m (62.42% of forecast outturn). This spending profile is slightly higher than in previous years. The position will be kept under review and budgets will be managed in accordance with forecasts.

Table 2 – 2020/21 Capital Programme

Directorate	Revised Budget (M07) £000	Approved Virements (to M08) £000	Proposed Virement/ Rephase £000	Revised Budget (M08) £000	Forecast £000	Variance £000
Corporate Services	24,798	-	(7,520)	17,278	17,278	-
Children's Services	10,047	-	410	10,457	10,457	-
Communities and Reform	125	-	-	125	125	-
Community Health & Adult Social Care	2,011	-	-	2,011	2,011	-
Housing Revenue Account	4,951	-	-	4,951	4,951	-
People and Place	48,187	126	(2,124)	46,190	46,190	-
Overall Total	90,121	126	(9,234)	81,013	81,013	-

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

- 2.5 The net budget change of net £0.126m in 2020/21 represents approved movements including new funding (together with £0.155m new resource in 2021/22, as detailed below:

Table 3 – Net Budget Changes 2020/21 and 2021/22

Scheme	2020/21 £000	2021/22 £000	
St Paul's Resources Centre	84	(84)	-
Northmoor Nursery – Schools Capital Nursery Fund	35	239	274
Tameside Council Contribution towards Highways	7	-	7
Total	126	155	281

- 2.6 The proposed changes of a net £9.234m reflect anticipated virements and further rephasing of spending as detailed in Appendix A. However, £0.440m is a reduction in the overall capital programme where schemes have been identified as not requiring the budget, giving an overall net reduction to the capital programme of £0.159m.

Table 3a - Scheme not requiring Budget

Scheme	£000	
Flexible Use of Capital Receipt	(440)	Reduction in qualifying expenditure
Total	(440)	

- 2.7 Due to the COVID-19 pandemic, 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. A further breakdown of Table 2 on a service by service area basis is shown at Appendices A to F.

Re-profiling of the Capital Programme

- 2.8 The revised capital programme for 2020/21 to 2024/25, taking into account all the above amendments in arriving at the revised forecast position, is shown in Table 4 together with the projected financing profile.

Table 4 – 2020/21 to 2024/2025 Capital Programme

Directorate Budget	Revised Budget 2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	Total £000
Corporate Services	17,277	4,693	4,200	3,200	1,500	30,871
Children's Services	10,457	24,252	8,800	-	-	43,509
Communities and Reform	125	137	-	-	-	262
Community Health & Adult Social Care	2,011	1,131	400	400	1,100	5,042
Housing Revenue Account	4,952	3,922	3,800	3,618	-	16,292
People and Place	46,190	92,687	96,030	49,944	23,803	308,654
Grand Total	81,013	126,822	113,230	57,162	26,403	404,630

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

Funding	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	Total £000
Grant & Other Contributions	(20,151)	(36,355)	(3,252)	(1,973)	(1,973)	(63,704)
Prudential Borrowing	(53,553)	(73,801)	(89,029)	(43,621)	(22,769)	(282,773)
Revenue	(4,974)	(3,923)	(6,200)	(8,518)	-	(23,615)
Capital Receipts	(2,335)	(12,742)	(14,749)	(3,050)	(1,661)	(34,537)
Grand Total	(81,013)	(126,822)	(113,230)	(57,162)	(26,403)	(404,630)

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

- 2.9 The revised Provision for Emerging Priorities for 2020/21 to 2025/26, having regard to all the above amendments, is contained within the Corporate Services budget and is as follows:

Table 5 – Provision for Emerging Priorities

	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	Total £000
Provision for Emerging Priorities	342	1,442	4,200	3,200	1,500	10,684

Capital Receipts

- 2.10 The revised capital programme requires the availability of £2.335m of capital receipts in 2020/21 for financing purposes following a review of the Asset Disposal Programme, which required a realignment between capital receipts and prudential borrowing of £8.875m in 2020/21. Table 7 below still shows further variances which will be addressed as part of the 2021/22 - 2025/26 Capital Strategy.
- 2.11 The total net usable capital receipts currently received in year is £1.438m. Members should note that the first £2.335m call on capital receipts will be used to fund the Flexible Use of Capital Receipts which supports transformational expenditure and therefore impacts on the revenue budget (this was initially budgeted at £3.750m but it is forecast that £1.415m of capital receipts will not be generated due to COVID-19). It is therefore highly unlikely that any capital receipts will be used to finance any projects other than the Flexible Use of Capital Receipts within the capital programme in 2020/21.

2.12 The capital receipts position as at 30 November 2020 is as follows:

Table 6 – Capital Receipts 2020/21

	£000	£000
Capital Receipts Financing Requirement		2,335
Usable Capital Receipt b/fwd.	-	
Actual received to date	(1,438)	
Further Required/(Surplus) in 2020/21		897

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

2.13 Given the significant amount of receipts needed to finance the capital programme in this and future years it is imperative that the capital receipts/disposal schedule is adhered to. It is of course recognised that the pandemic has had an impact of business/economic activities making capital disposals more challenging, and as a direct consequence officers are working up a revised disposal strategy to maximise income to the Council. A review of the capital receipts schedule will be a key element of the work undertaken to prepare the 2021/22 to 2025/26 Capital Strategy in line with the new asset disposal schedule.

2.14 The Capital Strategy and Capital Programme 2020/25 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 November 2020 is illustrated in the table below:

Table 7 – Capital Receipts 2020/25

Capital Receipts	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
Capital Receipts Carried Forward	-	-	6,636	18,923	20,598
Estimated Additional Capital Receipts in Year	(897)	(6,106)	(2,462)	(1,375)	(1,074)
Received in year	(1,438)				
Total Receipts Anticipated/ Available	(2,335)	(6,106)	4,174	17,548	19,524
Capital Receipts Financing Requirement	2,335	12,742	14,749	3,050	1,661
Over/(Under) programming	-	6,636	18,923	20,598	21,185

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

2.15 As shown above, the most recent projection indicates a potential shortfall in all years of the programme. However, until a thorough review of the asset disposal programme has taken place, it is prudent to retain the current programme. A review of the asset disposal programme is underway, and an update will be provided to Members at the earliest opportunity. The outcome of the review will inform the Capital Strategy for 2021/22 to 2025/26.

3 **Conclusion**

- 3.1 Whilst the current projected position is showing the outturn to match the budget following the outcome of the detailed review of the capital programme, it will allow for better financial information upon which to base the preparation of the Council's Annual Capital Strategy 2021/22 to 2025/26.
- 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 – Month 8 - Corporate Services
Appendix B - SUMMARY – Month 8 - Children's Services
Appendix C - SUMMARY – Month 8 - Communities and Reform
Appendix D - SUMMARY – Month 8 - Community Health & Adult Social Care
Appendix E - SUMMARY – Month 8 - Housing Revenue Account (HRA)
Appendix F - SUMMARY – Month 8 - People and Place
Appendix G - SUMMARY – Month 8 - Proposed Variations

APPENDIX A

SUMMARY – MONTH 8 (November 2020) – Corporate Services

Service area	Revised Budget M07 £000	Approved Virements (to M08) £000	Proposed Virement / Rephase £000	Revised Budget M08 £000	Forecast £000	Year End Variance £000
Corporate	24,590		(7,520)	17,069	17,069	-
General Services	208	-	-	208	208	-
	24,798	-	(7,520)	17,277	17,0277	-

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

Major Variances Commentary

No additional variances to report

APPENDIX B

SUMMARY – MONTH 8 (November 2020) - Children's Services

Service area	Revised Budget M07 £000	Approved Virements (to M08) £000	Proposed Virement / Rephase £000	Revised Budget M08 £000	Forecast £000	Year End Variance £000
Children, Young People & Families	60	-	-	60	60	-
Schools – General Provision	485	-	-	485	485	-
Schools – Primary	2,084	-	410	2,494	2,494	-
Schools – Secondary	3,445	-	-	3,445	3,445	-
Schools – Special	657	-	-	657	657	-
Schools – New Build	3,316	-	-	3,316	3,316	-
	10,047	-	410	10,457	10,457	-

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

Major Variances Commentary

No additional variances to report

APPENDIX C

SUMMARY – MONTH 8 (November 2020) - Communities and Reform

Service area	Revised Budget M07 £000	Approved Virements (to M08) £000	Proposed Virement / Rephase £000	Revised Budget M08 £000	Forecast £000	Year End Variance £000
District Investment Fund	125	-	-	125	125	-
	125	-	-	125	125	-

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

Major Variances Commentary

No additional variances to report

APPENDIX D

SUMMARY – MONTH 8 (November 2020) – Community Health & Adult Social Care

Service area	Revised Budget M07 £000	Approved Virements (to M08) £000	Proposed Virement / Rephase £000	Revised Budget M08 £000	Forecast £000	Year End Variance £000
Adult Services	2,011	-	-	2,011	2,011	-
	2,011	-	-	2,011	2,011	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – MONTH 8 (November 2020) - Housing Revenue Account (HRA)

Service area	Revised Budget M07 £000	Approved Virements (to M08) £000	Proposed Virement / Rephase £000	Revised Budget M08 £000	Forecast £000	Year End Variance £000
Housing Revenue Account	4,952	-	-	4,952	4,952	-
Reform Total	4,952	-	-	4,952	4,952	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – MONTH 8 (November 2020) - People and Place

Service area	Revised Budget M07 £000	Approved Virements (to M08) £000	Proposed Virement / Rephase £000	Revised Budget M08 £000	Forecast £000	Year End Variance £000
Asset Management	1,743	-	-	1,743	1,743	-
Asset Management - Education Premises	1,710	-	-	1,710	1,710	-
Boroughwide Developments	2,417	-	-	2,417	2,417	-
Development	18	-	-	18	18	-
District Partnership – Boroughwide	57	-	-	57	57	-
Environment – Countryside	45	-	-	45	45	-
Environment – Parks	331	-	-	331	331	-
ICT	3,722	-	(41)	3,681	3,681	-
Parks & Playing Fields	21	-	-	21	21	-
Private Housing – HMRF	50	-	-	50	50	-
Public Realm	55	-	-	55	55	-
Schools – Primary	-	119	-	119	119	-
Schools – Special	3	-	-	3	3	-
Schools – New Build	9,500	-	(583)	8,917	9,500	-
Town Centre Developments	13,750	-	-	13,750	13,750	-
Transport - Accident Reduction	652	-	(306)	347	347	-
Transport - Bridges & Structures	2,981	-	(379)	2,602	2,602	-
Transport - Fleet Management	1,001	-	-	1,001	1,001	-
Transport - Highway Major Works/Drainage schemes	7,052	7	(693)	6,366	6,366	-
Transport – Metrolink	48	-	-	48	48	-
Transport - Minor Works	1,561	-	(92)	1,470	1,470	-
Transport – Miscellaneous	1,444	-	(30)	1,414	1,414	-
Transport - Street Lighting	26	-	-	26	26	-
	48,187	126	(2,124)	46,190	46,773	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – MONTH 8 (NOVEMBER 2020) - Proposed Variations

EXPENDITURE BUDGETS TO BE REPROFILED AS AT 30 NOVEMBER 2020	2020/21	2021/22	2025/26	Comments
Directorate / Scheme	£	£	£	
Corporate Services				
Provision for CPOs	40,710			Reversal of capital creditor
Provision for CPOs	(440,000)			Removal of surplus budget provision
Stakeholder Loan - Manchester Airport Group	(7,121,581)	3,226,000	3,895,581	Rephasing to future years
Corporate Services Total	(7,520,871)	3,226,000	3,895,581	
Children's Services				
Clarksfield Primary (Oasis Academy) Expansion	410,000	(410,000)		Acceleration from future years
Children's Services Total	410,000	(410,000)		
People and Place				
IT - Business Systems	(40,710)			Reversal of capital creditor
Bridge Work - King Street Roundabout Footbridge	(280,000)	280,000		Rephasing to future years
BR 224 Rhodes Hill Culvert, Rhodes Hill Lees	83,000	(83,000)		Acceleration from future years
BR 144 Ash Footbridge	(3,000)	3,000		Rephasing to future years
Featherstall Road Roundabout (Signalisation and Provision of Pedestrian Facilities)	(5,000)	5,000		Rephasing to future years
Wellyhole Street / Constantine Street Traffic Calming	(14,682)	14,682		Rephasing to future years
Disabled Access Improvements	(3,025)	3,025		Rephasing to future years
DfT Safer Roads Fund	(277,000)	277,000		Rephasing to future years
LIF - Denshaw Road Safety Scheme (App 12)	(15,844)	15,844		Rephasing to future years
MCF T6 - Oldham Town Centre Improvements	(192,000)	192,000		Rephasing to future years
MCF T6 - Royton Town Centre Connection	(21,000)	21,000		Rephasing to future years
MCF T6 - Park Road NCN 626 to Town Centre	(20,000)	20,000		Rephasing to future years
MCF T6 - Park Bridge NCN 626 to Ashton	(25,000)	25,000		Rephasing to future years
2020/21 HIP Schemes - Amber	(130,000)	130,000		Rephasing to future years
Sandy lane, Royton - Traffic calming	(60,000)	60,000		Rephasing to future years

Chew Valley Road / Wellington Road, Greenfield - Minor Junction improvement	(17,679)	17,679		Rephasing to future years
Vehicle Activated signs - Instillation and enhancement programme	(67,500)	67,500		Rephasing to future years
DFT CF Waterloo & Wellington Bridges	(60,000)	60,000		Rephasing to future years
Challenge Fund- A62 Oldham Way- A669 Middleton Road Bridge Strengthening	(54,000)	54,000		Rephasing to future years
A669 Middleton Road / Garforth Street / Peel Street	(48,000)	48,000		Rephasing to future years
Haven Lane - Traffic Calming / 20 mph zone	(30,000)	30,000		Rephasing to future years
Park Road / Kings Road / Woodstock Street Junction Improvements	(35,000)	35,000		Rephasing to future years
A6104 Hollins Road Corridor Improvements	(97,000)	97,000		Rephasing to future years
Wellyhole Street / Constantine Street Traffic Calming	(25,000)	25,000		Rephasing to future years
Cycling / Walking Improvement Schemes	(20,000)	20,000		Rephasing to future years
Partington Street, Failsworth – Traffic Calming	(42,000)	42,000		Rephasing to future years
Rochdale Canal Access	(40,000)	40,000		Rephasing to future years
Land at Diggle	(583,006)			Realignment/Rephase within Service Area
Saddleworth School		583,006		Realignment/Rephase within Service Area
People and Place TOTAL	(2,123,446)	2,082,736		
TOTAL	(9,234,317)	4,898,736	3,895,581	

FINANCING BUDGETS TO BE REPROFILED AS AT 30 NOVEMBER 2020	2020/21	2021/22	2025/26	
Fund Source	£	£	£	
Grants and Contributions	809,117	(809,117)		Includes Capital Receipt to Prudential Borrowing realignment of £ 8.875m
Prudential Borrowing	(906,052)	(4,073,775)	(3,895,581)	
Revenue Contribution	-	-		Includes Capital Receipt to Prudential Borrowing realignment of £ 8.875m
Capital Receipts	9,331,252	(15,844)		
TOTAL	9,234,317	(4,898,736)	(3,895,581)	

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Report to Overview and Scrutiny Performance and Value for Money Select Committee

Council Tax Reduction Scheme 2021/22

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

Officer Contact: Anne Ryans, Director of Finance

Report Author: Caroline Lee, Head of Revenues and Benefits

Ext 4905

28 January 2021

Reason for Decision

The purpose of the report is to present the proposed Council Tax Reduction Scheme for 2020/21 for scrutiny prior to its consideration by Cabinet and recommendation to full Council on 4 March 2021.

Executive Summary

Members will recall that there is a requirement to have a Council Tax Reduction (CTR) scheme to support residents who qualify for assistance in paying Council Tax. The Local Government Finance Act 2012 places a requirement that each year a billing authority must consider whether to revise its Council Tax Reduction scheme or to replace it with another scheme. Any change to the 2021/22 scheme must be agreed by full Council in line with budget setting and no later than 10 March 2021. For Oldham, this requires the Council to agree a revised 2021/22 scheme at the 4 March 2021 Council meeting. Any proposed change must be subject to prior consultation with the major preceptors, such as the Greater Manchester Combined Authority, and the public.

Since 2015/16, the CTR scheme has limited CTR to a maximum of 85% of Council Tax for a Band A property and removed the second adult rebate for those of working age. Following a public consultation exercise in Autumn 2018, the scheme was then amended from April 2019 to introduce a range of changes to the scheme largely aimed at those CTR claimants who receive Universal Credit (UC). These included the application of some earnings disregards and treatment of information received from the Department for Work and Pensions (DWP) about UC as a claim for CTR. There were no changes to the CTR scheme for 2020/21.

The number of CTR claimants of working age has increased during the COVID-19 pandemic and this impacts on the level of Council Tax that can be collected by reducing the Council Tax Tax Base. Local Council Tax Support Grant funding of £3.183m has been allocated for Oldham to offset the impact of increased caseloads on the tax base and this will be allocated to support financial position of the Council for 2021/22.

The economic impact of the pandemic in 2020/21 for those CTR claimants of working age has been partly offset by Government support for in the form of the Hardship Fund grant which offered an additional reduction in Council Tax bills of up to £150. The Council also used the Hardship Fund grant to ensure CTR claimants were not detrimentally affected by the change in Housing Benefit earning disregard regulations introduced under the Social Security (Coronavirus) (Further Measures) Regulations 2020 (SI 2020/371). This Hardship Fund protection will not be in place in 2021/22.

However, there is continued uncertainty about future impacts of the pandemic for residents and the local economy which would impact on the Council's ability to accurately model any proposed changes to the 2021/22 CTR scheme.

Members will be aware that the Council Tax is accounted for in the Collection Fund and has an impact on the General Fund budget of the Council one year in arrears. The Collection Fund challenges created by the pandemic have been acknowledged by the Government and it has allowed Councils to manage the impact of Council Tax (and Business Rates) losses in the Collection Fund for 2020/21 over 3 financial years rather than one. As advised above, it has also provided support in 2021/22 in the form of the Local Council Tax Support Grant as well a support for both irrecoverable Council Tax and Business Rates income losses through a Local Tax Income Guarantee for which a sum of £1.000m has been incorporated into the 2021/22 budget. These areas of Government financial support are important in considering the approach to the CTR scheme for 2021/22.

Having regard to all relevant information, Members are therefore requested to consider the recommendation to maintain the current Council Tax Reduction scheme in 2021/22, being mindful of the aim of ensuring continuity about entitlement to those residents on the lowest incomes.

The Council will continue to maintain a hardship provision for those residents in most need which is currently funded from the Council's existing revenue budget at a value of £0.144m. The Council will consider its financial position during 2021/22 to assess if further support can be given to those residents in most need and to alleviate the impact of loss of 2020/21 COVID Hardship awards.

Recommendation

It is recommended that the Overview and Scrutiny Performance and Value for Money Select Committee considers the proposal to:

- a) Keep the Council Tax Reduction scheme unchanged in 2021/22.
- b) Review the financial position during 2021/22 to assess whether resources can be found to support additional Exceptional Hardship Payments to support those residents in most need in 2021/22 and to alleviate the impact of the loss of COVID Hardship Fund grant awards.

Council Tax Reduction Scheme 2021/22

1 Background

- 1.1 Prior to April 2013, Council Tax payers who qualified for assistance could apply for Council Tax Benefit (CTB) to help pay their Council Tax. The CTB scheme was administered by Local Authorities on behalf of the Department for Work and Pensions (DWP) and was assessed on a means tested basis. Under this national scheme, Council Tax payers could receive benefit of up to 100% of their Council Tax liability. The Council then received full funding from the Government for all correct CTB awards made. Changes introduced by the Government abolished CTB from 1 April 2013 and made Local Authorities responsible for setting up their own local Council Tax Reduction schemes (CTR) for working age residents. The Government also reduced the amount of funding given to Councils to pay for the schemes in 2013/14 by 10%. The CTR scheme for pensioners is set by the Government and is not subject to the changes applied to those of working age. In devising new CTR schemes, many Local Authorities adopted schemes that replicated the old CTB schemes and then applied a minimum payment for working age customers to make up the funding difference.
- 1.2 Since 2014/15, the amount of grant received from Government to pay for CTR has been included within the general grant (Revenue Support Grant) that the Council receives and the amount to support CTR schemes is not specifically identified year on year. Revenue Support Grant (RSG) continues to be significantly reduced each year and with the introduction of the pilot of 100% Business Rates Retention and the subsuming of RSG into the Council's Business Rates Top Up Grant, it is fair to say the link between Central Government funding and Central Government support for CTR has been cut.
- 1.3 The legislation confers an obligation on the Council to consider whether to review the CTR scheme on an annual basis. The scheme cannot be amended in-year and can only be changed following consultation with the major preceptors, the Greater Manchester Combined Authority (GMCA) on behalf of the Mayor of Greater Manchester and the Police and Crime Commissioner and with the public.
- 1.4 A change to the scheme in 2021/22 would require approval by full Council prior to the deadline for the setting of the Council's budget (which is no later than 10 March 2021). The last Council meeting before this date is 4 March 2021.
- 1.5 When evaluating changes to the scheme for 2021/22, the current operation and costs of the scheme can be taken into account. In recommending a scheme for 2021/22, particular consideration has been given to the COVID-19 crisis and its impact on residents, the economy and caseload.

2 Current Position

- 2.1 The Council currently has a CTR scheme that awards a maximum payment of 85% of a Band A rate of Council Tax and has removed the provision to award second adult rebate for claimants of working age. From April 2019, the Council also introduced changes to support CTR claimants in receipt of Universal Credit (UC) including the application of some earnings disregards and the use of DWP information as a claim for CTR.
- 2.2 Current projections for the annual collection rates for CTR cases due in 2020/21 suggest a collection rate between 70% and 80%. This is a lower CTR collection rate to that recovered in 2019/20 due to the major social and economic impact of the Coronavirus (the 2019/20

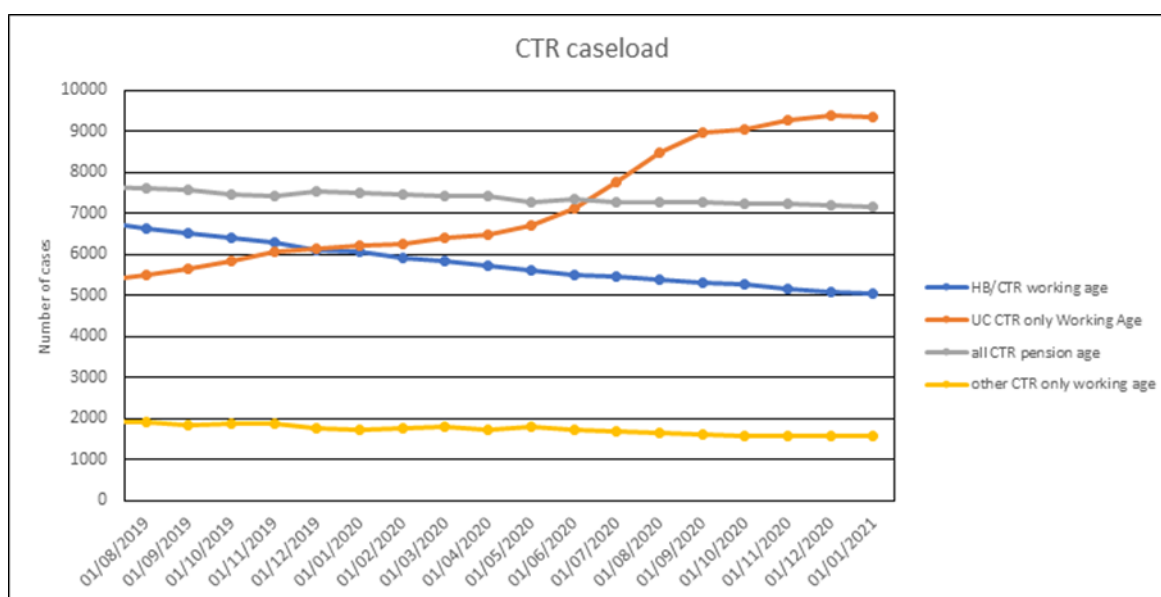
collection rate was 82.45%). An additional 5% collection of CTR debt could result in an extra £285k in Council Tax receipts for 2020/21.

- 2.3 The roll out of the full service of Universal Credit commenced in Oldham from April 2017. Universal Credit (UC) is a single monthly payment which replaces six working age benefits (known as legacy benefits). These are Housing Benefit (HB), Income Support (IS), Working Tax Credits (WTC), Child Tax Credit (CTC), Employment and Support Allowance (Income-related) and Job Seekers Allowance (Income-related). The current roll out of UC follows a process of natural migration i.e. as a claimant experiences a relevant change of circumstances such as becoming fit for work, entitlement to legacy benefits ends and UC must be claimed instead. Oldham was an early adopter of UC full service and at August 2020 (the latest available figures), rollout was 63% complete in Oldham East and Saddleworth and 59% in Oldham West and Royton. The North West average is 56%. It will take some time before the full migration of working age claims is complete.
- 2.4 The Government has indicated that managed migration (the bulk transfer of all eligible working age HB cases to UC by Local Authority) will be complete nationally by September 2024 although no indicative timetable has been set for Oldham to date. The slow migration of HB to UC has resulted in the emergence of UC/CTR as a new CTR working age scheme with some discrete differences in calculation methods to determine needs and income from those used for legacy claims such as Housing Benefit.
- 2.5 The Council continues to make awards to residents who are experiencing severe financial hardship under the Exceptional Hardship Payments (EHP) scheme, although the budget for this is limited to £0.144m. However, in response to the COVID-19 economic situation, the Government announced additional resources to be paid to the Council Tax accounts of those working age claimants in receipt of CTR in 2020/21. This Hardship payment, awarded under S13(a)1(c) of the Local Government Finance Act 1992, equates to a maximum of £150 for new and existing claimants and is paid in addition to CTR already awarded. The approach to the allocation of the Government funding (Oldham was awarded £3.015m) was agreed by Cabinet on 23 April 2020. The estimated cost of awarding this hardship payment to support those on low incomes in 2020/21 is £2,689,859. The payment has the impact of reducing the Council Tax to be collected and removes the risk of non-payment for this element of the charge from those of working age on low incomes. The Hardship Fund grant in 2020/21 has not been extended into 2021/22.
- 2.6 The Provisional Local Government Finance Settlement advised of a new grant, the Local Council Tax Support Grant (Oldham's allocation is £3.183m for 2021/22). This is unringfenced and the Council can utilise it as it sees fit. The Government has allocated the resource recognising that there will be a reduction in the Council Tax Tax Base as a result of the increase in Council Tax payers qualifying for CTR support due to higher unemployment and the general economic conditions. A report approved by Cabinet on 14 December 2020, highlighted the reduction in the Council Tax Taxbase for 2021/22 compared to 2020/21 and advised that the cause was the increase in CTR claimants. The £3.183m grant is therefore being used to support the Councils 2021/22 budget to compensate for the foregone Council Tax income caused by the lower Taxbase.
- 2.7 There have been several changes to the Housing Benefit (HB) scheme since April 2016. This means that the working age CTR scheme does not align with revised HB regulations. While in recent years, Local Authorities have sought to mirror HB regulations in CTR, this approach is less necessary in 2020 as more working age claimants have moved onto UC following a relevant change in their circumstances.
- 2.8 Members will recall that the approval of the report on the Hardship Grant Funding at the 23 April 2020 Cabinet allowed the Council to use its discretion in 2020/21 under S13(a)1(c) of the Local Government Finance Act 1992 to mirror changes made to UC and HB by the

Social Security (Coronavirus) (Further Measures) Regulations 2020 (SI 2020/371). These UC and HB regulations increased the standard rate of Universal Credit and Tax Credits by £20 per week in 2020/21 only. Housing Benefit Earnings Disregards were also increased by £20 to ensure claimants were not worse off as a result of this increase in the standard rate of Tax Credits. The Council chose to mirror this change in Earnings Disregards to ensure entitlement to CTR was not reduced as a result. The estimated cost of providing this support, which is also funded by the Government's Hardship Fund is £325,141 in 2020/21. There is no current indication that the £20 increase in the standard rate of Universal Credit and Tax Credits will be extended into 2021/22.

- 2.9 As at 5 January 2021, the overall CTR caseload was 23,127. The caseload for those of pension age remains relatively static but Table 1 below demonstrates how CTR claims from those who are in receipt of UC are increasing as other working age CTR cases are reducing, for example, from those who are in receipt of HB.
- 2.10 Although the number of CTR cases has increased above 2019/20 levels, it is suggested that a prudent approach would be to wait until the number of cases in receipt of UC outnumbers those on HB by a decent margin before considering a fundamental change to the CTR scheme. However, it is important to understand the overall impact of the increase in CTR claimants on the level of Council Tax that can be collected and this is an important consideration in determining the impact of the CTR scheme for 2021/22.
- 2.11 Some temporary changes to UC have also been made to support those impacted by coronavirus such as the removal of the minimum income floor in 2020/21 for the self - employed. This change in turn is reflected in the Council's CTR scheme. This is because the Council applies the DWP's assessment of income for UC in determining entitlement to CTR and the removal of the minimum income floor will result (in the main) in an increased entitlement to CTR.
- 2.12 The rapidly changing environment created by the current crisis has presented difficulties in accurately modelling and consulting on a new CTR scheme for 2021/22 to better suit the UC regime.

Table 1: Caseload Changes



3 Options/Alternatives

3.1 Given the current context of COVID, the financial position of the Authority and the uncertainty prevailing, there are 2 main options presented for consideration. These are:

1. Maintain the present level of support i.e. maintaining the level of support at 85% of the Council Tax for a Band A property.
2. Reduce the maximum level of support from 85% to 82.5% in 2021/22.

Option 1 Maintain the current 85% maximum scheme

3.2 The current scheme limits the maximum CTR award to 85% of Council Tax for a Band A property. The scheme is understood and established in Oldham and the basis of the calculation is very similar to the Housing Benefit and Pensioner CTR scheme. This scheme requires a minimum payment towards Council Tax for all those of working age. Oldham's scheme requires a minimum payment of 15%.

3.3 An overall CTR collection rate of 80% would deliver the income needed to meet the Council Tax requirements for 2020/21 if the current scheme remained in place. A comparison of the maximum levels of support for 2020/21 for Local Authorities is set out below.

Table 2 Great Manchester Local Authority Charges 2020/21

Local Authority	Council Tax Band A 2020/21	Maximum Support %	Annual Charge	Monthly (12 Months)	Monthly (10 Months)	Minimum Weekly Payment if in receipt of Full CTR
Bolton	£1,210.27	87.50%	£151.28	£12.61	£15.13	£2.90
Bury	£1,274.19	80%	£254.84	£21.24	£25.48	£4.89
Manchester	£1,149.80	82.50%	£201.22	£16.77	£20.12	£3.86
Oldham	£1,314.77	85%	£197.22	£16.43	£19.72	£3.78
Rochdale	£1,296.33	85%	£194.45	£16.20	£19.44	£3.73
Salford	£1,292.99	85%	£193.95	£16.16	£19.39	£3.72
Stockport	£1,326.64	100%	£0.00	£0.00	£0.00	£0.00
Tameside	£1,218.12	75%	£304.53	£25.38	£30.45	£5.84
Trafford	£1,095.34	100%	£0.00	£0.00	£0.00	£0.00
Wigan*	£1,076.71	80%	£215.34	£17.95	£21.53	£4.13

*except for households with Children under 5

3.4 CTR is a demand led scheme so costs can fluctuate as the caseload changes. The working age caseload has increased as more residents are claiming UC during the COVID crisis; current estimates are that the caseload may increase by 25% over previous average claims. The Council Tax Base makes an allowance for the increased cost of the CTR scheme by reducing the assumed level of Council Tax that can be collected. The impact of the increase in claimants, taking the April 2020 working age CTR claimant numbers compared with claimant numbers in January 2021, has reduced the 2020/21 Tax Base and overall level of Council Tax collected by an estimated 539 Band D equivalents which equates to approximately £1.066m in foregone Council Tax Income.

- 3.5 The financial impact is not only in relation to the reduction in the Taxbase compared to 2020/21 levels, also foregone is the Taxbase growth that had been anticipated within the budget setting estimates.
- 3.6 As advised earlier, the Government has provided support in relation to the impact of Council Tax foregone arising from COVID-19 in the form of the Local Council Tax Support Grant funding of £3.183m. As this is an unringfenced grant it is being used to support financial position of the Council for 2021/22.
- 3.7 In addition, recognising the significant implications that COVID is having on the local income generation of Councils, the Government is providing grant to alleviate irrecoverable Collection Fund losses in 2020/21 (for both Council Tax and Business Rates). As the loss of Council Tax income (accounted for in the Collection Fund) for 2020/21 will not have a budgetary impact until 2021/22, this grant is also being used to support the financial position in 2021/22 (being carried forward as a reserve). One other mechanism the Government has introduced to support Councils is allowing 2020/21 Collection Fund losses to be addressed over 3 financial years (2021/22 to 2023/24).
- 3.6 Although a number of additional grants were announced in the Provisional Local Government Finance Settlement, at this stage, it is not clear if Government will provide further financial assistance in 2021/22 to support Councils or Council Taxpayers facing the on-going impact of COVID-19. It is also unclear just how quickly the economy might pick up which would potentially reduce the numbers of households qualifying for CTR. In considering the option not to change the level of CTR, Members are reminded of the reduction in the Tax Base and the consequent impact on overall level of Council Tax available to support the 2021/22 budget and the grants that Government has provided in this regard. Table 3 illustrates the change in CTR working age caseload from April 2020 to January 2021.

Table 3 Increases in CTR working age caseload during the COVID 19 crisis

Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21
13,959	14,105	14,375	15,423	15,503	15,891	15,903	16,014	16,036	15,952

- 3.7 The report sets out in paragraphs 2.4, 2.5 and 2.8 the additional national COVID hardship funding and other 2020/21 only changes to benefit regulations designed to help those on low incomes during the coronavirus crisis. The COVID hardship funding will not be offered in 2021/22 and other changes to benefit regulations are only in effect for 2020/21. Therefore, residents will be aware that the amount of financial support received in 2021/22 will be less than that received in 2020/21 and this will be reflected in the amount of Council Tax they have to pay, even if the Council's local CTR scheme has not actually changed. Maintaining the CTR scheme at 2020/21 levels goes some way to mitigating the impact on CTR claimants.

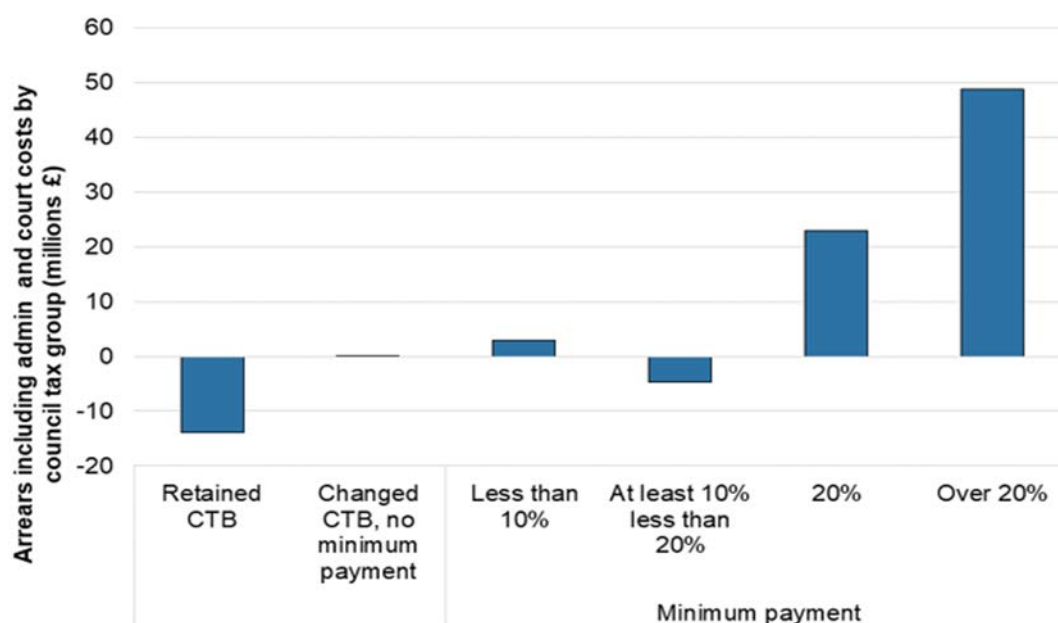
Option 2 – Reducing the maximum support to 82.5%

- 3.8 Increasing the Council Tax charge by reducing the support available for Council Tax per annum year on year has been a common approach by Local Authorities since 2013. Many of those with high minimum payments also have cut CTR in other ways e.g. removing earnings disregards. The Council may wish to reduce the level of maximum support offered to counteract any rising costs of the scheme as a result of increases in caseload.
- 3.9 For Oldham, Council Tax income would potentially increase by £294k for each 2.5% reduction in Council Tax support assuming a prudent collection rate of 80%. Oldham's

share of this income would be £250k, once the Greater Manchester Combined Authority (GMCA) has received its share for the Mayoral Police and Crime Commissioner precept and Mayoral General Services precept including Fire Services.

- 3.10 It is important to note that an increase in minimum payments can impact collection levels and result in Council Tax becoming a more regressive tax for low income residents than for those on higher incomes. An increase in Council Tax for those on low incomes at a time when the COVID-19 crisis is having a detrimental impact on the local economy and the availability of jobs taken together with an anticipated reduction in COVID-19 hardship funding and the ending of the one year 2020/21 package of COVID-19 support for benefit claimants, would also impact on residents' ability to make payments.

Table 4 Minimum Payments and Arrears



Source: www.counciltaxreduction.org

- 3.11 The table above takes into account the change in the Council Tax bases between years to calculate the additional amounts of uncollected taxes in 2016/17 compared with 2012/13 - the last year of CTB (most recent national figures available). The 67 Councils that had a minimum payment of over 20% in 2016/17 had the largest overall increase in uncollected tax for that year.
- 3.12 A minimum payment of 17.5% for Oldham would still place the Council at the lower end of minimum payments required from residents across the country.
- 3.13 Council Tax was increased by 3.7% overall in Oldham in 2020/21 (including charges for Police and Fire Services). There are wider current economic impacts of COVID-19 and the legacy impacts of the Government's pre-existing Welfare Reform programme. An increase in the minimum payment from 15% to 17.5% may result in Council Tax becoming less affordable for residents and result in increased Council Tax arrears from this group.
- 3.14 It is important to note that if the maximum support was reduced to 82.5% it would have the impact of raising the amount of Council Tax to be collected and hence potentially reducing some of the losses and issues outlined at paragraphs 3.4 to 3.5; however, it may lead to a further increase in arrears.

4 Preferred Option

- 4.1 The preferred option is Option 1 – to retain the current 85% scheme in 2021/22.
- 4.2 Assuming there is Member approval of the 2021/22 scheme at Budget Council on 4 March 2021 and following the inclusion of prescribed scheme regulations for 2021/22, the Council's revised CTR scheme will be published on the Council's website.
- 4.3 It is important to note that the Council's CTR scheme relies on the incorporation of Prescribed Scheme Regulations which are published by Central Government each year. These regulations are not currently available, but this does not impact on the Council's ability to determine the direction of its CTR scheme.
- 4.4 Members can also elect to increase the discretionary funding available to support those residents in most need. This would not constitute a change to the CTR scheme, rather a use of the Council's discretionary powers under Section 13a (1) (c) of the Local Government Finance Act 1992. The 2021/22 revenue budget allocation for this Exceptional Hardship Payment (EHP) fund is £0.144m. It is proposed that consideration will be given during 2021/22 to an assessment as to whether further support can be provided to those residents in most need and to alleviate the impact of loss of 2020/21 COVID Hardship awards. This is also set out as a recommendation in this report.

Local Government and Social Care Ombudsman guidance

- 4.5 The Local Government and Social Care Ombudsman (LGSCO) issued good practice guidance¹ for Local Authorities in August 2019 following several complaints it received about CTR policies and the treatment of CTR overpayments. Since the introduction of CTR in April 2013, the LGSCO had become aware that CTR prescribed regulations did not recognise the concept of a CTR overpayment (created following a reduction in entitlement) or that a CTR overpayment may have been created as a result of 'official error'. Local CTR policies have also been silent on this issue which means that the Valuation Tribunal has no power to judge if a CTR overpayment is recoverable. The advice of the LGSCO to Local Authorities is to make their CTR policies clear about what CTR overpayments are, when they can be recovered and how to appeal about a CTR overpayment decision. This good practice advice will be incorporated into the Council's scheme for 2021/22.

5 Consultation

- 5.1 Any changes to the 2021/22 scheme would require prior consultation with the major preceptor, the GMCA, with regard to the Mayoral Police and Crime Commissioner precept and Mayoral General Services precept including Fire Services. There would also be a requirement to carry out a public consultation.
- 5.2 The Council has notified GMCA of its intention not to amend the CTR scheme in 2020/21. Given this intention, there is no requirement for public consultation

6 Financial Implications

- 6.1 The direct grant previously paid by the Department for Communities and Local Government (now the Ministry for Housing, Communities and Local Government) for Council Tax Reduction Support has now been subsumed within the Council's Settlement Funding

¹ <https://www.lgo.org.uk/information-centre/news/2019/aug/new-guidance-launched-for-council-tax-practitioners>

Assessment and Revenue Support Grant (RSG) figure which has itself been incorporated within Business Rate Top Up grant under the piloting of 100% Business Rate Retention. The link between CTR arrangements and grant compensation is no longer evident, given the level of grant funding that has been reduced under the Government's austerity agenda.

- 6.2 As at the time of preparing this report, 65.14% of claimants have made some payment towards their 2020/21 Council Tax bills, suggesting a collection rate at the end of the financial year of approximately 80%. As outlined above, data is not available to assess how many of these claimants making payments will fall into arrears during the rest of the year, however it is envisaged that proactive collection methods implemented by the Unity Partnership Ltd will enable the Council to collect an amount between 75% and 80% of the amount due in 2020/21. Weekly monitoring of the collection rate is being maintained to manage the risk of non-collection. One perceived risk at this stage is that the present collection rate will reduce throughout the remainder of the financial year and beyond as a result of the impact of COVID-19 on the local economy. The amount of disposable income many of the scheme's claimants will have available to meet Council Tax and other financial commitments is likely to reduce. This will have the impact of increasing the risk of arrears from those who are currently paying their Council Tax.
- 6.3 In addition to the impact of collection rates of CTR outlined above and as a direct result of current economic conditions resulting from the COVID-19 pandemic, there has been a significant increase in the overall numbers of working age claimants of CTR. This has resulted in a sharp decline of the overall Council Tax Base, as more taxpayers are entitled to CTR. As stated in para 3.4, since the start of the 2020/21 financial year the tax base has fallen by 539 Band D equivalents. Using the Councils Band D charge for 2020/21 of £1,977.21 and multiplying this by the reduction, this equates to Council Tax income foregone of approximately £1.066m. This is clearly very important in the context of the financial position of the Council and has influenced the setting of the reduced Tax Base for 2021/22.
- 6.4 In 2020/21 the Government announced additional resources to be paid to the Council Tax account of those working age claimants in receipt of CTR in 2020/21. This Hardship Fund grant payment, awarded under S13(a)1(c) of the Local Government Finance Act 1992, equates to a maximum of £150 for new and existing claimants and is paid in addition to CTR already awarded. The approach to the allocation of the Government funding (Oldham was awarded £3.015m) was agreed by Cabinet on 23 April 2020 including the introduction of UC and HB earnings disregards. The £150 payment has the impact of reducing the Council Tax to be collected and removes the risk of non-payment for this element of the charge from those of working age on low incomes. The Hardship Fund Grant of 2020/21 has not been extended into 2021/22. It is anticipated that this grant will be used in full in 2020/21
- 6.5 The Provisional Local Government Finance Settlement advised of a new grant, the Local Council Tax Support Grant (Oldham's allocation is £3.183m for 2021/22). This is un-ringfenced and the Council can utilise it as it sees fit, but as the Government has allocated the resource recognising that there will be a reduction in the Council Tax Tax Base as a result of the increase in Council Tax payers qualifying for CTR, it will be used to underpin the 2021/22 budget.
- 6.6 Also in recognition of the impact of the reduction in the Councils ability to collect Council Tax, the Government has offered support in 2020/21 in relation to the impact of foregone Council Tax and Business Rates arising from COVID-19 in the form of a grant (Local Income Tax Guarantee) to alleviate irrecoverable Collection Fund (Council Tax and Business Rates income) losses in 2020/21. As the loss of Collection Fund income for 2020/21 will not have a budgetary impact until 2021/22, this grant is being used to support the financial position in 2021/22 (being carried forward as a £1.000m reserve). One other mechanism the

Government has introduced to support Councils is allowing 2020/21 Collection Fund losses to be addressed over 3 financial years (2021/22 to 2023/24).

6.7 At this stage, it is not clear if Government will provide further financial assistance in 2021/22 to support Council Taxpayers facing the on-going impact of COVID-19. It is also unclear just how quickly the economy might pick up which would potentially reduce the numbers of households qualifying for CTR.

6.8 The table below summarises the current scheme and potential options for consideration. Only two options have been modelled for the purposes of this report. Each option assumes collection rate of 80% (deemed feasible given current projected collection levels).

Scheme Options	% Band A Property	CTR Billed	Collection Rate	CTR Income
	%	£m	%	£m
	87.5	5.330	80	4.264
	85.0	5.698	80	4.558
	82.5	6.066	80	4.853
	80.0	6.434	80	5.147

6.9 For each 2.5% movement of CTR benefit, Council Tax income shifts by approximately £368k. However, this is the Council Tax income figure prior to apportionment over the appropriate precepting percentages and projected collection rates of 80%. In 2020/21, the present allocation percentages are Oldham Council 84.86%, GMCA for Mayoral Police and Crime Commissioner Services 10.54% and finally GMCA for Mayoral General Services including Fire Services at 4.60%. Therefore a £368k movement would benefit Oldham Council's available funding by approximately £294k after projected collection and is then further reduced following the apportionment to the Council to £250k.

6.10 The average impact to claimants assuming January caseload numbers of 23,127 claimants of which there are 15,952 working age cases, and providing these remain constant, for each 2.5% CTR move, a claimant is likely to see a +/-£23.74 adjustment to their CTR benefit depending on whether the CTR scheme is made more or less beneficial.

6.11 Given all the information presented above, the maintenance of an unchanged CTR scheme can be managed within the context of the current financial position of the Council.

(Anne Ryans/John Hoskins)

7. Legal Services Comments

7.1 The legislation states that each year an authority must consider whether to revise its Council Tax Reduction scheme.

7.2 The revision of a scheme is a decision that the legislation reserves to full Council. Any revision to apply to the scheme for the following year must be made no later than 10 March of the preceding financial year.

7.3 No revision of a scheme can occur unless the authority has, in the following order:

1. Consulted with the major precepting authority – The Greater Manchester Combined Authority for Police and Fire services

-
2. Published a draft proposed scheme
 3. Consulted with others likely to have an interest in the scheme
- 7.4 In order to discharge its duties under the Equality Act 2010, the authority will need to consider the effects of proposals on people with a protected characteristic as defined by the Act, which can be done by way of an equality impact assessment as happened before the present scheme was made.
- 7.5 It is noted at para 4.5 that the Council will be implementing the best practice recommendations of the LGCSO in relation to what CTR overpayments are, when they can be recovered and how to appeal about a CTR overpayment decision. It is not felt that consultation on this point is required. Consultation is currently at the discretion of the authority. With no amendment to the policy, consultation would not be required. (Alex Bougatef)
8. **Co-operative Agenda**
- 8.1 The approval of support for residents who are of working age and on low incomes is consistent with and embraces the principles of the co-operative agenda.
- 9 **Human Resources Comments**
- 9.1 None
- 10 **Risk Assessments**
- 10.1 There are a number of risks to be managed in this process:
- Ensuring the revised scheme is not subject to a legal challenge on the basis of equality legislation
 - Developing a scheme which is both fair and affordable to the Council in 2021/22 particularly as it will only be based on limited collection rates information early in the financial year and assumptions on grant funding previously made
 - A more challenging financial environment with greater uncertainty than in previous financial years through which an early decision needs to be made on the make-up of the scheme for the next financial year.
 - Linking in Council Tax Collection Processes to the Council's Council Tax Collection Strategy (Mark Stenson)
- 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 In taking financial decisions, the Council must demonstrate that it has given 'due regard' to the need to eliminate discrimination, promote equality of opportunity and promote good relations between different groups.

15.2 Demonstrating that 'due regard' has been given involves:

- Assessing the potential equality impacts of proposed decisions at an appropriate stage in the decision-making process so that it informs the development of policy and is considered before a decision is taken
- Ensuring that decision makers are aware of equality duties and any potential equality issues when making decisions.

N.B. Having due regard does not mean the Council cannot make decisions which have the potential to impact disproportionately. It means that we must be clear where this is the case and must be able to demonstrate that we have consulted, understood and mitigated the impact.

15.3 To ensure that the process of impact assessment is robust, it needs to:

- Be specific to each individual proposal
- Be clear about the purpose of the proposal
- Consider available evidence
- Include consultation and involvement with those affected by the decision, where appropriate
- Consider proposals for mitigating any negative impact on particular groups
- Set out arrangements for monitoring the actual impact of the proposal

15.4 As with previous Council Tax Reduction Schemes from 2013, an Equality Impact Assessment has been prepared to try to identify any potential disproportionate adverse Impacts arising from the proposed scheme and to identify any actions which might mitigate these impacts.

16 **Equality Impact Assessment Completed?**

16.1 An EIA is set out at Appendix 1.

17 **Key Decision**

17.1 Yes

18 **Key Decision Reference**

18.1 FG-27-20

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: The background papers to this report are both available on
www.oldham.gov.uk

26 February 2020 Council Report - Council Tax Reduction Scheme 2020/21
23 April 2020 Cabinet Report - Hardship Funding 2020/21

Officer Name: Caroline Lee and Anne Ryans
Contact no: 0161 770 4902/4905

20 **Appendices**

20.1 Appendix 1 – Equality Impact Assessment

Stage 1: Initial screening

Lead Officer:	Caroline Lee
People involved in completing EIA:	Caroline Lee Yvette Maguire
Is this the first time that this project, policy or proposal has had an EIA carried out on it? If no, please state date of original and append to this document for information.	No EIAs have been completed annually since 2013. This EIA covers the proposed scheme for 2021/22

General Information

1a	Which service does this project, policy, or proposal relate to?	This proposal relates to the Council Tax Reduction (CTR) scheme which is the responsibility of the Revenues and Benefits service within the Commissioning Directorate. The CTR scheme is administered by the Unity Partnership Ltd on behalf of the Council.
1b	What is the project, policy or proposal?	The proposal is the approval of Oldham's CTR scheme for 2021/22 onwards. From 2013/14, all Local Authorities were placed under a duty to agree a localised Council Tax Support Scheme for those of working age at full Council to replace Council Tax Benefit (CTB) by 31 January 2013. Previously, the CTB scheme was administered nationally. There is an obligation within existing the legislation (Local Government Finance Act 2012) on the Council to consider whether to review this scheme on an annual basis. If the Council wants to revise the scheme, any revised scheme for 2020/21 no later than 10 March 2021. For Oldham, this is the 4 March 2021 Budget Council Meeting. The Council made a change to the Council Tax Reduction Scheme in 2015/16 increasing the maximum reduction awardable from 80% of the Band A rate of Council Tax to 85%.

		Following a public consultation exercise in Autumn 2018, the scheme was amended from April 2019 to introduce a range of changes to the scheme largely addressed at those CTR claimants who receive Universal Credit (UC). These included the application of some earnings disregards and treatment of information received from the Department for Work and Pensions (DWP) about UC as a claim for CTR. There were no changes to the CTR scheme for 2020/21 and none are proposed for 2021/22
1c	What are the main aims of the project, policy or proposal?	There are three key aims of the proposals: 1. To continue to use a scheme that is affordable. As at January 2020, 65.14% of claimants have made some payment towards their 2020/21 bills suggesting an outturn collection rate of approximately 80%. Weekly monitoring of the collection rate is being maintained to manage the risk of non-collection. One perceived risk is that claimants, who have already been subject to Welfare Reform changes, begin to find it harder to make payments as a result of the financial impacts of the COVID 19 pandemic. If the amount of disposable income available to meet Council Tax and other financial commitments reduces, this could have the impact of increasing the risk of arrears from those who are currently paying their Council Tax. The Authority faces significant challenges in order to balance the budget in 2021/22 and the impact on Council Tax collection of the pandemic during 2021/22 is uncertain. The Council is acutely aware that shortfalls in Council Tax collection mean creating a budget pressure that has the potential to require further savings to be made from within Council services. 2. To continue to use a scheme that limits the financial impact across all Council Tax Reduction recipients. The protection for pensioners must be kept in place in line with the current national scheme, and the cost of doing this needs to be aligned with the need to protect vulnerable groups and provide incentives to work. Whilst not providing a specific definition for vulnerable groups, the Government did advise that Authorities should consider their duties under specific legislation when designing a scheme, namely:

		The Equality Act 2010 Child Poverty Act 2010 The Housing Act 1996 Whilst there is no legal duty to protect people on low incomes (this was revoked in December 2010), as a borough with several deprived areas, Oldham still chooses to continue considering the impact of any decisions on this group. This Council continues to consider people on low incomes as part of our equality impact assessment (EIA) process. We have undertaken in-depth research into the scale of the impact of welfare reforms on Oldham and its people. A report in January 2015 on the impact of welfare reform highlighted the following groups as particularly vulnerable: • Single people, young single people in rented accommodation • Younger people in general • Older people with disabilities. A report in August 2015 looking at the Government proposals for welfare and tax reform (now the 2016 Welfare Reform and Work Act) showed that those not in work, especially those with children as well as lone parents overall and families with only one earner would be the most heavily affected by the changes. In January 2016, the Council looked in detail into one of the groups most affected by these reforms, namely those aged between 18-24. In September 2016, the Council investigated the impact of welfare reform on the debt and finances of local people. In March 2019, there was an investigation into the impact of welfare reform by the rollout of Universal Credit and the benefit freeze. Alongside the detrimental impacts of welfare reform and current economic policy it was found that in general for residents, incomes for low to middle income families are lower in real terms than they were 15 years ago. To mitigate this, the Council has made a commitment to seek national accreditation from the Living Wage Foundation with regard to adopting its National Living Wage over a three-year timeframe, as confirmed in the paper approved by Cabinet on 28 January 2019.

	These findings are factored in when identifying those who are most vulnerable under the scheme. 3. To continue to maintain a scheme that will enable the Council to collect as much Council Tax as possible, whilst supporting residents to meet their payments. Current projections for the annual collection rates for CTR cases due in 2020/21 suggest a collection rate between 70% and 80%. This is a lower CTR collection rate to that recovered in 2019/20 due to the major social and economic impact of the Coronavirus (the 2019/20 collection rate was 82.45%). An additional 5% collection of CTR debt could result in an extra £285k in Council Tax receipts for 2020/21 Once again, through this process we will endeavour to do things differently and co-operatively, which will help the residents of Oldham and in doing so, enable the Council to collect the funds it needs to continue to provide services. The Council encourages early payment by engaging with residents more pro-actively, identifying vulnerable people early in the Council Tax recovery process and signposting to partners and stakeholders where wider support is needed. We have also signed the CAB debt protocol supporting ethical collection methods and have partnered with the debt charity Stepchange to provide support. The Council also uses the Money Advice Service's recommended Standard Financial Statement (SFS) which standardises affordable repayment arrangements with residents. In 2020, the Council suspended reminder, summons, liability order and enforcement agent activity at the point of the first national lockdown in March until August 2020 to support those suffering the immediate impacts of the pandemic. The Council allocated Hardship Funding of £3.015m to fund £150 hardship payments to CTR claimants of working age during 2020/21 and to ensure CTR claimants were not detrimentally affected by the change in Housing Benefit earning disregard regulations introduced under the Social Security (Coronavirus) (Further Measures) Regulations 2020 (SI 2020/371).

		This protection will not be in place in 2021/22 and the Council will instead consider during 2021/22 whether there can be an increase in Exceptional Hardship Payment (EHP) Funding to help residents in most need (The EHP scheme was introduced in 2018) The Council has launched its We Can Help campaign in December 2020 signposting emergency support to residents such as Local Welfare Provision, Free School Meals, Discretionary Housing Payments and others. The Council, funded by the Department for Work and Pension's Winter Grant scheme, issued 17,000 food vouchers to support families with children and young people with food over the Christmas 2020 period and increased funding for the Warm Homes scheme to support to issue fuel vouchers for those on prepayment meters and the funding of a boiler repair service.
1d	Who, potentially, could this project, policy or proposal have a detrimental effect on, or benefit, and how?	The proposal for the 2021/22 scheme is not to change the current support provided through the CTR scheme. On this basis there will be no disproportionate detrimental impact on equality groups from the proposal put forward. The recommendation is: 1) The continuation of providing support to a maximum of 85% of Council Tax of a Band A Property.

1e. Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups? If so, is the impact positive or negative?				
	None	Positive	Negative	Not sure
Disabled people	☐	☒	☐	☐
Particular ethnic groups	☐	☒	☐	☐
Men or women (include impacts due to pregnancy / maternity)	☐	☒	☐	☐
People of particular sexual orientation/s	☒	☐	☐	☐
People in a Marriage or Civil Partnership	☒	☐	☐	☐
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐
People on low incomes	☐	☒	☐	☐
People in particular age groups	☐	☒	☐	☐

Groups with particular faiths and beliefs	☐	☒	☐	☐
Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
<i>Vulnerable residents, carers or serving and ex-serving members of the armed forces</i>		☒	☐	

If the answer is “negative” or “not sure” consider doing a full EIA

1f. What do you think that the overall NEGATIVE impact on groups and communities will be? <u>Please note that an example of none / minimal impact would be where there is no negative impact identified, or there will be no change to the service for any groups.</u> Wherever a negative impact has been identified you should consider completing the rest of the form.	None / Minimal	Significant
	☒	☐

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes ☐ No ☒
1h	How have you come to this decision?	The proposal for the 2021/22 scheme is to maintain the support provided through the scheme. An alternative option proposed was to reduce the financial help available through the CTR scheme. On this basis that the proposed approach is not to change the support via the CTR scheme. It is considered that there will be no disproportionate impact to those with protected characteristics.

Stage 5: Signature		
Lead Officer:	Yvette Maguire	Date: 8.1.2021
Approver signature:	Caroline Lee	Date: 8.1.2021
EIA review date: November 2021		

What we know about those currently claiming Council Tax Reduction?

Current Council Tax Reduction claimants

As at 5 January 2021 the number of claimants was 23,127.

The breakdown of claims by council tax band is as follows:

	A	B	C	D	E	F	G
No of claimants	17,968	2904	1696	401	113	35	10

This data shows that the overwhelming majority of CTR claimants live in Band A properties.

Potential impact on people of a particular age

The breakdown of claims by claimant type is as follows:

Type of Recipient	Number	%
Elderly	7,175	31%
Working age - passported benefits	4,474	19%
Working age - UC	9,370	41%
Working age – other	2,108	9%
Total	23,127	100%

This shows that those people of working age (69% of the entire claimant group) are adversely affected, particularly since there is a mandatory requirement to protect those on pension credit i.e. those claimants in the figures to elderly bracket. Therefore, the number of claimants of working age is 15,952

Impact on those on low incomes

The impact of Universal Credit has on levels of Council Tax Support will, for the most part, be on working households.

As of August 2020 (latest available figures) Oldham West and Royton UC rollout was 59% complete in terms of the number of households claiming UC compared to “legacy” benefits. 12,434 households claimed UC of which 46% were households with children and around 8,674 claimed “legacy” benefits. In November 2020 there were 15,715 people on UC of whom 7,931 were female and 778 were male.

As of August 2020 (latest available figures) Oldham East and Saddleworth UC roll-out was 63% complete in terms of the number of households claiming UC compared to “legacy” benefits. 11,633 households claimed UC of which 54% were households with children and around 6,904 claimed “legacy” benefits. In November 2020 there were approximately 14,633 people on UC of whom 7,590 were female and 7,042 were male

Impact on those with a disability

Of the 15,952 working age claimants, 3,664 (23%) have a disability premium within their benefit calculation. Whilst this indicates that the individual is considered to have some form of disability, it does not tell us the nature or extent of the disability.

Collection rates

As at 18 December 2020, the collection rate for CTR customers was 62.84% as opposed to 64.21% as at 20 December 2019, which indicates that people are struggling to pay which is possibly a result of the COVID epidemic.

Recovery Activity

Of those claimants who received Council Tax Reduction in 2020/21, 260 accounts are now subject to recovery action, compared with 2019/20 where 3,279 accounts were in recovery. The reason for the reduction is largely because of the suspension of recovery activity in 2020 and the low number of dates made available to the Council by the Magistrates Court to secure debts via Liability Orders.

The breakdown below shows those accounts broken down by property band.

2019/20

Band	A	B	C	D	E	F	G	H	Total
Number	2,803	288	126	51	8	1	2	0	3,279

2020/21

Band	A	B	C	D	E	F	G	H	Total
Number	210	29	15	6	0	0	0	0	260

Other financial impacts

- Indices of Deprivation 2019: 19th Most deprived LA
- Child Poverty (before housing costs)
 - 38.0% in 2018/19, (28.7% 2014/15)
 - Highest Child Poverty nationally, 2nd highest increase
 - Coldhurst 66% (highest ward nationally), Saddleworth South 10%
- Life Expectancy
 - 2.3 years behind England
 - Males 11-year ward gap, females 12.4 years
- 16 Food Banks/emergency food providers (2019)

Appendix (i) to EIA

Several actions identified in developing the 2021/22 scheme were intended to mitigate the impact of CTR and the wider context of the COVID 19 pandemic and long- term impact of the welfare reform agenda. These are:

Activity	Update
Continue to promote existing flexible payments method	Through a range of difference communication channels External: - • Social media (Facebook and Twitter) • My Account • Website and web banner • Council Tax information • Media release • Promotion on revenues and benefits letters • Call waiting message • Residents Magazine • Early text reminder • On the Annual bill envelopes Internal communications: - • Articles in Team Brief • Councillor and staff briefing
Review effectiveness and take up of current payment methods and introduce new payment options where appropriate	As at 18 December 2020, the collection rate for CTR customers was 62.84% as opposed to 64.21 % as at 20 December 2020. Residents can elect to pay Council Tax over a range of payment dates 1st, 8th, 15th and 22nd of the month Residents can pay online, by 24/7 telephone touchtone payments, at Post Offices and Payzone outlets A fortnightly direct debit was introduced in 2013 to help customers manage their finances.
Continue to deliver energy switching campaigns and auctions Identify and establish referral arrangements to a wider range of support services	The Warm Homes Oldham service offers energy switching advice to residents in their homes. The service also offers heating and insulation upgrades, support with fuel debt and income maximisation, and other activities to reduce energy bills. An additional £50,000 of funding has been added to the Warm Homes programme in December 2020 to fund fuel vouchers for those with pre-payment meters and to support a boiler repair service. We refer to Step Change national debt charity when residents have wider debt issues than Council Tax. We have also used the Personal Budgeting Support team (PBS) to support residents with money

Activity	Update
	management and debt advice. The Helpline was introduced in 2020, triaging support to a wide range of Council services and advice to support those in emergency need and those impacted by COVID.
Further develop the Welfare Rights Service to support residents to maximise their income	Throughout 2020/21, the Welfare Rights Service has continued ensuring a consistent and targeted approach towards communicating with service users through greater proactivity and enhanced partnership working in order to increase public engagement with the service. The two objectives below remain the same, with the addition of a third, Covid-specific point. 1. Increase uptake of welfare benefits and raise awareness of the Welfare Rights Service 2. Help tackle poverty and improve health and wellbeing amongst the most vulnerable groups. 3. Adapt to the new challenges posed by Covid-19, identifying new ways to engage with service users, working to address financial difficulties as a result of Covid-19's economic impact, while expanding on current partnership working in a Covid-19 appropriate way. New initiatives have been identified which are primarily designed to increase awareness of the team's presence and will contribute to increased public engagement which includes: • Regular activity to publicise changes to benefit rules and/or Covid-specific benefits/initiatives such as the Furlough Scheme, Self Employed Income Support Scheme and CTR Exceptional Hardship Scheme. • Addressing problems with Universal Credit via direct liaison with Universal Credit Escalation Pathway. • Increasing outreach capacity and supporting the placed based working hubs via direct engagement with district partnerships/hubs, • Increasing Welfare Rights presence in rural community venues such as the Satellite Centre in Greenfield • Supporting the Council's, We Can Help campaign, taking direct referrals from those affected by Covid 19 and via the Covid Helpline • Increased use of social media and local media

Activity	Update
	outlets to advertise Welfare Rights, such as Facebook, Saddleworth Advertiser (organised in conjunction with Saddleworth and Lees District Team), and local noticeboards. • Delivering information and advice sessions to partners across the VCFE sector and with our Housing Providers and DWP. The team has continued to be successful and has again this year exceeded the target of £1million income generation and has generated additional income for the residents of Oldham of over £2.3 million as at 31 December 2020.
Work with partner organisations to provide targeted support to residents	Strong links are in place with DWP including awareness raising sessions for those DWP advisors (carried out in 2020) to support those on UC with Discretionary Housing Payments. The Council signed the Citizens Advice Bureau (CAB) debt protocol in 2018 supporting ethical collection methods. The Council is a pilot for the Children's Society project which works to improve links with the Council's Local Welfare Provision scheme with support offered by the community and voluntary sector to improve co-ordinated crisis support. An additional £105,000 funding has been added to LWP budgets in 2020/21 to better support those impacted by the COVID pandemic and in need of emergency help funded by Government COVID specific grant.
Continue to monitor the collection rates on a weekly basis	This allows swift action to be taken if collection slows. Oldham has introduced SMS texting to remind people at an early opportunity (pre- first reminder) to pay on time.
Get Oldham working initiatives	The Council continues to encourage people into work Key achievements for Get Oldham Working between March 2013 and December 2020 have included: 12,513 work related opportunities created. 8,935 job opportunities created and 6934 filled. 1,649 apprenticeships created and 1079 filled. 363 traineeships created and 318 filled. 1,556 work experience placements created and 1,501 filled

Appendix (ii) to EIA					
No	Action	Required outcomes	By who?	By when?	Review date
1	Continue to promote existing flexible payments method	Increase collection rates Promote direct debit at annual billing	Revenues and Benefits Manager	March 2021	March 2022
2	Review effectiveness and take up of current payment methods and introduce new payment options where appropriate	Increase collection rates More flexible options available – promotion of 12-month direct debit options at annual billing	Client Revenues Manager (Exchequer Client)	April 2021	July 2021
3	Warm Homes Oldham to continue to provide support with energy bills and related issues	Additional funding using DWP Winter Grant to support delivery of fuel vouchers for those with pre-payment meters and boiler repair service	Housing Development and Contracts Manager	March 2021	April 2021
4	Identify and establish referral arrangements to a wider range of support services	Maximise access to support for residents through Helpline, Personal Budgeting Support, Welfare Rights team This includes CAB Step Change Use of Standard Financial Statement	Housing Benefits, Access Oldham and Blue Badge manager Revenues Manager (Unity) Benefits and Welfare Rights Manager	April 2021	April 2022
5	Further develop the Welfare Rights Service to support residents to maximise their income	Ensure the Council can provide help and assistance to those who experience difficulties thus linking support to outcomes from the Public Health Transformation Agenda.	Benefits and Welfare Rights Manager	April 2021	August 2021

		Undertake benefit checks and refer residents for budgeting support and debt advice. Signpost to Make Every Contact Count (MECC) support – Healthy Minds etc			
6	Work with partner organisations to provide targeted support to residents	Continued partnership with the Children's Society to co-ordinate crisis support Spend increased budget of £105,000 to fund support to more residents and wider package of goods to support those in emergency need via LWP	Benefits and Welfare Rights Manager	April 2021	May 2021
7	Continue to monitor the collection rates on a weekly basis	Maximise collection rates and take swift action if collection slows	Unity Revenues Manager	On-going	December 2021
8	Identify and support those affected by the future changes to welfare reform, particularly Universal Credit	Early identification of residents affected by Welfare Reform changes allows support to be put in place at the earliest point Membership of GM welfare rights group and GM Mental Health Welfare Rights advisors group	Benefits and Welfare Rights Manager	February 2021	August 2021
10	Review approach to debt collection by the Council	Increase collection rate across all debts. Agree more affordable payment arrangements with residents Focus on early engagement/ Identification of vulnerability/impact of the pandemic on collection	Client Revenues Manager (Exchequer Client)		December 2021

		Increased use of Exceptional Hardship Funding to support those in most need			
11	Link to Get Oldham working initiatives	Reduced number of unemployed	Head of Lifelong Learning, Employment and Skills Service	June 2021	September 2021
12	Undertake an annual review of the Council Tax Reduction scheme	The scheme is reviewed considering information gathered from the performance indicators and welfare context. Recommendations for any changes are put to Council. Report to Council recommending any changes to the scheme.	Head of Revenues and Benefits	June 2021	December 2021

Report to the Overview and Scrutiny Performance and Value for Money Select Committee

Revenue Budget 2021/22 and Medium Term Financial Strategy 2021/22 to 2023/24

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

Officer Contact: Anne Ryans, Director of Finance

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

28 January 2021

Reason for Decision

To provide the Overview and Scrutiny Performance and Value for Money (PVFM) Select Committee with the forecast budget reduction requirement and the Administration's budget proposals for 2021/22 together with forecast budget reduction requirement estimates for the period 2022/23 to 2023/24 having regard to the Provisional Local Government Finance Settlement published on 17 December 2020.

Executive Summary

This report sets out proposals for the Council's Revenue Budget for 2021/22 and Medium Term Financial Strategy for 2021/22 to 2023/24. The report advises Members of the key financial challenges and issues which will be faced by the Council over the forecast period and sets out the Administration's revenue budget proposals for 2021/22 together with updated budget reduction requirement estimates for the period 2022/23 to 2023/24.

The report presents the purpose and scope of the Medium Term Financial Strategy and how it has a vital role to play in enabling the translation of the Council's ambition and priorities into action.

It also advises of the national policy landscape and economic context in which the Council is setting its revenue budget for 2021/22 and Medium Term Financial Strategy to 2023/24.

Section 4 highlights the local strategies and policies relevant to the Medium Term Financial Strategy including the Oldham Plan and Corporate Plan, Financial Policies and Strategies as well as other major strategies which have an influence on the allocation of Council resources.

Developments in Local Government Finance are included at Section 5 incorporating the newly released Financial Management Code, the review of Relative Needs and Resources, Business Rates Reform and Revaluation together with a commentary on the Council's financial resilience.

The report also highlights policy announcements and implications arising from the Government's 2020 Spending Round published on 25 November 2020 and the Provisional Local Government Finance Settlement (LGFS) published on 17 December 2020.

Key items of funding confirmed in the 2021/22 Provisional LGFS were:

- Continuation of the expected Improved Better Care Fund Grant at a value of £10.858m;
- An increase to the Social Care Support Grant of £1.993m taking the total allocated to £8.947m. The £1.993m has been used to support the budget by offsetting assumed pressures in the children's and adults social care budgets;
- A new 2021/22 allocation for Lower Tier Services Support Grant (£0.407m). This new grant has been used to support the 2021/22 budget;
- A Local Tax Income Guarantee grant for 2020/21. A sum of £1.000m is anticipated and will be incorporated into the accounts for 2020/21. This will then be taken forward as a reserve to support the budget for 2021/22
- The notification of a new Local Council Tax Support Grant at a sum of £3.183m. This has been used in full to support the 2021/22 budget;
- The allocation of unringfenced COVID grant of £7.737m. This has been used to finance COVID related pressures that had been anticipated of £3.741m. The balance offsets anticipated further pressures.
- The continuation of Sales, Fees and Charges grant compensation in 2021/22. The availability of this potential funding stream is part of the budget strategy to address COVID;
- The switching of unringfenced homelessness grant funding of £0.358m to a new ringfenced grant, the Homelessness Prevention Grant of £0.532m; and
- A reduction in the Business Rates Top Up grant of £0.399m, leading to a reduction of Grants in Lieu of Business Rates of £0.697m.

The Provisional LGFS confirmed referendum limits for a general purpose Council Tax increase and the Government will permit rises of up to 2% per annum for 2021/22 without the need to hold a referendum.

The Government also confirmed the continued ability to charge an Adult Social Care Precept allowing a combined increase of up to 3% in Council Tax across 2021/22 and 2022/23 (ringfenced for use for Adult Social Care).

The Council Tax referendum limits for 2021/22 applicable to the Council therefore allow an overall increase of 4.99% without requiring a referendum.

Members will recall that the Council Tax policy approved within the 2020/21 budget was that for 2021/22, the Council would revert to its previous policy. The Council would therefore increase Council Tax by 2% for the Adult Social Care Precept (ASCP) and 1.99% for general purposes; an overall increase of 3.99%. The referendum limits for 2021/22 as advised above would permit this approach. However, mindful of the financial position of the Authority but also the impact of a further increase in Council Tax on the citizens of Oldham, a revision to Council Tax policy is therefore proposed. Whilst the 2% increase in relation to the ASCP will continue, Council Tax for general purposes will increase by 0.99% rather than 1.99%. In overall terms the Oldham Council Tax will increase by 2.99%. This is of course subject to confirmation at Budget Council on 4 March 2021.

The Government proposes not to set Council Tax referendum principles for Mayoral Combined Authorities in 2021/22 but does intend to set referendum principles for Police and Crime Commissioners (including the GM Mayor) capped at a value of £15. As such, Mayoral intentions with regard to the Police and Crime Commissioner Mayoral General precept are yet to be notified.

The report also advises of the proposal to leave the Council Tax Reduction Scheme for 2021/22 unchanged from 2020/21. However, during 2020/21, working age Council Tax reduction recipients have benefitted from support of £150 from a Government Hardship fund. This scheme is not continuing in 2021/22 and it is recommended that the Council reviews its financial position during 2021/22 to determine if it is able to provide any additional hardship relief.

The starting point for preparing the 2021/22 revenue budget estimates is the Month 8 2020/21 revenue budget forecast outturn position and summarised in Section 8. It highlights a current adverse projected variance for 2020/21 of £8.330m (including COVID pressures). A reduction in this overspend position is anticipated as a result of further funding being provided by Central Government and contributions from partners alongside management actions. However, it is important to note that if there is any remaining overspending at the end of 2020/21 then it will need to be funded by the use of reserves.

Section 9 of the report details key budget adjustments and expenditure pressures underpinning the forecasts that provide the backdrop for the Council's Medium Term Financial Strategy including the mid-year adjustment to estimates from a budget reduction requirement of £23.251m to £29.940m (rounded to £30.000m). The major elements of this adjustment were addressing budget reduction proposals for 2020/21 (some approved in the budget for 2019/20) that cannot be achieved (£2.089m), reduced treasury management income of £6.600m and an assumption that Flexible Use of Capital receipts at a value of £2.000m would support the budget.

Since the mid-year budget review, there have been further changes to the estimates. Key expenditure adjustments following the mid-year review include:

- £0.441m for additional treasury management and education services pressures:
- £7.737m for pressures arising from COVID fully financed by Government grant
- A net reduction of pressures of £2.777m due to:
 - a revision of estimates for the cost of financing capital expenditure (Investment Fund) at a reduction of £1.650m;
 - reducing the estimate for pay inflation (£1.017m);
 - releasing unallocated Development Fund resources of £0.825m but in effect using it to finance pressures relating to a contract with a third party supplier (£0.500m) and costs no longer chargeable to the Dedicated Schools Grant (£0.265m)
 - the release of £0.050m of resources that were previously allocated to support additional Coroners Service pressures identified through the 2019/20 Revenue Monitoring Process;
- £0.176m reduction in spending relating to a revision to assumed passported Adult Social Care precept and Parish Precepts.

In relation to income pressures, the report highlights:

- A reduction in Retained Business Rates Grants and locally generated Business Rates income of £1.454m.
- £13.138m of increased Unringfenced Grant Funding, primarily £7.737m of COVID Grant, £3.183m Local Council Tax Support Grant and an increase of £1.993m for the Social Care Support Grant.
- A reduction in the Council Tax Tax base (due to the impact of the increase in claimants of Council Tax Reduction resulting in a total reduction from that expected in Council Tax income of £2.607m of which £0.175m relates to ASCP that cannot be passported to the service.

Section 9 also advises of a Collection Fund deficit that must be charged to the General Fund of £25.624m. Of this sum £0.161m relates to an adjusted 2020/21 balance using flexibilities allowed by Central Government. The balance is a technical adjustment required to the budget as a result of the Collection Fund deficit caused by the Government introducing Business Rate reliefs for retail, leisure, hospitality and nursery businesses after the 2020/21 budget had been set. The estimated sum (the final figures will only be confirmed at the end of the financial year) is £25.463m. Government is paying the Council grant compensation for this loss of Business Rates income through 2020/21 and this will be carried forward as a reserve. This will then offset the Collection Fund deficit but has a significant impact on the overall use of reserves.

Based on the latest estimates, the budget reduction requirement for 2021/22 has decreased from the previously reported figure of £29.940m to £27.908m, increasing to £53.371m after the technical adjustment.

Section 10 of the report details the Administration's budget reduction proposals. There are a total of 43 proposals expected to deliver savings of £8.920m (of which one is a use of reserves), leaving recurrent budget reductions of £8.793m.

In 2021/22, if approved in full, these recurrent proposals further reduce the budget reduction requirement to £44.578m for 2021/22.

Sections 11 and 12 explain the approach to balancing the 2021/22 budget. Importantly, the budget strategy of using £29.000m of reserves to support the budget over a two year period (2021/22 and 2022/23) is outlined together with the use of the opportunities provided by the ability to use Capital Receipts to support spending on transformational projects up to a value of £2.000m in 2021/22.

A number of specific and corporate reserves will be used to address the balance as follows:

- £25.463m of Section 31 grant received in 2020/21 held to support the Collection Fund Deficit in 2021/22 as a result of Business Rates relief for retail, leisure and hospitality (a technical adjustment);
- £0.127m as a result of budget reduction proposal REF-BR1-432;
- £1.000m of 2020/21 Earmarked Reserves created as a result of the Local Tax Income Guarantee grant; and
- £15.988m of other reserves brought forward from 2019/20.

There is also a reserve held at a value of £12.012m to support the 2022/23 budget if required.

Approval of the proposals set out in this report in full by Budget Council would deliver a balanced revenue budget for 2021/22.

Other key sections in the report:

- summarise the forecast reserves and balances position supporting the Council's financial resilience;
- set out the Administration's proposals in relation to Fees and Charges; and
- detail the Council's Pay Policy Statement (as required by sections 38 to 43 of the Localism Act 2011).

The final section of the report sets out the Councils MTFS covering the period 2021/22 to 2023/24, a shorter timeframe than is usual practice given the uncertainties created by COVID and the lack of clear direction Government funding intentions for future years.

It is important to note that as the Government has only provided grant funding notifications for 2021/22, the MTFS estimates for 2022/23 to 2023/24 are based on a series of assumptions and therefore must be considered indicative at this stage. This has generated significant uncertainty and hinders effective planning by the Council both financially and operationally as future Government funding intentions are difficult to assess. This position, together with the transformational and organisational plans for change that the Council will implement to address the financial challenge are outlined in Section 17 of the report.

After having addressed the £27.908m (adjusted for the technical Business Rates issue), the budget reduction requirement for subsequent years is forecast to be £32.185m for 2022/23 and £21.564m for 2023/24.

The MTFS highlights the plan to deliver significant savings from 2022/23 onwards. Whilst it is anticipated that the Council will continue to rely on the use of reserves to support the revenue budget in 2022/23 at a value of £12.012m, additional budget reductions are expected to be achieved as part of the Council's transformation programme. Indeed, the 2021/22 budget reductions have implications for future financial years, with savings of £6.050m (2022/23) and £4.756m (2023/24) already assumed.

After having allowed for the use of reserves and already assumed budget reductions, the targets to be addressed are £14.123m for 2022/23 and £16.808m for 2023/24.

The Council's approach to balancing its budget is the transformation programme which will deliver savings over four programme areas:

- Place Based Working/Communities
- Children's Services
- Health and Care
- Economy

In addition, there are a range of Cross Cutting initiatives that have been identified that will complement the transformational programmes and support the achievement of the significant financial challenge.

Indicative targets have been assigned although there has to be some flexibility given the uncertainty that underpins financial planning for the future years

Given the importance of delivering budget reductions and embedding the programme of transformational change, during 2021/22, there will be a regular review of the progress of existing change programmes against the delivery milestones and financial targets. It will also ensure that there is continuous emphasis on the delivery of change and the achievement of the budget reductions required in line with the three year strategy.

Presentation of this report to the Overview and Scrutiny PVFM Select Committee for consultation is a key stage in the budget process. Once the Select Committee has had the opportunity to scrutinise this budget report and the other reports on the agenda that form a core part of the Council's strategic planning framework, any recommendations will be included in the reports that are presented to Cabinet and Council.

Recommendations

That the Overview and Scrutiny PVFM Select Committee considers and comments upon as appropriate:

- 1 The policy landscape and economic context in which the Council is setting its revenue budget for 2021/22 and Medium Term Financial Strategy to 2023/24;
- 2 The impact of Oldham Council Policies and Strategies on the Council's budget setting process and the development of its Medium Term Financial Strategy;
- 3 The financial forecasts for 2021/22 to 2023/24 having regard to the Provisional Local Government Finance Settlement and associated funding announcements;
- 4 The key issues to be addressed in continuing to respond to the financial challenges facing the Council;
- 5 The proposal that the Council reviews its financial position during 2021/22 to determine if it is able to provide additional Council Tax hardship relief;
- 6 The reaffirmation of the Council's commitment to the modified Housing Benefits scheme, a discretionary local scheme which allows the Council to disregard the value of any War Disablement Pension or War Widows Pension over and above statutory disregard limits;
- 7 The recurrent 2021/22 Budget Reduction Proposals at a value of £8.793m;
- 8 Flexible Use of Capital Receipts at a value of £2.000m;
- 9 The proposed use of £42.578m of reserves to balance the 2021/22 budget including £0.127m for a one off budget reduction;
- 10 The proposed use of £12.012m of reserves to support the 2022/23 budget;
- 11 The approach to managing the budget during the COVID pandemic and the continuation of budget management measures introduced in 2020/21 as outlined in Paragraphs 12.6 to 12.11;
- 12 The proposed fees and charges schedule included at Appendix 7;
- 13 The draft pay policy statement included at Appendix 10;
- 14 A proposed 2021/22 Council Tax increase of 2.99% for Oldham Council services resulting in the charges set out at paragraph 15.3 and Table 29 of the report;
- 15 The proposal to draw on the Collection Fund for major preceptors of £115.669m for Borough Wide services and £98.552m for Council services;
- 16 The proposed net revenue expenditure budget for 2021/22 for the Council set at £253.944m; and
- 17 Revised estimated budget reduction targets of £32.185m for 2022/23 and £21.564m for 2023/24 before any use of reserves and indicative budget proposals.

Overview and Scrutiny Performance and Value for Money Select Committee

Revenue Budget 2021/22 and Medium Term Financial Strategy 2021/22 to 2023/24

1 Background

- 1.1 Each year, the Council identifies what it needs to spend on Council services for the following year as part of the budget setting process. This process also involves the identification of provisional spending plans for future financial years. This ensures the Council's future spending plans are balanced against the funding forecasts for Government Grants, Council Tax and Business Rates revenues. These plans form part of the Council's Medium Term Financial Strategy (MTFS). This report advises Members of the latest financial position having regard to the current policy landscape and economic context. The MTFS also takes account of the Provisional Local Government Finance Settlement (LGFS) published on 17 December 2020, associated funding announcements and the Administration's proposals for balancing the 2021/22 budget, including Council Tax intentions.
- 1.2 The MTFS is designed to build on the work and achievements of previous years and to help meet the challenges of the future. It is one of the key strategic plans of the Council. This report sets out the Council's proposed revenue spending plans for 2021/22 together with the two years to 2023/24 and the key factors which will influence the financial forecasts. This is a shorter timeframe than is usual practice, due to the uncertainties created by COVID.
- 1.3 At the same time as considering the financial challenges facing the Council, it is important to consider the Council's commitment to the co-operative way of working. Based on a set of values and the principle of enabling and motivating everyone to "do their bit", this influences the policy direction of the Council and its response to the financial challenges.
- 1.4 As an organisation, a co-operative approach provides the opportunity to find positive and sustainable solutions to the on-going financial challenges being faced. Oldham has a values driven approach which underpins the way it does business. The Council believes in the importance of fairness and responsibility. In practice, that means maximising the positive social, economic and environmental impact that can be achieved through everything we do as set out in the Council's values. From procurement practices to the pay policy, the Council is using its influence as a commissioner, service provider, facilitator and employer to deliver added social value.

The Oldham Plan

- 1.5 Since becoming a Co-operative Council in 2011, the Council has made fundamental changes in how it works with residents, businesses and partners. The Oldham Plan 2017-2022 is a collective action statement explaining how the Council and partners can all best serve Oldham by helping its people, districts and businesses to thrive.
- 1.6 The Oldham Plan includes a delivery model that is based around three fundamental shifts which work together to deliver the ambitions of the Oldham Plan. These are:

Inclusive Economy – Ensuring a fairer economic system where people have the chance to succeed.

Thriving Communities – Oldham is a place where social action and social and community infrastructure means something.

Co-operative Services – Developing integrated public services that work in an asset-based way to meet the needs of people and communities.

-
- 1.7 Together these objectives and ambitions reflect the on-going commitment to ensuring the Council and its partners work with the residents of Oldham to bring about positive change and provide strong leadership for a co-operative borough.

The Corporate Plan

- 1.8 Oldham's current Corporate Plan expired in December 2020. Work to refresh Oldham's Corporate Plan was due to be completed by summer 2020, however, the impact of the COVID pandemic meant that this was no longer viable. Instead, the Council is in the process of developing a COVID Recovery Strategy which will act as an interim Corporate Plan until at least 2022.

COVID Recovery Strategy

- 1.9 As a Co-operative Council, Oldham is committed to tackling the impact of COVID, protecting our most vulnerable residents and communities. The steps being taken to tackle the pandemic and the subsequent recovery planning, aim to support people, especially those groups who are often most affected.
- 1.10 Building on the learning so far and the anticipated events to come, a comprehensive Recovery Strategy is being developed, which will help shape the Council's approach and vision for Oldham over the next eighteen months. This is being done whilst we continue to respond to the COVID pandemic where we are focusing each day on saving the lives of Oldham's residents.
- 1.11 The objectives and approach to our Recovery Strategy are rooted in the Oldham Model, ensuring as we adapt to a changing world that we build Thriving Communities, an Inclusive Economy and work Co-operatively with each other. Our key objectives are to:
- Continue to lead and support measures that manage demand on NHS services, particularly focusing on ensuring that those who are seriously unwell, through COVID or other conditions, get the very best care;
 - Prioritise delivery of health, care services and other public services, including voluntary sector provision, to those who are the most vulnerable or in need;
 - Implement measures, prior to and during a phased release of any local / national lockdown and beyond that prevent the spread of COVID within health and care settings, places of work and in the community;
 - Maintain delivery of all essential public services, providing modern, accountable services, shaped around the needs of Oldham's communities;
 - Encourage the residents of Oldham to adopt health seeking behaviours, accessing health and care services when they need them and taking steps in their own lives to promote physical and mental well-being;
 - Continue creating good jobs for our residents, while supporting local businesses to restart and recover from the effects of the pandemic;
 - Identify and mitigate the equality impacts caused by the pandemic, informing our recovery planning through lived experience;
 - Maintain and build community resilience and promote social cohesion; and
 - Maintain the trust and confidence of the community in the effectiveness of our multi agency response and to provide as much reassurance as possible.

Transformation Programme

- 1.12 Council services continue to evolve through innovation, collaboration with strategic partners and re-design. To accelerate this process, the Council and key partners have embarked on an ambitious Transformation Programme which has:
- identified, scoped and agreed the change initiatives required to ensure the Council and its partners can deliver the strategic ambitions they have for the borough and its residents as set out in a refreshed Corporate Plan;
 - begun to drive the implementation of those changes to a successful conclusion; and
 - laid the foundations for the delivery of a substantial contribution to savings targets and medium-term financial plans.
- 1.13 This Programme, which will be accelerated over the rest of 2020/21 and into 2021/22, will help ensure that all such services, whether delivered in-house or with partners, strive for excellence and provide value for public money, getting the maximum impact for Oldham and its people for every pound spent. In responding to the financial challenge, the Transformation Programme will assist the Council and its partners in adapting to local demands, national, regional and local political priorities as well as technological developments.
- 1.14 The Transformation Programme will support the delivery of outcomes that will be included in the forthcoming COVID Recovery Plan and is a key feature of the MTFS beyond 2020/21.

2020 Highlights and Achievements

- 1.15 In taking forward the Corporate Plan and via the implementation of the financial strategy during 2020 the Council has delivered a full range of services. Of course, since mid-February 2020, COVID has dominated activity and the Council's response has been exemplary. However, key highlights and achievements for 2020 for both COVID related and business as usual are as follows:
- Saddleworth and Lees was entered into the Greater Manchester Mayor's Age Friendly Challenge, an award scheme designed to help find the people, projects and places that are in place to support older residents. Notification was received in February 2020 that the entry was successful and Saddleworth and Lees was named as an Age-Friendly Neighbourhood. It joins Alexandra, Crompton and Failsworth West wards which were all previously awarded Age Friendly status;
 - In March 2020, one of the first pilot projects was launched at Northern Roots. The Trainee Beekeeping programme is an opportunity for local people and community groups in Oldham to learn about beekeeping and explore it as a business opportunity;
 - In April 2020, the Council set up a hub at Oldham Civic Centre to co-ordinate and distribute Personal Protective Equipment, with many staff being redeployed there to help. The hub supplies essential PPE to front-line workers across the borough;
 - In April 2020, £30,000 was raised for Oldham's COVID Emergency Response Fund. The fund was used to provide telephone advice to self-isolating residents, as well as supporting community groups and food banks in the area;
 - In May 2020, older people in Oldham were supported during the Coronavirus pandemic by an innovative partnership project. The Promoting Independent People (PIP Service), led by Age UK, saw nearly 3 times the number of older people and their families asking for help and support compared to pre-covid times. Over 2,000 people have been helped by PIP, providing a range of services including help with daily life (medications, shopping, equipment) as well as tackling social isolation by being a friend;

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- During the pandemic, Oldham's STICH teams (Supporting Treatment in Care Homes) are bringing together community nurses, allied health professionals and social workers to work directly with care homes that have residents and staff showing possible COVID symptoms. During each STICH visit, the clinical team carry out face to face assessments of each individual patient and remain on site, often for hours at a time, to work with care home staff to identify, manage and problem solve any health-related issues. The aim is to assist with recognising potential COVID patients at an early stage, to help with initial treatment and to avoid unnecessary hospital admissions by liaising with local primary care services;
 - In September 2019 the Council was selected as one of four Local Authorities, alongside Swansea, Norfolk and Tower Hamlets to participate in a national co-ordinating crisis support pilot project with The Children's Society and other partners including the Local Government Association; BBC Children in Need; Trussell Trust; Church of England and the Lloyds Bank Foundation. The project focuses on the use of Council's Local Welfare Assistance Scheme and how this can be better aligned and co-ordinated with resources available in the Voluntary, Community, Faith and Social Enterprise (VCFSE) sector. This 2.5 year programme is enabling the VCFSE sector to draw down up to £0.100m worth of funding over the lifetime of the project, to enable their participation, build capacity and gap fill provision. Some of this funding has been used to support the additional demands for crisis support arising from COVID;
 - In December 2020, the Thriving Communities Programme won a major international award for their work in local communities. After facing off against 158 other nominees from around the continent, the Oldham Social Prescribing Innovation Partnership won in the Community category at the 2020 European Innovation in Politics Awards. This fantastic win comes from the work the Thriving Communities Programme has been doing to build a partnership between public services, healthcare, and the voluntary sector;
 - In December 2020, Oldham's dementia team were shortlisted for a major award as they continue to go above and beyond during the pandemic. The five members of Oldham Dementia Services have been recognised for making themselves available to the people they support 24/7; and
 - During Christmas 2020, thousands of Oldham families received financial help for food and other emergency provisions this Christmas with part of the £0.975m Winter Funding grant from Central Government being utilised to provided much needed support to ensure 9,000 families on low incomes with children received £30 vouchers per child for food over the two-week Christmas break. These vouchers provided support for up to 17,000 children and young people across the borough including those eligible for means tested Free School Meals and families on low incomes with pre-school children from 0-5 (using Free School Meal eligibility criteria). The balance of the grant will be used to provide similar support for the February 2021 half term break.

2 Medium Term Financial Strategy (MTFS)

2.1 The purpose of the MTFS is:

“To identify how the Council wishes to structure and manage available resources over the medium term (five years) and to ensure that resource allocation is aligned with and supports Council priorities and objectives contained within the Corporate Plan.”

2.2 The MTFS is an assessment of the Council’s current financial position and a determination of the financial position the Council wishes to be in over the medium term. This report has been prepared over a three-year timeframe 2021/22 to 2023/24. Whilst this is a shorter financial planning period than previous years, it was considered that forecasting beyond 2023/24 would be extremely challenging due to the uncertainty caused by COVID, the one-year Settlement information provided by Government and the lack of clarity about future Government funding intentions. Indeed, even the three-year timeframe requires some estimation and assumption, so given the significant uncertainty around future funding streams as outlined later in the report, it concentrates in detail on the financial position for 2021/22. Unlike previous years, the MTFS timeframe will not align with the Capital Programme and the Housing Revenue Account (HRA) budget as they retain the five year forecasting period

2.3 This MTFS enables the Council to plan how it can secure the delivery of essential public services, but also ensures it is in a sustainable position to do so over the medium term and beyond.

2.4 The MTFS considers:

- Relevant political and economic influences on Oldham Council;
- Local factors which influence policy within the Council including the Administration’s priorities set out in the Oldham Plan;
- The impact of Government policy and associated announcements; and
- Key Council policy initiatives including the Council’s Transformation Programme and forthcoming Corporate Plan.

2.5 There has never been more uncertainty when presenting a Medium Term Financial Strategy. The impact of COVID is still very unclear in terms of the financial consequences for the Council, the Government’s contribution to supporting the Council and the rest of the Local Government sector together with the wider impact on the economy of the country. Whilst the Provisional Local Government Finance Settlement has provided some clarity on the resources available for 2021/22, the single year Settlement means that projections for future years remain based on a series of assumptions.

2.6 In addition to the COVID related issues, the Council must also plan for demographic changes, demand pressures, particularly with regard to Social Care and inflationary increases. The need for continued transformation in service delivery is therefore essential. Councils such as Oldham with high relative needs and a small tax base (relative to expenditure) will continue to be heavily reliant on Central Government for a significant proportion of their funding. However, the quantum of that funding remains to be determined.

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- 2.7 In addition to the determination of the overall level of resources available for the whole Local Government Sector, significant changes are currently planned which will impact on future funding streams. Whilst the Spending Review announced that all of these initiative are being deferred; they will have an impact to varying degrees in future years. The initiatives are:
- A review of Local Authorities' Relative Needs and Resources (formerly the Fair Funding Review) which is expected to realign the allocation of resources between Local Authorities;
 - The full or partial resetting of the Business Rates Retention system resulting in existing Business Rates gains and losses being redistributed across all Local Authorities;
 - The move to a 75% Business Rates Retention system nationally (currently 50%) which is expected to result in the end of the Greater Manchester 100% Business Rates retention pilot scheme; and
 - Business Rates revaluation affecting the amount of Business Rates paid by the occupiers of commercial premises.
- 2.8 The impact of these potentially significant changes are not incorporated into any future year's estimates.
- 2.9 This report is complemented by others elsewhere on the agenda which form a core part of the Council's strategic financial framework and MTFS. The MTFS has a vital role to play in enabling the translation of the Council's ambition and priorities into action. In addition to this report there is:
- The month 8 revenue and capital monitoring reports for 2020/21;
 - Strategic Housing Revenue Account (HRA) estimates detailing financial forecasts for the medium term as well as setting the 2021/22 HRA budget, rent levels and service charges;
 - The Capital Strategy and Capital Programme which presents the Council's Capital investment ambitions and priorities for the medium term to 2025/26;
 - The Treasury Management Strategy Statement for the year ahead, including a Minimum Revenue Provision Policy Statement, Annual Investment Strategy as well as a suite of prudential indicators;
 - The Council Tax Reduction Scheme for 2021/22 which proposes no change compared to the 2020/21 scheme; and
 - The Statement of the Chief Finance Officer on Reserves, Robustness of Estimates and Affordability and Prudence of Capital Investments.
- 2.10 It is important to recognise cross cutting implications, where decisions relating to one element of the strategy have implications elsewhere. For example, capital investment decisions may carry revenue budget implications in terms of operating, maintenance or debt servicing costs. Similarly, capital investment financed by borrowing carries implications for Treasury Management as well as implications for the revenue budget.
- 2.11 This report revises the MTFS estimates for the period 2021/22 to 2023/24 based on local and national information including the Provisional LGFS published on 17 December 2020. The budget reduction requirement has consequently been revised to £26.951m (excluding a technical adjustment in relation to the collection fund deficit) as explained at Section 9 later in the report.
- 2.12 This report then sets out the Administration's proposals for the statutory balancing of the 2021/22 revenue budget as per the detail set out from Section 10 onwards together with revised budget reduction requirement estimates for the period 2022/23 to 2023/24.

3 Economic Context and Policy Landscape surrounding the MTFS and budget setting for 2021/22

- 3.1 A major influence when considering the MTFS is the economic context and policy landscape both nationally and locally. This section presents key factors which have framed the MTFS and the preparation of the 2021/22 budget.

Economic Background

- 3.2 In line with previous years, the Government originally planned to deliver a Budget Statement in the Autumn of 2020, but this was deferred due to the Coronavirus pandemic. The Chancellor has announced that the next budget will now take place on 3 March 2021 and will be published alongside the latest forecasts from the Office for Budget Responsibility (OBR).
- 3.3 These OBR forecasts have previously formed the framework upon which to base an analysis of the current economic climate and the impact this may have on Local Government. Instead of providing the detailed OBR forecasts, the Chancellor, as part of the 2020 Spending Review published on 25 November 2020, provided general updates on the Economic and Fiscal contexts that formed the basis of the review.
- 3.4 Due to the pandemic, the Office for National Statistics (ONS) estimated that output fell 25% between February 2020 and April 2020 as the economy entered the largest recession on record. As the numbers self-isolating or falling ill with COVID subsequently fell, the initial recovery was sharp after quarter 1 saw growth at -3.0% followed by +18.8% in quarter 2 and then an upswing of +16.0% in quarter 3; This still left the economy 8.6% smaller than in quarter 4 of 2019.
- 3.5 With continued high levels of uncertainty, the OBR forecasts that GDP will fall in total by 11.3% in 2020, before returning to growth in 2021. However, the economy is not expected to reach pre-crisis levels until the end of 2022.
- 3.6 Reflecting the current high levels of uncertainty, the OBR has set out a range of scenarios for the outlook for the public finances. In the central forecast, borrowing peaks at £393.5 billion or 19.0% of GDP in 2020/21, the highest peacetime level on record, before falling across the rest of the forecast period to 3.9% in the final year (2025/26). Reflecting different assumptions on the path of the virus and its impact on the economy, in the final year, borrowing forecasts range from 1.7% of GDP in the upside COVID scenario, to 6.1% of GDP in the downside scenario.
- 3.7 Unemployment has risen based on data up to September 2020 and the unemployment rate rose from 3.8% at Quarter 3 2019 to 4.8% at Quarter 3 2020. However, further data suggests that additional rises in unemployment are to come. OBR data showed that redundancies rose to 314,000 in the three months to September 2020 – the highest level on record.
- 3.8 Clearly, much has happened since the publication of the 2020 Spending Review with further increases in coronavirus cases and associated restrictions introduced. This means that little reliance can be placed upon the forecasts and the full suite of OBR reports and data will not be provided until the deferred budget in the Spring of 2021.
- 3.9 A more detailed national and international economic commentary is provided within the Treasury Management Strategy report (elsewhere on the agenda).

Provisional LGFS

- 3.10 The Provisional LGFS was issued on 17 December 2020. It provided detail in relation to many of the issues that had been highlighted in the Spending Review, although there were some new grants and changes that had not been expected. Full details of the Settlement and the implications for Oldham are included in Section 6 of the report.

Major National Policy and Service Developments

Brexit

- 3.11 The issue of the UK's departure from the European Union (EU) has dominated the political agenda since the referendum of June 2016. The UK left the EU on 31 January 2020 with a trade deal signed on 29 December 2020. The implications for Local Authorities of this trade deal or the new relationship with the EU are not yet known.
- 3.12 Whilst the financial markets have reacted to the trade deal as positive news, there are reports by some businesses of challenges associated with new border rules and associated administrative processes. The Council is monitoring the situation to determine whether there is any consequential impact on Local Authority activities.
- 3.13 In the Local Authority context, EU Exit will eventually mean it will no longer be possible to access EU funding such as ERDF. This is to be replaced with the Government's £1.5bn Shared Prosperity Fund although details regarding how this fund is to be allocated have still to be announced. EU Exit could also mean future changes to regulations on issues previously led by the EU, for example associated with VAT and Procurement. However, no firm proposals related to these policy areas have been published. Nonetheless, the Council will monitor the situation to determine whether there are any further longer term implications for Local Authorities associated with EU Exit and the trade deal.

Living Wage

- 3.14 The Government's National Living Wage for workers aged 25 and over is currently £8.72 per hour. The rate effective from 6 April 2021 is to rise by 2.2% to £8.91 per hour. The Council, Miocare and the Unity Partnership Ltd however, pay their employees the higher Foundation Living Wage as championed by the Living Wage Foundation (£9.50 per hour from November 2020). This means the Government's increase in the National Living Wage has had no direct impact on employee costs.
- 3.15 In November 2019, Oldham Council successfully achieved Living Wage accreditation from the Living Wage Foundation (LWF). Accreditation recognises and celebrates the leadership shown by Living Wage employers across the UK for paying their staff the Foundation Living Wage (FLW).
- 3.16 Oldham is also home to ten other FLW Employers, including First Choice Homes Oldham and Action Together, one of the Council's voluntary sector partners. The Council is keen to increase this number, so will be working with employers across the borough, encouraging them to pay the FLW to their staff.

Opportunity Area (OA) Programme

- 3.17 Oldham is one of twelve Opportunity Areas in England that are receiving specific Government funding to boost life chances of disadvantaged young people in the community. The OA programme is a key part of the Government's work to address barriers to social mobility in some of the most challenged areas of the country. To date, Oldham has

received £8.839m in funding with an additional £1.580m awarded in 2020/21 for Year 4 of the programme which provides funding up to August 2021.

Developments within Local Government Finance

- 3.18 There have been several developments specifically within the Local Government finance arena which are covered separately in Section 5 of this report.

Devolution

- 3.19 Greater Manchester remains at the forefront of the city-region devolution agenda. Since its ground-breaking devolution deal of November 2014, a further six devolution deals have been agreed. These have given the regions additional powers and budgetary control across a range of services and policy areas including health and social care integration, transport, strategic planning, housing, work and skills and the justice system.
- 3.20 The ambition of the region is included in the Greater Manchester Strategy which sets out a collective ambition to make Greater Manchester one of the best places in the world to 'grow up, get on and grow old'. The Government has recently indicated it wishes to boost investment in the North and the Midlands and is reported to be considering changes to how the economic benefits of public spending are evaluated. Clearly, this development together with the proposed white paper on English devolution will shape the future devolution agenda.
- 3.21 Set out in the following paragraphs are the key issues that are shaping the devolution agenda that will affect the operational and financial environment of the Council as well as its approach to addressing financial challenges.

Greater Manchester Spatial Framework (GMSF)

- 3.22 The GMSF was Greater Manchester's plan for homes, jobs, and the environment: aiming to provide the right homes, in the right places, for people across the city region. With a decision taken by Stockport Council to withdraw from the GMSF, the plan is currently under review and will be amended to form a plan of the nine-remaining districts. A new governance structure and revised timetable for developing and adopting this new plan is underway and will be reviewed and approved in February / March 2021. Clearly, the plan will have a significant influence on the progression of Oldham's Local Plan, and therefore all consultations have been postponed to Summer 2021 while the reviews are undertaken. The housing need and employment land has also recently been amended by Government, however these figures, regardless of whether this is through a combined plan or through a Local Plan will help determine future local revenue streams (Council Tax and Business Rates), capital investment and demand for services from local residents.

Local Industrial Strategy

- 3.23 In June 2019, the GMCA published a Local Industrial Strategy (LIS) for the city region. This represents the GMCA's response to the GM Independent Prosperity Review which sought to create a framework for decision-makers tasked with making the city region more prosperous.
- 3.24 The LIS aims to achieve the aspirations of the Government's National Industrial Strategy as well as contributing to Greater Manchester's own prosperity. The strategy sets out how the region will respond to economic and technological changes, as well as other global forces such as an ageing society and the need to transition to clean growth, while raising productivity and earnings. The LIS seeks to:

- Build on strengths in the life sciences sector, advanced materials, and digital, creative and media;
- Make the most of economic opportunities arising from the ambition to become carbon neutral by 2038, 12 years ahead of the national target;
- Invest in skills and infrastructure (particularly transport infrastructure) to ensure that all businesses and residents can contribute to and benefit from growth.

3.25 This strategy will have a significant long-term influence on Oldham and the future development of its economy.

Adult Education Funding

3.26 For the 2020/21 academic year, adult education funding was devolved to the GMCA when it became responsible for the delivery of quality adult education within the city-region. The devolved funding allocation for the city region is around £92m. This finances a number of core grant maintained providers (including the Oldham Lifelong Learning Service and The Oldham College), as well as a programme of contracted provision.

Transport Strategy

3.27 The Greater Manchester Transport Strategy 2040 sets out the long term vision for Greater Manchester to have 'World class connections that support long-term, sustainable economic growth and access to opportunity for all'. Key elements of the strategy include:

- The Right-Mix ambition for at least 50% of all journeys to be made by active travel and public transport by 2040;
- The GM Mayor's Our Network plan to create an integrated, modern and reliable London-style transport system - this envisages bus, tram, train, cycling and walking all working together to combat congestion, deliver clean air, and address inequality, with seamless, contactless connections with simple fares and ticketing, routes which are fully accessible, and giving passengers the information they need;
- Delivering the biggest cycling and walking network in the country, the 1,800 mile Bee Network;
- Investing in transport infrastructure to regenerate Greater Manchester's town centres by creating more attractive places to live, with local retail and leisure, supported by transport and digital connections;
- A Greater Manchester-wide approach to managing, maintaining and improving the Key Route Network of major roads which play the biggest role in supporting our city-region economy;
- The expansion and upgrade of Greater Manchester's Electric Vehicle Charging Infrastructure network;
- The contemporary devolution agenda, including a possible bus franchising scheme that would bring bus services under Greater Manchester's control and would allow buses to work better with the rest of the public transport system;
- The delivery of bus priority measures, Bus Rapid Transit schemes and the introduction of Quality Bus Transit corridors;
- Enhanced passenger facilities and access to stops on the Metrolink Network, new Metrolink stops to support development and exploring the potential benefits of tram-train where services like Metrolink could share lines with trains;
- The GM Rail Prospectus, which calls for committed infrastructure improvement projects to be delivered, such as the Trans Pennine Route Upgrade, and ensuring HS2 and Northern Powerhouse Rail (NPR) are taken forward to help deliver economic growth, improve productivity and increase prosperity in the North; and
- Ongoing work to develop GM2040 sub-strategies including: Streets for All, Local Bus Strategy, Rapid Transit Strategy and Freight Strategy.

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- 3.28 Over the next 5 years the focus will be on tackling climate change, improving air quality, supporting recovery from the COVID pandemic, tackling social exclusion and helping to deliver expected housing and employment growth. The focus will therefore be on investing in walking, cycling and public transport networks; better integrating the region's existing transport system; and developing major sustainable transport schemes for delivery in the medium and long term. This will deliver the Our Network plan to create an integrated, modern and reliable London-style transport system.

Greater Manchester (GM) 100% Business Rates Retention Pilot Scheme

- 3.29 It was initially expected that the reform of Business Rates Retention (including the adoption of a national 75% rates retention scheme) would be implemented from 2021/22 (after having been delayed from April 2020). However, confirmation was received as part of the 2020 Spending Round on 25 November 2020, that the Greater Manchester 100% Business Rates Retention pilot scheme will continue for a further year in 2021/22. Although continuation of the pilot scheme is revenue neutral for 2021/22 and only confirmed for one year, for consistency and comparability the presentation of the budget estimates later in this report reflect the continuation of the 100% pilot scheme arrangement into future years.

GM, Cheshire East & Cheshire West and Chester Councils Business Rates Pool 2021/22

- 3.30 Members will recall that Oldham has participated in Business Rates pooling since 2015/16. The aim of pooling is to retain the benefits of any Business Rates growth within Greater Manchester for the benefit of the region. For 2021/22, members of the pool for Business Rates provisionally included all ten GM districts and Cheshire East and Cheshire West & Chester Councils.
- 3.31 On 14 December 2020, Cabinet delegated the final decision on the Council's membership of the proposed Greater Manchester, Cheshire East and Cheshire West & Chester Business Rates Pool for 2020/21 to the Deputy Leader and Cabinet Member for Finance and Green in consultation with the Director of Finance. A final decision had to be made within 28 days of the receipt of the Provisional LGFS (17 January 2020) which did not accord with formal reporting cycles, hence the need for the delegation. Given the uncertainty around Business Rates income due to the pandemic, a consensus was agreed amongst the 12 Authorities that the risks of continuing the pool in 2021/22 were too high. Business Rates pooling gains could not be guaranteed and there was a potentially significant risk that an Authority might require safety net (financial) support from the other members of the pool. The pool has therefore been dissolved.

GM Model of Unified Public Services

- 3.32 A reform White Paper was agreed by partners across Greater Manchester in July 2019 which sets out a vision for a radically new approach to public services in the region, building on ten years of public service reform pilots and place-based working. The White Paper:
- Aims to create public services fit for the 21st century; focused on people, prevention and place;
 - Sets out six principles which will underpin this new model: Geographical Alignment; Leadership and Accountability; One Workforce; Shared Financial resource; Programmes Policy and Delivery; and Tackling Barriers and Delivering on Devolution; and
 - States this is about more flexible, integrated and prevention-focused public services aligned around neighbourhoods rather than organisational or professional silos.

As will be seen later in the report, the Council's transformation programme is based around the principles presented in the reform White Paper.

3.33 The GMCA has developed a number of other strategies and initiatives which are focused on developing growth and prosperity by taking an inclusive approach which all communities can contribute to and benefit from:

- Good employment Charter – This is designed to encourage and support employers to become more productive and offer higher pay and secure work. Membership of the Charter will require employers to offer, for example secure and flexible work, a real living wage, workplace engagement and excellent recruitment and management practices;
- Working Well – This began in March 2014 and provides intensive personalised support to benefit claimants to improve work readiness and help people find stable employment;
- Co-operative Commission – Convened in February 2019, this seeks to create the right conditions for co-operative enterprises to thrive and support the co-operative business model;
- Social Enterprise Strategy – Work is underway to develop a clear strategy for supporting social enterprises across the city-region;
- Bus Reform – At the beginning of 2020, Greater Manchester Combined Authority (GMCA) consulted residents on a proposed franchising scheme. This aimed to bring buses under local control as part of an integrated transport network. In June 2020, GMCA received the results of the consultation but decided, before a final decision could be made, that the impact of COVID on the bus market and the proposed franchising scheme should be considered. GMCA launched an additional consultation in autumn 2020 asking for views on its proposals in light of the findings of the COVID impact report, which looked at potential future travel demand in Greater Manchester and what it could mean for GMCA's proposals to change how buses are run. The outcome of both consultations will then be considered as part of the final decision by the Mayor of Greater Manchester on whether to implement the proposed franchising scheme. The decision is anticipated to take place in spring 2021.

4 Oldham Council Policies and Strategies

- 4.1 Another key influence on the MTFS is the Council's own policies and strategies which are set out in the following section.

Co-operative Council in a Co-operative Borough

- 4.2 Oldham Council became a Co-operative Council in 2011. The Council is committed to developing a Co-operative future; one where citizens, partners and staff work together to improve the borough. The Council encourages all members of the community to play an active part in building a co-operative borough. This means everyone doing their bit.
- 4.3 To help realise this ambition, the Council has developed co-operative values and behaviours. All staff, citizens and partners are encouraged to adopt these values.

Co-operative Values and Behaviours



- 4.4 Oldham's values driven approach underpins the way the Council does business. In practice, this means maximising the positive social, economic and environmental impact that can be achieved. From maximising social value achieved through procurement practices, to paying all staff the Foundation Living Wage, the Council is using its influence as a commissioner, service provider, facilitator and employer to embed co-operative values across Oldham. However, the Council is not doing this alone. Oldham has a strong Strategic Partnership structure and plan that has driven the reform, integration and shared economic agenda both in Oldham and within Greater Manchester.

The Oldham Plan

- 4.5 The Oldham Plan 2017-2022 is a collective action statement explaining how the Council and partners can all best serve Oldham by helping its people, districts and businesses to thrive.
- 4.6 This involves recognising shared challenges and agreeing mutual ambitions and all partners working together to identify what each can contribute to obtaining better results. In this way it means that everyone does their bit and everyone benefits.
- 4.7 The Oldham delivery model is based around three fundamental shifts which work together to deliver the ambitions of the Oldham Plan. These are:

Inclusive Economy –Ensuring a fairer economic system where people have the chance to succeed.

Thriving Communities –Oldham is a place where social action and social and community infrastructure means something.

Co-operative Services – Developing integrated public services that work in an asset-based way to meet the needs to people and communities.



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- 4.8 Set out below are examples to illustrate how the Oldham Model is delivering some significant positive outcomes in the borough.

Inclusive Economy: The Council wants Oldham to be a place where everyone has a fair and real chance to improve their own lives.

- Oldham is currently home to around 6,580 businesses spanning a range of key sectors including health, advanced manufacturing, construction, retail and financial and professional services.
- Oldham has improving educational attainment. More than 43 per cent of the population have a degree, diploma, A/AS level qualification or an apprenticeship.
- The borough offers a wide variety of school types from small rural settings to large urban schools. It has high-quality buildings with many new or recently-built facilities following a £137 million investment, with more to come.
- The Metrolink network supports transport connectivity within the borough. It has increased the appeal of Oldham to skilled and higher-earning commuters and has linked residents in many areas historically poorly-served by public transport with employment, retail and leisure destinations throughout the conurbation.
- The Get Oldham Working Initiative has helped create more than 11,500 work-related opportunities - including over 10,000 jobs, apprenticeships and traineeships and more than 1,500 work experience placements, of which over 10,000 opportunities have been filled by Oldham Citizens.

Thriving Communities: The Council wants local people and communities to be healthy, happy and able to make positive choices as well as offering and accessing support when needed.

- Oldham has a population of more than 235,000. The total population within a 30-minute drive time is 2.8 million.
- Around a quarter of the borough is within the Peak District National Park.
- Oldham's 32 parks include Alexandra Park, a 78-acre green space with Grade II status from English Heritage and – alongside Dunwood Park in Shaw – holds a prestigious Green Flag Award for international-standard facilities and conservation.
- For shopping, Spindles Town Square offers a range of High Street retailers and the Tommyfield Market (which is one of several across the borough) consists of an indoor and part-time outdoor market and adjacent units which have more than 98 businesses.

Co-operative Services: The Council aims to have the best public services in Greater Manchester that work together to improve ways of living for our residents.

- Oldham Council has a strong voice in Greater Manchester for Inclusive Growth and is developing key employment sites for new jobs and investment.
- The Council's aim is to ensure children are school ready, work ready and life ready and to raise attainment for all, and raising it fastest for disadvantaged pupils. Building an integrated health and care system with partners to support healthy choices and challenge inequalities – backed up by outstanding leisure centres and sporting opportunities for all.
- The Council is supporting new high-quality and aspirational housing to broaden choice alongside our affordable homes.
- The Council is committed to protecting the environment through schemes that are empowering communities to improve where they live and encouraging investment in clean power and jobs as the Council delivers new facilities across our borough.

The Corporate Plan

- 4.9 Oldham's current Corporate Plan expired in December 2020. Work to refresh Oldham's Corporate Plan was due to be completed by summer 2020, however, the impact of the COVID pandemic meant that this was no longer viable. Instead, the Council is developing its COVID Recovery Strategy which will act as an interim Corporate Plan until at least 2022.
- 4.10 To develop the new COVID Recovery Strategy, all Directorates and service areas are being engaged to identify key priorities for the organisation in moving towards a post COVID environment, as well as how those priorities align to the wider Oldham model. The new COVID Recovery Strategy will be launched in March 2021.

Constitution and Rules of Procedure

- 4.11 Oldham Council has an agreed Constitution which sets out how the Council operates, how decisions are made and the procedures that ensure these decisions are efficient, transparent and accountable to local people. Most of the procedures are required by law. Detailed procedures and codes of practice are provided in separate rules and protocols which accompany the Constitution and Articles contained therein. The following rules of procedure are particularly relevant in the context of determining the Council's Medium-Term Financial Strategy.

Budget and Policy Framework Procedure Rules

- 4.12 This sets out the process for the adoption and implementation of the Council's Budget and Policy Framework. It specifies the budget estimates that must be prepared as part of that framework, the process for developing the framework and the associated decision-making process. The Revenue Budget and MTFS report, if approved by Council, forms a key element of the Council's Budget and Policy Framework.

Financial Procedure Rules

- 4.13 These rules (which are aligned to the Budget and Policy Framework Procedure Rules) set out detailed procedures regarding financial administration covering, for example, the preparation and management of budgets, financial systems, internal audit, insurance, banking arrangements, payments, income and taxation. These rules were last refreshed at the 8 January 2020 Council meeting and underpin the Council's statutory duty to make arrangements for the proper administration of its financial affairs.

Financial Policies and Strategies

Capital Strategy

- 4.14 The Capital Strategy (elsewhere on the agenda) is prepared in accordance with the latest Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential and Treasury Management Codes of Practice. The strategy provides a framework within which the Council's capital investment plans will be delivered. These plans are driven by the Council's Corporate Plan and the 'Creating a Better Place' initiative. The Capital Strategy has been prepared to take account of the ambition for the borough including major regeneration developments within the Town Centre and borough-wide, to ensure that new school buildings and extensions are delivered as well as ensuring that the highways network and the corporate estate are adequately maintained.
- 4.15 The proposed Capital Strategy and Programme for 2021/22 to 2025/26 also takes the essential elements of previous years' strategies and programmes and moves them forward in the context of the financial and political environment for the forthcoming financial year.

Capital spending is a key determinant of future revenue commitments, so the capital programme and revenue budget are interlinked and have been developed simultaneously.

Treasury Management Strategy

- 4.16 As with the Capital Strategy, the Treasury Management Strategy (elsewhere on the agenda) is prepared in accordance with the latest CIPFA Prudential and Treasury Management Codes of Practice. The strategy sets out the Council's approach to managing investments, cash flows, money market and capital market transactions. The strategy provides a framework for the effective control of risks associated with these activities; and the pursuit of optimum performance consistent with those risks.
- 4.17 The Treasury Management Strategy for 2021/22 reflects the Council's capital expenditure plans as set out in the Capital Strategy. Also highlighted is the position in relation to prudential indicators arising from the Council's capital expenditure plans. As well as borrowing and investment strategies, the Treasury Management Strategy also covers the current treasury position, economic outlook and interest rate forecasts, risk and creditworthiness. Finally, the strategy also includes the Council's policy on borrowing in advance of need and the Minimum Revenue Provision (MRP) Policy Statement.
- 4.18 In accordance with the latest Prudential and Treasury Management codes, the Capital and Treasury Management Strategies clarify the Council's approach to both treasury and non-treasury investments.

Income Strategy 2020/21 to 2024/25

- 4.19 On 16 December 2019 Cabinet approved an updated Income Strategy for the Council. The strategy details the approach that the Council will take with regard to income generation and covers all material sources of revenue that finance day to day service provision including:
- Government Grants;
 - Council Tax;
 - Business Rates; and
 - Fees, Charges and Other Contributions.
- 4.20 The strategy also considers:
- Investment Opportunities;
 - Opportunities relating to traded services and other chargeable activities; and
 - The process for setting charges and collection efficiency.
- 4.21 The approval of this policy formalised the approach to income activities and has been a key element in framing the budget setting process for 2021/22.

Commercial Property Investment Strategy

- 4.22 On 16 December 2019, Cabinet approved a refreshed Commercial Property Investment Strategy. The strategy sets out a framework to secure long-term investments and to generate a sustainable income stream for the Council by way of rental income from new property assets and from its existing non-operational property portfolio held specifically for income generation purposes. However, in March 2020, the Government launched a consultation into the future lending terms of the Public Works Loans Board in order to limit the use of PWLB resources for commercial investment. The result of the consultation accompanied the Spending Review. As a consequence (as advised in the Capital Strategy

report) the capital investment plans of the Council have been amended to remove schemes where the primary objective was commercial investment solely for income generation purposes.

Housing Revenue Account

- 4.23 A report (elsewhere on the agenda) sets out the Housing Revenue Account Estimates for 2021/22 to 2025/26 and Proposed Outturn for 2020/21. The report also sets out the recommended dwelling and non-dwelling rents and service charge increases to be applied from April 2020. The report is a key element of the Council's overall medium-term financial strategy.

Local Taxation and Benefits Discretionary Policies

- 4.24 Annually, the Council reviews and updates policies covering discretionary Council Tax discounts, discretionary Business Rate relief, Local Welfare Provision and Discretionary Housing Payments. These policies provide support to local businesses and some of the poorest and most vulnerable residents within the borough. These policies operate within a legislative framework determined by various Local Government Acts of Parliament. The financial impact of these policies is fully reflected in the budget estimates presented within this report.

Reserves Policy

- 4.25 The Council takes a strategic approach to the creation and maintenance of reserves via its Reserves Policy. The policy is updated annually and presented to Audit Committee for consideration alongside the statement of accounts for the previous year. The report to Audit Committee also serves to improve transparency and is especially relevant given heightened interest by the National Audit Office, CIPFA and the wider media in Local Authority Financial Resilience. The subject of financial resilience is covered in more detail in Section 5 of this report and an updated forecast of the Council reserves position is presented at Section 13. The budget setting process for 2021/22 has required a significant revision to the prioritisation of reserves.

Counter Fraud and Corruption

- 4.26 The Council has a series of refreshed policies and procedures to support the provision of an appropriate counter fraud service to minimise fraud risks and to investigate potential fraud and corruption. The Accounts and Audit Regulations 2015 state that the Council must have measures in place "to enable the prevention and detection of inaccuracies and fraud." In this context, fraud also refers to cases of bribery and corruption. The budget estimates included within this report rely on effective processes for mitigating the risk of financial loss from fraud, bribery and corruption.

Risk Management Strategy and Framework

- 4.27 The Council maintains a risk management strategy and framework to manage and mitigate the impact of corporate and service risks associated with Local Authority activity and service provision. The latest risk management strategy and framework was approved by Cabinet on 16 December 2019. As is the case for counter fraud and corruption policies, the budget estimates included within this report rely on effective processes for mitigating the risk of financial loss arising from adverse events.
- 4.28 All budget proposal documentation contains a section on key risks and mitigations.

Major Policies and Strategies

- 4.29 The following strategies are identified as having a major influence on the allocation of resources and the development of the Council's Medium-Term Financial Strategy for 2021/22 to 2023/24.

Community Health and Adult Social Care / NHS Reform

- 4.30 Throughout 2020/21 the Community Health and Adult Social Care Directorate has worked to deal with COVID in the community and care homes. This has driven ever closer working arrangements with the NHS and an acceleration of integrated working. In November 2020 the Government released new guidance in respect of the next steps of integrating care. This will work on the basis of Place, provider collaboratives, Integrated Care Systems (ICS) and national and regional bodies. It will also mean that Clinical Commissioning Groups (CCG's) will no longer exist after April 2022.
- 4.31 The Councils relationship with the Oldham CCG will therefore change as the system evolves and the localities come together under a Greater Manchester Integrated Care System which will have a focus on population health. At a locality level an Oldham Integrated Health and Care System is being established, building on progress already made to deliver efficiencies, more effective services and to contribute to budget savings through collaboration, networks and alliances.
- 4.32 Oldham Council and Oldham CCG continue working together under a 'Section 75' agreement to pool funds. Initially instigated to jointly manage the Better Care Fund, it has expanded in recent years to include the commissioning of packages of adult care and elements of Public Health. The aim is that it will move towards incorporating most of the Community Health and Adult Social Care, Children's Social Care, Public Health and CCG Primary and Secondary Care commissioning budgets.
- 4.33 There are clearly significant implications for the financial planning and financial management arrangements of the Council as the budgets of the Council and the NHS are more closely aligned. Traditional budget preparation and monitoring arrangements will be replaced with revised processes. Detailed work is required to ensure that any financial risk to the Council is minimised and that new working arrangements continue to demonstrate value for money. This will be progressed over the forthcoming months.
- 4.34 At a national level clarity on the future of social care and its funding has again been postponed so the Council will continue to progress on a short-term basis whilst awaiting a more permanent solution.

Creating a Better Place

- 4.35 This strategy sets out a comprehensive vision and strategic framework for the borough, which includes the Oldham Town Centre Vision, the Housing Strategy, and utilisation of the Council's corporate estate (land and property) to support development and open space requirements across the borough. The original strategy was approved by Cabinet across two reports in December 2019 and January 2020. However, the Council subsequently revised its plans firstly due to responding to the pandemic and secondly as the national policy landscape changed when HM Treasury set out proposals for revising PWLB lending terms to discourage commercial investment solely for income generation purposes.
- 4.36 The programme was reviewed to ensure that priorities were correct and that the projects supported economic recovery (post-covid). Cabinet approved a revised vision for Creating a Better Place on 24 August 2020. The revised strategy still includes creating 2,400

(previously 2,000) new homes, 1,000 new jobs and 100+ new apprenticeships. Key themes within the Creating a Better Place Strategy include:

- Schools provision – A range of new build and school expansion schemes to ensure there are sufficient school places for the borough's children.
- New Homes – Developing the ambitions set out in the Housing Strategy.
- Town Centre Regeneration – Further development in the town centre following the recent acquisition of the Spindles and Town Square Shopping Centres, releasing other town centre sites for repurposing including the provision of housing and additional green space.
- Borough-Wide Regeneration – Investment in a range of housing and employment schemes across the borough.

- 4.37 The Creating a Better Place programme incorporates £287.857m of schemes with £37.391m included within the 2020/21 Capital Programme and a further £250.466m over the period 2021/22 to 2025/26. The revised programme is forecast to achieve cumulative revenue savings of £8.2m per annum from 2023/24 as reflected in budget reduction proposals included in this report.

Housing Strategy

- 4.38 The Housing Strategy was introduced in 2019. It was developed in line with the Oldham Plan, the GM Spatial Framework and the GM Housing Strategy. It recognises the function that housing plays in supporting health and social care integration and wider public sector reform. A key objective of the development of the new housing strategy has been to reset the housing delivery framework that can start to tackle the challenges identified in the evidence based Local Housing Needs Assessment and help meet the housing priorities identified over the short, medium and long term. It is a strategic document to help promote future service models and seeks to place housing and place sharing at the heart of the Oldham Partnerships collective vision for the borough.
- 4.39 Together with the launch of the new Housing Strategy a Strategic Housing Partnership was also developed whereby the Council works collectively with key stakeholders to achieve the goals identified within the Housing Strategy Delivery plan.
- 4.40 The Housing Strategy:
- Enables the Council to determine priorities in each district or local housing market area as defined by the Local Housing Needs Assessment evidence base;
 - Informs bids for both public and private funding to support the development of new homes in Oldham;
 - Supports the Council and its partners to make more informed People and Place making decisions about the targeting and future integrated commissioning priorities and underpins external funding bids to support investment in existing housing services and stock in Oldham;
 - Enables the Council to focus and develop new policies and ways of working that better fit the operating environment; and
 - Informs the Council to progress its energy conservation work, and to satisfy the Council's obligations under the Home Energy Conservation Act.
- 4.41 The delivery of the Housing Strategy objectives has undoubtedly been disrupted by the COVID pandemic. However, in line with the refreshed Creating a Better Place Strategy, work is underway to develop and deliver a programme of town centre housing development currently focused on the identification and assembly of suitable residential development sites. Work is also underway to determine a suitable delivery model for such development.

#TeamOldham Workforce Strategy

- 4.42 The #TeamOldham Workforce Strategy has now been developed and endorsed by all #TeamOldham organisations including the Council, CCG, Unity Partnership Ltd and MioCare. The Strategy focuses around 3 major themes; Supporting our Staff, Leadership and Culture and Planning for the Future. The strategy sets out the vision for the workforce and the outputs to be achieved over 2020 – 2023 through the structured programmes of work outlined within. The strategy will support the integration, design and effectiveness of critical services delivered to our residents.

Education Provision Strategy

- 4.43 On 21 October 2019, Cabinet approved an Education Provision Strategy which seeks to ensure there are enough school places available to local children and young people. No other local or national body shares this statutory duty to secure sufficient primary and secondary schools, although to provide this the Council collaborates with schools and other partners to deliver the places needed. When seeking to manage the demand and supply of school places, Oldham Council takes into account the diverse range of provision and educational organisation arrangements and works with Academy Trusts and the Department of Education to establish provision that meets the needs of Oldham's young people and can contribute effectively to improving education outcomes in the borough. There is a great deal of activity taking place across the borough to both enhance current provision and provide new places for young people with good and outstanding providers.

Special Educational Needs and Disabilities (SEND) Strategy and Development Plan

- 4.44 On 24 September 2020, the SEND Partnership Board requested that the SEND Strategy and Development Plan was reviewed to consider the impact of the COVID pandemic on services, children, young people and families and the impact on the strategy. Following the review, the revised development plan and outcomes to be achieved by the end of year 1 were shared with the SEND Partnership Board on 26 November 2020, outlining how children and young people with SEND have a range of support and opportunities available to enable them to become confident communicators, valued members of the community, enjoy attending inclusive learning settings and being prepared for progression into adulthood to achieve the life outcomes to which they and their families aspire.
- 4.45 The development plan and the outcomes to be achieved by the end of year 3 and the end of year 5 will be developed in early 2021. The updated strategy and development plan will then be presented to Cabinet for approval. A number of key areas have been introduced around ensuring sufficient provision is available across the mainstream and special estate in Oldham for children and young people with SEND. This also connects with the proposed budget reduction to make significant savings by bringing back to Oldham schools, a number of children and young people currently educated outside of the borough, following statutory review processes.

Oldham Learning

- 4.46 Oldham Learning was formed after extensive sector consultation during the academic year 2019/20 and is now the school improvement delivery function in Oldham, combining work that was previously performed by the Local Authority, Education Partnership and Opportunity Area. Oldham Learning started on 1 September 2020, with initial funding agreed through the Local Authority and Opportunity Area Grant. The intention is to develop a self-sustaining offer that schools and academies value.

Early Years Strategy

- 4.47 On 7 December 2020, Oldham's new 3 year partnership Early Years Strategy for babies and young children was launched. The strategy sets out a commitment to ensuring every child gets the Right Start in life. The strategy is based around the vision for babies and young children which is for them to be: safe and supported; as healthy and happy as they can; have opportunities and achieve their potential; have a voice and be part of a community; feel proud and be ready for life. The strategy lists seven key areas to focus this work - Establishing transparent and effective governance of Early Years services; improving health & development outcomes for babies and young children; keeping children safe and build family resilience; supporting parents to nurture their child's development; continually improving our services for children and families in the Early Years; improving the equality, reach and diversity of services; building a unified Early Years workforce, identity and purpose.

Green New Deal Strategy

- 4.48 The Oldham Green New Deal Strategy was adopted by the Council in March 2020. The strategy set two carbon neutrality targets – for Council Buildings and Street Lighting by 2025 and for the borough as a whole by 2030. The delivery programme for the strategy focuses on investment in the green economy in Oldham, including physical assets such as solar power and low carbon heat infrastructure; innovative approaches to energy generation and consumption for the Council and strategic partners through the creation of a Local Energy Market; building the Green Technology and Services business sector in the borough to 'green' the wider economy; and the Northern Roots project which will create a tourist and business attraction of national significance in the shape of a 165-acre eco-park at Snipe Clough, adjacent to Alexandra Park.
- 4.49 Since the adoption of the strategy, the financial impact of the coronavirus crisis has changed the way the Council has to approach delivery of Green New Deal objectives. Rather than allocated specific Council resources, the Council will pursue external funding streams including large new funds from Central Government. These can potentially be secured to enable the Council to secure investment to stimulate economic activity in key growth sectors such as renewable energy, renewable heat and energy efficiency – the top three 'green' job creation opportunities according to the Local Government Association. The Council is applying to a range of grant funders for low carbon projects, including the Towns Fund and the Public Sector Decarbonisation Fund (for renewable electricity and heat projects on Council assets).
- 4.50 Future initiatives will include exploring the potential for a strategic partnership with a private sector infrastructure provider to bring inward investment to the borough for low carbon schemes; community-level programmes to support residents to gain knowledge and training in the low carbon sector so that they can take advantage of any jobs created from inward investment; and innovative ways for the Council to support deployment of local renewable energy generation through Power Purchase Agreements.

ICT Strategy

- 4.51 The Council's ICT strategy has been refreshed to ensure it supports the delivery of a customer focused service and is aligned with the Council's Transformation Programme; particularly assets, workforce development and digital by design themes. The ICT Strategy enables the council to evolve and grow under the following principle themes:
- Mobility, enabling staff to work from where they need to, not where they have to;
 - Platform + Agile, fewer systems that are better integrated (using an IBM integrated engine) and developed using Agile delivery techniques;
 - Cloud First, reducing technology assets that the Council owns and maintains;
 - Data Analytics, building upon the above themes and principles to create the conditions where Oldham Council can understand the borough better and use this insight to improve services.

Information Management

- 4.52 There is a comprehensive suite of Information Management policies in place covering Data Protection, Freedom of Information, Environmental Information, Information Risk and Security, Records Management and Transparency. These are supported by a variety of systems and processes that enable the monitoring of compliance and performance. All measures are designed to ensure the Council and its partner organisations comply with individual rights, legislative requirements and are protected from security, cyber, reputational risks, enforcement action and monetary penalties by the Information Commissioner's Office.

Other Policies and Strategies

- 4.53 A summary of other major Council policies and strategies all of which link to and influence the financial planning arrangements of the Council is provided in **Appendix 1**.

5 Local Government Finance Developments and Financial Resilience

- 5.1 This section of the report highlights recent developments specifically within the Local Government finance arena. Also included is a commentary on the issue of financial resilience which remains topical as Local Authorities continue to deal with the consequences of rising service demand and a decade-long period of funding reductions.

The Chartered Institute of Public Finance and Accountancy (CIPFA) Financial Management Code

- 5.2 On 15 March 2019, CIPFA published a consultation on its proposed Financial Management Code that would support its Financial Resilience Index. This consultation concluded on 30 April 2019 with the formal Financial Management Code being published in October 2019. The objectives of this code are "to support good practice in financial management and to assist Local Authorities in demonstrating their financial sustainability".
- 5.3 The Code is based upon a series of principles which will be supported by specific standards of practice which CIPFA consider necessary for a strong foundation. The foundation being the ability to:
- Financially manage the short, medium and long-term finances of a Local Authority
 - Manage financial resilience to meet foreseen demands on services
 - Financially manage unexpected shocks in their financial circumstances

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- 5.4 The Financial Management code builds on the success of the CIPFA Prudential Code which requires Local Authorities to demonstrate the long-term financial sustainability of their capital expenditure. The Code is also consistent in that it is based upon principles rather than prescriptions and each Local Authority must demonstrate that they meet the requirements of this Code.
- 5.5 It was expected that Local Authorities would apply the requirements of the Financial Management Code in full by 1 April 2020, however after further consideration, CIPFA recognised the need for Authorities to ensure that their governance and management styles fit the requirements of the Code and as such concluded that a shadow year would be in place for 2020/21 with Local Authorities being fully compliant by 1 April 2021.
- 5.6 The detailed guidance notes were issued in May 2020 and the Finance Service has undertaken work throughout 2020/21 to ensure its compliance with this Code. Work is continuing with the wider organisation to ensure full compliance for 2021/22.

Review of Relative Needs and Resources (formally the Fair Funding Review)

- 5.7 The Review of Relative Needs and Resources of the Local Government finance system has been under consideration for several years. The purpose of the review is to examine and update the system for allocating resources among Local Authorities; taking account of relative need and the ability to generate resources locally through taxation. The original timetable set for the review indicated that a new system would be in place for 1 April 2020. It was then deferred until April 2021 and now due to COVID has been deferred again. The Government has not specified a timeframe for progression. When implemented this could have a major impact on the distribution of resources between Councils. It is also possible that when implemented, there may be transitional arrangements rather than an immediate change.

Business Rates Reform and Revaluation

- 5.8 The Business Rates system is likely to change significantly in the medium term. The Government has initiated a review of Business Rates tax itself and is seeking views from Councils administering the system. As a result, the Government has once again postponed a reset of the system. Any reset may be full or partial but in both instances would result in Business Rates gains and losses being redistributed across all Local Authorities.
- 5.9 Also delayed is the plan to move to 75% rates retention nationally (currently 50%) which is expected to result in the end of the Greater Manchester 100% Business Rates retention pilot scheme.
- 5.10 In addition, Business Rates revaluation also planned for implementation in April 2021 has now been deferred to April 2023 but based on April 2021 values. This will affect the amount of Business Rates paid by the occupiers of commercial premises and therefore the amount collectable by the Council.
- 5.11 A change to the Business Rates system could have major implications for Council funding and the MTFS. The position will be kept under close review.

Financial Resilience

- 5.12 In order to comply with Section 25 of the Local Government Act 2003; the Authority's Chief Financial Officer (the Director of Finance) is required to report on the robustness of the estimates made for the purposes of the budget calculations and the adequacy of the proposed reserves. This information enables a longer-term view of the overall financial resilience of the Council to be taken. It also reports on the consideration by the Director of

Finance of the affordability and prudence of capital investment proposals. The level of general balances to support the budget and an appropriate level of Earmarked Reserves maintained by the Council in accordance with the agreed Council Policy on Earmarked Reserves, are an integral part of its continued financial resilience supporting the fiscal stability of the Council.

- 5.13 There have been several reports issued on the subject of the financial resilience of Local Authorities alongside the publication by the Chartered Institute of Public Finance & Accountancy (CIPFA) of a Local Authority Financial Resilience Index and the implementation of a Financial Management Code. These documents were in part prompted by the financial challenges at Northamptonshire County Council during 2018. However, more recently there have been concerns in relation to the financial sustainability at both Nottingham City Council (NCC) and the London Borough of Croydon Council (LBC).
- 5.14 Is important to note that as detailed within the Council's Audit Completion Report, presented alongside the Statement of Accounts, the External Auditors concluded that for 2019/20 the Council had made proper arrangements to deliver financial sustainability in the medium term. However, it was also pointed out that "The Council has significant levels of Earmarked Reserves as at 31 March 2020, but these are not sufficient to sustain the Council's financial position over the medium term".
- 5.15 Financial resilience does depend in part on the Council maintaining an adequate level of reserves and balances. The reserves position is set out in Section 13 whilst the overall position with regard to reserves and balances is presented in a report on Reserves, Robustness of Estimates, Affordability and Prudence of Capital Investments.

6 2020 Spending Review, Provisional Local Government Finance Settlement (including Council Tax and Referendum Limits), Unringfenced and Ringfenced Grants.

- 6.1 A key element when determining revisions to the MTFs and the 2021/22 budget reduction requirement is the impact of Government funding announcements. Due to the impact of COVID the planned Comprehensive Spending Review was instead replaced by a one-year spending round. The Provisional Local Government Finance Settlement was issued on 17 December 2020. The impact of these announcements is set out below.

2020 Spending Review

- 6.2 On 25 November 2020, the Government presented a one-year Spending Review for 2020/21. Key funding announcements affecting Local Government which have an impact on this report were:
- Core Spending Power was forecast to rise by 4.5% in cash terms worth an estimated additional £2.2bn in funding for local Government services. This included:
 - An additional £1bn for social care made up of a £300m social care grant.
 - The ability to raise a 3% Adult Social Care (ASC) precept.
 - The continuation of the £1bn of grant funding announced for the 2020/21 budget for Adult and Children's Social Care, along with all other existing social care funding.
 - General Council Tax increases would be capped at 2% unless a referendum is held, with a further 3% increase specifically for ASC services as advised above.
 - In response to COVID there was the announcement of:
 - £1.55bn of unringfenced grant for the pressures expected to emerge in the first few months of 2021/22.
 - The continuation of the Sales, Fees and Charges scheme (which refunds 75% of eligible income loss beyond a 5% threshold) on a pro-rata basis into the first three months of 2021/22).

- The availability of £670m of unringfenced grant funding (and extended Hardship Fund).
- A new reimbursement scheme, expected to be £762m for 2020/21, to compensate Councils for 75% of irrecoverable losses in relation to Council Tax and Business Rates, to be paid through an unringfenced grant.
- The Government will keep the spending and income pressures under regular review to ensure the sector has the support and resources it needs; therefore, this funding may be topped up in year and will reflect the developing COVID position.
- The outcome of the consultation into reforms on the operation of the Public Works Loan Board (PWLB) was announced. This restricted the future use of PWLB borrowing and consequently lowered the PWLB rate of interest. This development has been factored into the Capital Strategy.
- Confirmation that the implementation of the Review of Relative Needs and Resources (formerly the Fair Funding Review) and 75% Business Rates Retention initiatives will not proceed in 2021/22. Nor would the reset of accumulated Business Rates growth. Further decisions on reform will be taken in the context of the 2021 Spending Review.
- Confirmation of the continuation of the piloting of 100% Business Rates Retention in Greater Manchester (GM) for 2021/22.
- Confirmation that New Homes Bonus will also continue in 2021/22, with no new legacy payments.
- Notification that the Small Business Rates multiplier for 2021/22 will be unchanged from 2020/21 levels.

6.3 The Spending Review also included information on a range of other grant funding programmes, both capital and revenue including £254m for homelessness, the new Levelling Up Fund worth £4 billion for England for local infrastructure investment to support economic recovery and the Shared Prosperity Fund. These latter two items are referred to specifically in the Capital Strategy report.

Provisional Local Government Finance Settlement (LGFS)

6.4 The 2021/22 Provisional LGFS was released on 17 December 2020. It was announced by the Secretary of State for Housing, Communities and Local Government the Rt. Hon Robert Jenrick MP, and set out the Government's formal proposals for the funding of English Local Authorities in 2021/22. The Provisional LGFS covered the 2021/22 financial year only.

6.5 Included in the Provisional Settlement was key funding information for Local Authorities in relation to:

- The Settlement Funding Assessment;
- Confirmation of baseline funding levels for 2021/22;
- Council Tax referendum limits;
- COVID specific grants for 2021/22;
- New grant funding streams for 2021/22;
- New Homes Bonus Grant allocations for 2021/22; and
- Confirmation of, or revisions to, previously expected 2021/22 grant allocations.

6.6 As this is the Provisional Settlement, Councils had the opportunity to submit consultation comments. The Government issued specific consultation questions in relation to the Settlement with a deadline for responses of 16 January 2021. The Council submitted a response before the notified deadline.

Settlement Funding Assessment

- 6.7 The Settlement Funding Assessment (SFA) is a Government calculated figure which includes the Revenue Support Grant (RSG) and the Baseline Funding Level (BFL). The BFL comprises Business Rates Top Up Grant (the main unringfenced grant) plus the Government's assessment of Business Rates that can be collected locally (known as Business Rates Baseline). GM Districts do not currently receive any RSG as it is included within the funding arrangements for the Greater Manchester 100% Business Rates retention pilot scheme.
- 6.8 The figures now presented in the Provisional LGFS and the following table show a national increase in SFA from £16.209bn in 2020/21 to £16.222bn in 2021/22. This represents a 0.080% increase in national funding.

Table 1 – National Position

2020/21 £m	SFA for England	2021/22 £m
16,209	Settlement Funding Assessment	16,222
	of which:	
1,613	Revenue Support Grant	1,622
14,596	Baseline Funding Level	14,600

SFA for Oldham Council

- 6.9 The Oldham SFA presented in the table below shows an increase of £0.094m from £98.816m in 2020/21 to £98.910m in 2021/22. This represents a 0.095% increase, slightly higher than the increase in overall national funding.

Table 2 – SFA for Oldham

2020/21 £000	SFA for Oldham	2020/21 £000
98,816	Settlement Funding Assessment (2020/21 adjusted for additional Public Health Grants received after the initial SFA was notified)	98,910
	of which:	
0	Revenue Support Grant	0
98,816	Baseline Funding Level	98,910

- 6.10 The table below shows the contingent elements included in the Government's Settlement Funding Analysis figures with a very small increase between years.

Table 3 – SFA Detail for Oldham

Funding Stream	2020/21 £000	2021/22 £000	Change £000
Baseline Funding Level	64,792	64,792	0
Revenue Support Grant	16,973	17,067	94
Public Health Grant (adjusted)	17,051	17,051	0
Total Settlement Funding Assessment	98,816	98,910	94

- 6.11 Whilst the SFA figures for Oldham show an increase of £0.094m it is important to note that the change in SFA is not supported by a corresponding increase in grant funding and the actual financial implications of the Settlement are included in the following paragraphs. It should also be noted that as the Public Health Grant allocation for 2021/22 has not yet been announced, the figures may be subject to change.

Core Spending Power

- 6.12 Published alongside the Provisional LGFS is the Government's estimate of Core Spending Power (CSP). This is the Government's assessment of the expected revenue resources available to Local Authorities in 2021/22 based on Office of Budget Responsibility estimates.
- 6.13 The Government figures indicate that, as advised in the Spending Review, Core Spending Power will rise by an average 4.5% cent in 2021/22 in cash terms. These Government forecasts are on the assumption that every Local Authority will raise their Council Tax by the maximum permitted without a referendum (i.e. 4.99%).
- 6.14 Core Spending Power in 2021/22 consists of:
- Settlement Funding Assessment (which consists of Revenue Support Grant, and the baseline funding level (BFL) which is unchanged for 2021/22);
 - Compensation for under-indexing the Business Rates multiplier; this relates to the multiplier freeze for 2021/22 as announced in the Spending Review as well as historic caps on multiplier increases and uprating the multiplier by the Consumer Price Index instead of the Retail Price Index;
 - Income from the New Homes Bonus;
 - The Social Care Grant for 2021/22;
 - Improved Better Care Fund;
 - A new Lower Tier Services Grant;
 - Rural Services Delivery Grant (not applicable to Oldham); and
 - Income from Council Tax assuming that the tax base grows, and Councils increase Council Tax by the 2% basic referendum limit in 2021/22 as well as the maximum possible social care precept in 2021/22, and the additional flexibilities for shire districts.

- 6.15 The Provisional LGFS includes detail by individual Authority and the amounts for Oldham are shown in the table below.

Table 4 – Core Spending Power for Oldham

2020/21 £000	Core Spending Power for Oldham	2021/22 £000
199,239	Core Spending Power	208,389

- 6.16 Whilst the settlement Core Spending Power implies the Council has £9.150m more resources than in 2020/21, the Government's CSP figures include assumptions about growth of the Council Tax Tax Base and annual tax increases (2% for general Council Tax and 3% for the Adult Social Care Precept). These assumptions are not in line with the Council's own budget assumptions and estimates as outlined later in the report.

Council Tax & Referendum Limits

- 6.17 Also included within the Provisional LGFS was information regarding Referendum Limits for Council Tax increases.

Council Tax Increases

- 6.18 Within the Provisional LGFS, the Government confirmed the referendum limit for general Council Tax at a maximum increase of 2% for 2021/22. As in previous years, Parish Councils remain excluded from the referendum limits.

Adult Social Care Precept

- 6.19 The threshold for Adult Social Care Precept (ASCP) increases to a maximum of 3%. However, Councils have the ability to spread the increase over two financial years, 2021/22 and 2022/23 and legislation will be passed to enshrine this arrangement in law. There remains a requirement to evidence that the funds generated from this precept are used to finance Adult Social Care expenditure.

Mayoral Combined Authorities

- 6.20 Following the consideration of previous consultation responses, the Government proposes not to set Council Tax referendum principles for Mayoral Combined Authorities in 2021/22. The Greater Manchester Combined Authority will consider any increases through its budget setting processes and will advise the ten District Councils in due course.

Police and Crime Commissioners

- 6.21 The Government proposes that Council Tax referendum principles for Police and Crime Commissioners (including the GM Mayoral Police and Crime Commissioner Precept) are capped at an increase at £15. The decision on precept intentions for 2021/22 will be taken by the GM Mayor as Police and Crime Commissioner in accordance with its budget setting timetable.

Main Unringfenced Government Grants Announced In or Derived from the Provisional LGFS

Business Rates Top Up

- 6.22 Business Rates top up grant for 2021/22 is £41.748m as notified in the Provisional LGFS. This is £0.399m less than anticipated. It is however, expected that there will be an allocation of Public Health Grant which, due to the Council piloting 100% Business Rates Retention, will have the impact of increasing the Business Rates Top Up grant. This will not improve the financial position of the Council as its policy is to passport the Public Health grant in full to the service. As we are suffering from a pandemic, this would seem an appropriate course of action.

Grants in Lieu of Business Rates

- 6.23 Grants in lieu of Business Rates are currently forecast to be £11.437m for 2021/22. This is £0.697m less than had been anticipated. This grant represents compensation for historic Government policy announcements and events that have the impact of reducing the amount of collectable Business Rates revenue. These grants are effectively a substitute for Retained Business Rates income. Grant compensation has arisen from policy announcements that have included:
- Caps on increases in the Business Rates multiplier for 2014/15, 2015/16 and post 2018/19;
 - The doubling of Small Business Rates Relief (SBRR) and threshold changes for 2020/21;
 - The additional SBRR compensation for loss of supplementary multiplier income;
 - Other small reliefs for discretionary schemes and supporting small businesses; and
 - No change to the small business rate non-domestic rating multiplier for 2021/22.
- 6.24 The compound effect of these changes coupled with the impact of appeals means the calculation of these amounts has become incredibly complex and burdensome. Final figures are derived from the Council's Central Government return (NNDR 1) which will be submitted by 31 January 2021. However, any variation in the grants will result in an equal and opposite adjustment to Retained Business Rates income.

Revenue Support Grant and Public Health Grant

- 6.25 As part of the arrangements for participating in the GM 100% Business Rates Retention Pilot Scheme, the Council no longer receives separate funding allocations for Revenue Support Grant and Public Health Grant. Furthermore, the ringfence that normally applies to Public Health Grant funding has been removed. This funding has been replaced by a higher level of Retained Business Rates and Top Up Grant. The equivalent level of funding rolled into the 100% Business Rates Retention Pilot Scheme is Revenue Support Grant of £17.067m and Public Health Grant of £17.051m. As advised above, the Provisional LGFS did not provide 2021/22 Public Health grants payable by the Department of Health. Should the Public Health Grant increase, upon formal notification then this will be passported in full to the service.

Other Unringfenced Government Grants

- 6.26 A range of unringfenced Government Grants were announced by the Provisional LGFS. These are set out as follows, together with the impact on the 2021/22 budget assumptions.

Improved Better Care Fund

- 6.27 The Provisional LGFS confirmed the Improved Better Care Fund for 2021/22 at £10.858m. This was as expected and represents a roll-over of the 2020/21 grant allocation.

2021/22 Social Care Support Grant

- 6.28 The Provisional LGFS advised of additional resources for the Social Care Support Grant for 2021/22. This is building upon the resources already allocated in previous years. This grant has been provided in response to Local Authority concerns with regard to pressure on Adult and Children's Social Care services. No additional grant had been anticipated and the total notified of £8.947m therefore provides additional resources of £1.993m. The grant is not ringfenced and no conditions or reporting requirements were attached to the grant so it will be used to support the 2021/22 budget position by offsetting Council investment in Children's Social Care and Adult Social Care.

Lower Tier Services Grant

- 6.29 The Government has introduced a new unringfenced Lower Tier Services Grant which will allocate £111m nationally to Local Authorities with responsibility for lower tier services (homelessness, planning, recycling). This grant had not been anticipated and introduces new resources of £0.407m to support the budget of the Council.

Local Council Tax Support Grant

- 6.30 This is a new unringfenced grant. Broadly, the Government expects that the funding provided by this grant will meet the additional costs associated with increases in Local Council Tax Support (Council Tax Reduction) caseloads in 2021/22. There has been a significant increase in caseloads in Oldham and consequently the level of Council Tax that can be billed has reduced. The Councils Council Tax Taxbase has fallen, as advised in a report approved by Cabinet on 14 December 2020. As decisions on Local Council Tax Support scheme design for 2021/22 are a local decision and the Council is proposing to leave this unchanged (see Council Tax Reduction (CTR) Scheme report elsewhere on the agenda) and given the increase numbers of those receiving CTR, this grant provides some compensation for that income loss. Therefore, the full £3.183m will be used to support the 2021/22 budget.

Local Tax Income Guarantee for 2020/21

- 6.31 Within the Spending Review, the Government announced it would recompense Councils for irrecoverable 2020/21 local tax losses (Council Tax and Business Rates). The Government has provided information about the ways that the losses will be assessed but as this relates to 2020/21, the final assessment of losses cannot be made until the accounts for 2020/21 have been closed. A grant will be paid to the Council for the financial year 2020/21 and an initial assessment suggests that it would be prudent to assume receipt of £1.000m. As this grant relates to 2020/21, it will be included in the outturn for 2020/21 as a reserve and carried forward into 2021/22. If the final grant allocation should prove to be higher then it might be used to either support the 2021/22 in-year position or used to support the budget for 2022/23.

COVID-19 Expenditure Pressures Grant

- 6.32 A major new grant was notified within the Provisional LGFS, the COVID-19 Expenditure Pressures Grant. Nationally, £1.55bn of additional unringfenced grant was announced within the Spending Review and the Settlement has allocated this at individual Local Authority level. The formula by which the allocations have been calculated has been designed to reflect the underlying drivers of expenditure; population and deprivation, and the varying cost of delivering services across the country. This grant is unringfenced, but the Government intends that it is used to support the priority pressures for which 4 tranches of unringfenced grant have been allocated in 2020/21, including Adult Social Care and Children's Services. The Councils allocation of grant is £7.737m and will be passported in full to address COVID related costs.
- 6.33 The Government has advised that this funding is to support COVID related expenditure in the early part of 2021/22. Its assumption is that COVID costs will start to decline significantly from Easter, tapering away throughout the first quarter of the next financial year and COVID funding allocations have been based on this position. It has advised that it will allocate further funding if necessary. Clearly the value of any further grant cannot be assessed. It is important to note that the Councils budget estimates are also based on this assumption and that the funding available from Government will be sufficient to meet COVID related costs. Where it is known that the Government funding is not intended to provide compensation, the Councils budget estimates have been revised accordingly.

Sales, Fees and Charges Compensation Grant

- 6.34 The Government has confirmed it will continue the Sales, Fees and Charges compensation schemes for the first 3 months of the financial year 2021/22. This recompenses the Council for 75% of its lost sales, fees and charges after deducting 5% which the Council would be expected to absorb. It is very difficult to predict the losses that will be incurred as much depends on the course of the pandemic. At this stage no benefit has been assumed from the availability of this grant regime as the assessment of losses is equally challenging. However, it is a potential income source to support the Councils financial position should substantial losses be incurred.

Homelessness Grants

- 6.35 The Council had anticipated receiving £0.194m Flexible Homelessness Support Grant and £0.164m of Homelessness Reduction Grant. These grants totalled £0.358m for 2020/21 and were expected to be passported directly to the Strategic Housing service. However, the Government has announced a national sum of £254m to tackle homelessness and rough sleeping in 2021/22, including £103 million of previously announced funding. Allocations have now been notified and the grant funding arrangements have been changed. There is a requirement to remove £0.358m from the net revenue budget (income and expenditure) and include a new ringfenced grant of £0.532m. This has a neutral impact on the net revenue budget but improves the overall funding position of the Council.

New Homes Bonus Grant (NHB)

- 6.36 The 2021/22 Settlement included information on a new round of NHB payments. The Government intends this to be the final set of allocations and there will be no legacy payments into future financial years. There will be a consultation issued on the future of New Homes Bonus including options for reform. The Council had not anticipated any NHB resources for 2021/22 so the £0.171m allocation is being used to support the 2021/22 budget.

Lead Local Flood Authority Grant

- 6.37 The Council has been notified that this grant has now ceased. A sum of £0.012m had been assumed. The loss of this grant has had a small adverse impact on the overall budget of the Council.

Other Grants

- 6.38 Other grant notifications were expected with the Provisional LGFS, but these have not yet been received. These are awaited but, in the meantime, the estimated position remains unchanged.
- a) Independent Living Fund Grant - The Council took over responsibility from Government for the functions associated with the former Independent Living Fund during 2015. The Provisional LGFS has not provided any information about this grant, however, it is assumed that this will continue at the 2020/21 cash value of £2.500m. This anticipated funding has been passported in full to the service as previously approved as part of the 2016/17 budget process.
 - b) Housing Benefit Administration / Council Tax Administration Grants - The original February 2020 budget estimates for 2021/22 assumed these two grants would continue at a cash flat allocation (£0.778m and £0.360m respectively). As yet grant notifications have yet to be received and so this estimated position remains unchanged.

Summary of Other Unringfenced Government Grants Linked to the Provisional LGFS

- 6.39 A summary of all unringfenced grants either notified of anticipated (for which a sum has been assumed) as included in the Provisional LGFS is shown in Table 5 below. Total funding equals £34.941m which is £13.121m higher than the forecasts presented to Council on 26 February 2020.

Table 5 – Other Unringfenced Government Grants

	2021/22 Forecasts at 30/11/20 £000	Change £000	2021/22 Revised Forecasts £000
Improved Better Care Fund Grant	10,858	0	10,858
2021/22 Social Care Support Grant	6,954	1,993	8,947
Lower Tier Services Support Grant	0	407	407
Local Council Tax Support Grant	0	3,183	3,183
Covid Grant	0	7,737	7,737
Flexible Homelessness Support Grant	194	(194)	0
Homelessness Reduction Grant	164	(164)	0
New Homes Bonus Grant	0	171	171
Lead Local Flood Authority Grant	12	(12)	0
Independent Living Fund (ILF) Grant	2,500	0	2,500
Housing Benefit Administration Grant	778	0	778
Council Tax Administration Grant	360	0	360
Total Other Unringfenced Government Grants	21,820	13,121	34,941

Ringfenced Grants

- 6.40 The estimates underpinning the Council's MTFS are based on ringfenced grants being allocated to fulfil their intended purpose. Such grants include the Dedicated Schools Grant, Troubled Families Programme, Housing Benefit Subsidy Grant, Discretionary Housing Payments, Adult Education Budget and Homelessness Prevention Grant. Ringfenced grant assumptions are based on the allocations that have been notified by the funding body. It is important to note that any spending above the ringfenced grant level can impact on the Council's financial position. It is essential that services funded by ringfenced resources are managed with the same level of challenge and scrutiny as those funded by general resources.

Dedicated Schools Grant

- 6.41 The Dedicated Schools Grant (DSG) is a ringfenced grant payable to Local Authorities by Government for the funding of schools. For several years, the Government has been changing the way it distributes schools funding via the DSG from locally agreed arrangements towards a standard means of allocating resources. This is known as the National Funding Formula.
- 6.42 The overall DSG allocation was confirmed at £285.413m in information accompanying the PLGFS on 17 December 2020. Further details regarding the DSG is included in **Appendix 2**.

Troubled Families Programme

- 6.43 The Troubled Families Programme aims to support families with deep rooted problems relating to issues such as crime and antisocial behaviour, education, life chances, living standards, domestic abuse and mental and physical health. It provides much-needed support to improve outcomes for children and families on these issues. The current Troubled Families Programme was rolled out in England in April 2015 and replaced the first programme which had been in place since 2012. The Secretary of State for Housing, Communities and Local Government extended the programme for 2020/21 and Oldham's allocation was £0.868m. In the November 2020 Spending Review, the Chancellor announced a further £165m of funding to enable the programme to continue in 2021/22. Troubled Families Funding is released to districts in Greater Manchester via devolved arrangements through the GMCA Reform Investment Fund. District allocations have yet to be determined, but the funding available nationally is the same as for 2020/21.

Housing Benefit Scheme / Housing Benefit Subsidy Grant

- 6.44 The Council receives Housing Benefit Subsidy Grant funding from the Department for Work and Pensions (DWP) to fund the costs of operating the Housing Benefits scheme. Allocations are determined on the submission of a Local Authority's initial estimate for its anticipated levels of rent allowances and rent rebates within a financial year. A revised estimate takes place mid-year. In addition to these estimates the DWP also allocates an amount for the administration of the scheme which is based on the number of new housing benefit claims and overall caseload.
- 6.45 In 2020/21 the Council is currently forecasting £47.981m of funding for Housing Benefit from the DWP. This allocation is likely to be reduced during 2021/22 as Housing Benefit caseloads continue to fall as a direct result of the transition to Universal Credit (UC). The estimated 2021/22 position will be captured following the Council's submission of updated information in accordance with the statutory deadline of 1 March 2021.
- 6.46 The Council has been requested by the External Auditor to reaffirm its long standing commitment to the modified Housing Benefits scheme. This is a discretionary local scheme for war pensioners which allows the Council to disregard the value of any War Disablement Pension or War Widows Pension over and above statutory disregard limits. Most Local Authorities operate this scheme which is funded by the Council and is consistent with the Council's commitment to the Armed Forces Covenant. The provision is also replicated in the Council Tax Reduction Scheme.

Discretionary Housing Payments (DHP)

- 6.47 The Council is awaiting notification of DHP grant allocations for 2021/22. For the 2020/21 financial year, the amount received by the Council was £0.793m and it is expected that the allocation for 2021/22 will be at a similar level. When received, this will be treated as a ringfenced grant as Authorities are required to provide a statement of grant usage and to return any unspent DHP allocation to the Government at the end of each financial year.

Adult Education Budget

- 6.48 The Adult Education Budget (AEB) funds the delivery of education and training for learners over the age of 19. The AEB aims to engage adults and provide the necessary skills and knowledge needed to enable them to progress in work or apprenticeships.
- 6.49 On 1 August 2019, the AEB was apportioned between the Education and Skills Funding Agency (ESFA) and 6 Mayoral Combined Authorities and the Greater London Authority. The GMCA was one of those 6 combined authorities where funding was devolved and as such the way in which Oldham Council received its AEB changed.
- 6.50 In the first year of devolution, contracts and grant agreements were awarded to 36 organisations for AEB delivery in Greater Manchester. With quality as a fundamental consideration of the procurement process for the GMCA, all of the procured contracts were awarded to organisations where recent Ofsted inspections had taken place and ratings of Good or Outstanding were received for their adult education provision. Oldham Council was one of these organisations.
- 6.51 The funding received in this regard for the 2020/21 academic year was £2.8m. Whilst the funding agreements for the 2021/22 academic year have not yet been received, it is anticipated that this funding will be at a similar level.

Homeless Prevention Grant

- 6.52 As mentioned at paragraph 6.35, the Council had anticipated receiving £0.358m of unringfenced grants to support the Homelessness service for 2021/22. However, the Government announced a national ringfenced grant sum of £254m to tackle homelessness and rough sleeping in 2021/22. Allocations have now been notified and a grant allocation of £0.532m has been awarded.
- 6.53 Homelessness Prevention grant is to give Local Authorities control and flexibility in managing homelessness pressures and supporting those who are at risk of homelessness. The Government expects it will be used to:
- Enforce the Homelessness Reduction Act and contribute to ending rough sleeping by increasing activity to prevent single homelessness
 - Reduce family temporary accommodation numbers through maximising family homelessness prevention,
 - Eliminate the use of unsuitable bed and breakfast accommodation for families for longer than the statutory six week limit

7 Locally Generated Income

- 7.1 As Government grant funding has reduced over time, locally generated income from Council Tax and Business Rates has provided an increasing proportion of funding for Council services. The key financial implications for the 2021/22 budget are explained in the following paragraphs.

Retained Business Rates

- 7.2 Included within Section 3 of the report is an explanation of the operation of the GM 100% Business Rates Retention Pilot Scheme. It also advises that there will be no Business Rates Pooling arrangements in place for 2021/22.
- 7.3 The 100% Business Rates retention pilot scheme has been a success and has generated additional gains for both Oldham, other participating Districts and the GMCA. However, during 2020/21, the pandemic has impacted on the Business Rates position and unlike previous years, there are no pilot scheme gains available to support the 2021/22 budget. The Business Rates position has never been more uncertain so there is no assumption of any further gains from the 100% pilot scheme.
- 7.4 The original budget estimates for 2021/22 (approved by Council on 26 February 2020) assumed Retained Business Rates income of £50.377m. On 14 December 2020, the Council considered a report that suggested the Business Rates Taxbase for 2021/22 would be £49.640m. However, the most recent calculation is that the Council can rely on £50.022m. For budget planning purposes at this stage, the Council's share of business rate revenues are therefore projected to be £50.022m for 2021/22.
- 7.5 Under the current Local Government finance system introduced on 1 April 2013, local billing authorities are required to prepare and submit to the MHCLG a locally determined and approved Business Rates forecast through the National Non-Domestic Rates (NNDR 1) return by 31 January each year. Therefore, the Cabinet report of 14 December 2020 gave delegation for the decision to vary the final Business Rates forecast and hence the Business Rates Tax base, to the Deputy Leader and Cabinet Member for Finance and Green in consultation with the Director of Finance. As the work to finalise the NNDR is still underway, there may be a further change to the estimates.

Council Tax

- 7.6 Council Tax is the largest single revenue stream that is used to support the Council's revenue budget. Council Tax and ASCP income changes each year due to changes in the tax base (increase/decrease in chargeable Band D equivalent properties), fluctuations in collection rates and the Council's annual decisions on the level of the tax.

Council Tax Tax Base

- 7.7 Each year the Council is required to review its Tax Base by considering the:
- numbers of properties within the boundary of the borough which determines the number of Band D equivalent properties upon which the Council Tax calculations are based; and
 - anticipated level of Council Tax that will be collected known as the Collection Rate.
- 7.8 On 14 December 2020 Cabinet considered and approved the calculation of the Council Tax Tax Base for 2020/21. The approved tax base has reduced by 463 from 57,663 to 57,200 reflecting the increased number of Council Tax Reduction recipients due to the economic and financial pressures caused by COVID. As the Council had planned for Taxbase growth,

the financial forecasts have been even more severely affected. This therefore has had the impact of reducing the amount of Council Tax income that the Council can use for 2021/22 (excluding the impact of an increase in the Council Tax charged), rather than the expected increase. Over the past two financial years, the taxbase has increased by in the region of 1,000 Band D equivalent properties. The contrast for 2021/22 is therefore evident. The tax base calculations are summarised in **Appendix 3**.

- 7.9 The tax base beyond 2021/22 is estimated to increase by 500 Band D equivalent properties per annum to 2023/24 resulting from the building of new properties, fewer households claiming Council Tax Reduction support and empty properties being brought back into use. This will of course be kept under review.

Council Tax Policy

- 7.10 Members will recall that the Council Tax policy approved within the 2020/21 budget was that for 2021/22 the Council would increase Council Tax by 2% for the ASCP and 1.99% for general purposes – an overall increase of 3.99%. This approach has now been revised with the proposed Council Tax increase for general purposes reverting to 0.99% as in 2020/21, with an indicative increase of 1.99% for 2022/23 onwards.
- 7.11 The referendum criteria for 2021/22, as advised at paragraph 6.17 would permit this approach. Indeed, it would allow an increase in the ASCP of a further 1% to 3%. However, mindful of the financial position of the Authority but also the impact of a further increase in Council Tax on the citizens of Oldham, it is proposed to defer the extra 1% increase until 2022/23. In overall terms, Oldham Council Tax is projected to increase by 2.99% for 2021/22. This is of course subject to confirmation at Budget Council on 4 March 2021.

General Increase in Council Tax

- 7.12 Having regard to the Council Tax policy with a general Council Tax increase of 0.99%, the total 2021/22 Council Tax generated will be at a value of £88.029m.

Adult Social Care Precept

- 7.13 The revenue raised from the ASCP must be ringfenced to support the increased costs of Adult Social Care, in part caused by Government sanctioned increases in the National Living Wage and the consequent impact on the cost for provision of care. The Government's calculation of Core Spending Power assumes this precept is levied by Oldham and by all Councils (the Government assumes 3% for 2021/22). It is proposed that the precept, which has to be highlighted separately on the face of the Council Tax bill, will be levied by the Council at a 2% increase in 2021/22 with a further 1% increase in 2022/23, thus spreading the impact over two years in accordance with the flexibility included in the PLGFS. This will generate an additional £1.914m Council Tax income for 2021/22. This is lower (£0.032m) than had initially been expected due to the reduction in the Tax base.
- 7.14 In addition, the impact of the tax base reduction for 2021/22 also revises the expected Council Tax generated from previous years ASCP figures and results in £0.143m less in Council Tax than would have been expected. This adjustment is on top of historic amounts which will, alongside all other precept income, be passported to Adult Social Care services.
- 7.15 To ensure that Councils are using income from the precept for Adult Social Care, Councils are required to publish a description of their plans, including changing levels of expenditure on Adult Social Care and related services which requires sign off from the Council's Chief Finance Officer (the Director of Finance). In total the Council expects to collect £10.523m from the ASCP.

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- 7.16 Although the Government has not advised of ASCP policy intentions beyond 2021/22, it is assumed that it will continue in 2022/23 so that in addition to the 1% increase already planned, a further 1% will be charged (bringing the 2022/23 ASCP to 2%), with a further 2% in 2023/24. Clearly, this position will be revised if Government policy does not allow such an approach.

Relevant Basic Amount of Council Tax

- 7.17 Taking the General Council Tax increase and the ASCP together represents an overall increase in Council Tax of 2.99% for Oldham Council services as detailed in Section 15.
- 7.18 Members are reminded that the Council is required to calculate its Relevant Basic Amount (RBA) of Council Tax to determine whether there is a requirement to hold a referendum about a Council Tax increase above a level that the Government considers excessive.
- 7.19 This “excessiveness” is determined annually and for 2021/22 was detailed in ‘The Referendums Relating to Council Tax Increases (Principles) (England) Report 2021/22 (draft)’ which was published as part of the Provisional LGFS. For 2020/21, the RBA consists of an increase in the RBA of Council Tax comprising a maximum of 2% for general Council Tax plus 3% for the ASCP.
- 7.20 This means that locally for Oldham, the 2021/22 maximum Council Tax increase available is 5%. Any increase below 5% would not therefore be classed as excessive and as such a proposed increase of 2.99% would not trigger a referendum.

Council Tax Reduction (CTR) Scheme

- 7.21 The CTR Scheme (see report elsewhere on the agenda), sets out how the Council supports residents who qualify for assistance in paying Council Tax. Councils are required by statute to put in place a Local CTR scheme. Any changes to the scheme for the year ahead must be considered and approved annually by Council by no later than 10 March of the preceding financial year. The proposed scheme for 2021/22 is unchanged from the 2020/21 scheme. The financial impact of the Council’s proposed scheme is reflected in the Council Tax Tax Base estimates approved by Cabinet on 14 December 2020, which, in turn, underpins the budget estimates included within this report.
- 7.22 As advised at Paragraph 6.30, the Council is receiving a new grant in 2021/22 named the Local Council Tax Support Grant, which compensates the Council for lost Council Tax income as a result of the increase in recipients of CTR. In 2020/21 working age CTR recipients received the benefit of the Government Hardship Fund which enabled the Council to reduce their Council Tax liabilities by a maximum of £150. This scheme is not continuing in 2021/22. However, it is recommended that the Council reviews its financial position during 2021/22 to determine if it is able to provide additional Council Tax hardship relief.

Council Tax Empty Property Premium

- 7.23 Following a legislative change in 2018 to the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018, the Council currently applies a Council Tax Empty Property Premium of 100% for properties empty and unfurnished for over two years. This policy was introduced from 1 April 2019 to encourage owners of empty properties to bring properties back into use and to help mitigate the impact of reduced Central Government funding.
- 7.24 As part of the revised legislation, Councils were also given the power from 1 April 2020 to introduce additional premiums for properties that have been empty and unfurnished for between five and ten years (200%) and over ten years (300%). However, the Council has chosen not to adopt this additional increase.

Parish Precepts

- 7.25 Parish Precept income is collected by the Council on behalf of the Saddleworth and Shaw and Crompton Parish Councils. This is then paid to the Parish Councils and this income and expenditure is included in the net revenue budget of the Council. These precepts are included on the Council Tax bills of properties falling within these parish areas. The revenue collected is for the benefit of each parish and thus has no impact on the financial projections presented in this report. At this stage no change in Parish Precepts has been assumed.
- 7.26 Meetings of both Parish Council will take place during January and February 2021 to determine the 2021/22 charge. There has however been a very small decrease in the Taxbase of both Parish Councils. The anticipated 2021/22 Parish Precepts for 2021/22 is £0.290m which is a reduction of £0.001m when compared to 2020/21.

8 2020/21 Revised Budget and Year End Forecasts

- 8.1 The starting point for the consideration of the 2021/22 budget is the current 2020/21 budget position. Since the 2020/21 budget report was approved by Council on 26 February 2020, there have been a number of further one off funding allocations and amendments. Whilst a number of these additional funding allocations are with regard to COVID, there are also a number of funding adjustments which do not relate to this issue. Members will recall that three reports on the additional funding received in 2020/21 have been presented to Cabinet and have been included within the monthly revenue budget monitoring reports. These funding allocations are also detailed in the table below. The budget for 2020/21 has therefore increased to £292.845m as reported in the **Month 8** financial monitoring report elsewhere on the agenda. The revised 2020/21 budget therefore becomes the revised base budget for 2021/22.

Table 6 – 2020/21 Revised Revenue Budget

	£000	£000
Net Revenue Budget as at 1 April 2020		233,524
<u>Adjusted by:</u>		
Additional Public Health Grant funding notified in 2020/21		606
Additional Discretionary grants in lieu of Business Rates		3
Adjusted Net Revenue Budget		234,133
New One-Off Grant Funding Adjustments		
Section 31 grant for Collection Fund Deficit (to be transferred to Reserves)	25,463	
Additional COVID funding (Tranches 2, 3 & 4)	15,055	
Discretionary Business Grants	9,467	
Sales, Fees and Charges Income Compensation	2,206	
Capital Grants	2,459	
Opportunity Area Grant	1,580	
Section 31 Grant Compensation - Irrecoverable Collection Fund Losses	1,000	
Local Authority Emergency Assistance Grant	361	
School Improvement Monitoring & Brokerage Grant	259	
New Burdens Funding – Business Grants Round 1	170	
Local Reform and Community Voices Grant	161	
Support to Clinically Extremely Vulnerable (CEV) Individuals	145	
Staying Put Grant	116	
New Burdens Business Grants Round 2	76	
War Pensions Disregard Grant	45	
Wellbeing for Education Return Grant	38	
Extended Rights to Free Travel Grant	38	
Verify Earnings and Pension Service Grant	30	
SEND Regional Co-ordinator Grant	24	
Transport Grant	9	
External Personal Adviser Duty Implementation Grant	8	
Local Housing Allowance Changes	2	
Total Budget Adjustments		58,712
Total Revised Net Revenue Budget		292,845

- 8.2 The table below details the 2020/21 Month 8 year-end forecast position against budget for each Portfolio after the planned transfers to and from reserves:

Table 7 – 2020/21 Month 8 Year-End Forecast Position against Budget

	Budget	Forecast	In Year Use of Transfer To/ From Reserves	Variance Month 8	Variance Month 7
	£000	£000	£000	£000	£000
People and Place	61,947	66,834	(211)	4,676	5,171
Community Health and Adult Social Care	63,640	73,899	(27)	10,232	10,216
Children's Services	49,691	59,239	(697)	8,851	8,490
Communities and Reform	34,515	37,884	(1,295)	2,077	2,216
Commissioning	9,802	12,692	(2,047)	843	687
Chief Executive	7,712	7,437	-	(276)	(203)
Capital, Treasury and Corporate Accounting	12,347	21,261	-	8,912	7,988
Discretionary Business Support Grants	9,467	9,467	-	-	-
Covid Funding – Government Grant	17,261	-	(7,641)	(24,902)	(23,978)
Additional Section 31 Grant – Business Rate Reliefs	25,463	-	25,463	-	-
Additional Section 31 Grant - Irrecoverable Losses	1,000	-	1,000	-	-
Resources Returned by External Partners	-	(2,083)	-	(2,083)	(2,083)
NET EXPENDITURE	292,845	286,630	14,545	8,330	8,504
FINANCED BY:	(292,845)	(292,845)	-	-	-
NET FORECAST VARIANCE	-	(6,215)	14,545	8,330	8,504

- 8.3 The forecast outturn to the end of the year, after a predicted and proposed (net) in-year transfer to reserves totalling £14.545m is an adverse variance of £8.330m (including COVID pressures) and there are a range of services that are contributing to this current forecast as set out in the following paragraphs:
- 8.4 The People and Place Portfolio has a reported pressure of £4.676m compared to £5.171m at Month 7, a decrease of £0.495m with a proposed net use of reserves totalling £0.211m. Economic Development reporting an overspend of £4.425m across Catering and Cleaning, Car Parking, Estates, Strategic Housing and Planning and Infrastructure. There is an adverse variance in Enterprise and Skills of £0.648m which is as a result of a range of pressures across the Town Centre area including Markets, whilst the ICT and Customer Services service is forecasting an overspend of £0.304m. The pressures are offset by a forecast underspend of £0.638m in Environmental Services.
- 8.5 Community Health and Adult Social Care is reporting an overspend of £10.232m of which £8.672m is as a result of COVID. The Business as Usual pressure is predominantly linked to the rising cost and demand for Community Care and the Transforming Care Programme. There is also a pressure within the Mental Health service as a result of an increase in costs associated with the support for residents with Dementia.
- 8.6 The pressure of £8.851m within Children's Services includes additional costs of £5.540m incurred as a result of the global pandemic. Children's Social Care is reporting an adverse variance of £7.931m (£2.849m of which is as a result of COVID) in the main relating to the provision of in-house residential care, placements and staffing pressures, plus a further £1.660m of unachievable savings. There is a further forecast operational deficit of £2.863m as a result of increased costs in the main relating to social care placements including Out

of Borough and to a much lesser extent certain elements of staffing costs. Education, Skills and Early Years is predicting a £1.022m overspend due to increased costs being incurred by the Home to School Transport service due to new social distancing measures. Other smaller pressures within this service area include loss of income as a result of the pandemic, additional expenditure within SEND reform and half term opening costs for Out of Borough educational placements. These pressures are offset by smaller favourable variances within Preventative Services.

- 8.7 The Communities and Reform portfolio is reporting an adverse variance of £2.077m, of which £2.962m is as a result of COVID being offset by a favourable variance of £0.885m of Business as Usual activities. Within the portfolio, Youth, Leisure and Communities is projecting an overspend of £2.594m of which, the contractual commitment to a third party supplier during the national lockdown is the main contributor.
- 8.8 Smaller variances prevail in the Commissioning Portfolio (an overall adverse variance of £0.843m) and Chief Executive (a favourable variance of £0.276m). Capital Treasury and Corporate Accounting is reporting an adverse variance of £8.912m which largely is as a result of lost income from Treasury Management activities due to the global pandemic.
- 8.9 The forecasts include the receipt of additional Section 31 Grants of:
- £25.463m to compensate the Council for Business Rates reliefs (and hence lost Business Rates income) awarded in 2020/21; and
 - £1.000m in relation to irrecoverable 2020/21 Council Tax and Business Rates losses.
- 8.10 The financial impact of both these issues manifests itself in 2021/22 and so these grants are both being transferred into the balancing budget reserve in 2020/21 and as highlighted in later paragraphs are used to support the 2021/22 financial position.
- 8.11 Management action has been initiated across all service areas to review and challenge planned expenditure, the recruitment of staff to vacant posts and significant items of expenditure continue to be monitored via a corporate process. Efforts are being made to maximise income. Such service and corporate action will continue with the aim of bringing expenditure nearer to the resources available. 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 Senior Officers.
- 8.12 There has been a significant reduction in the forecast deficit throughout recent months which in the main, is as a result of additional funding being provided by Government to support the Council's response to COVID. A total of £24.902m has been received (including £7.641m received in 2019/20 and brought forward as a reserve). A further reduction in the overspending is anticipated as a result of further funding being provided by Central Government and contributions from partners alongside management actions. This should be evidenced in the month 9 report that will be presented to Cabinet later in March 2021.
- 8.13 However, Members should note that any adverse pressure remaining at the end of the financial year will be required to be met from reserves. As detailed in section 13, the Council currently holds sufficient reserves to address any financial shortfall in 2020/21, however, any use of reserves impacts on the financial resilience of the Council.

9 Base Budget Adjustments and Revisions to 2021/22 Budget Estimates

- 9.1 The Council regularly reviews the assumptions and methodologies used to calculate the budget reduction requirement as part of its Medium Term Financial Strategy. This is informed by new or updated funding notifications from Central Government, trends in inflation, other Government policy announcements and changes in issues directly under the influence of the Council. The estimates underpinning the calculation of the budget reduction requirement are based on current (2020/21) performance and service delivery levels adjusted for the financial impact of previously approved budget reductions, policy decisions, expenditure pressures, and additional burdens arising from new legislation or Central Government policy initiatives.
- 9.2 Members will recall that the initial budget reduction requirement for 2021/22 that was included in the Budget Report for 2020/21 and approved by Council on 26 February 2020 was £23.251m. This was partly caused by the reliance on £15.158m of one off measures to balance the 2021/22 budget, however, the estimate was also based on a series of assumptions. The overarching challenge in preparing a MTFS covering the period from 2021/22 onwards was that Central Government had only advised of guaranteed funding allocations on major funding streams until the end of 2020/21. This made it extremely difficult to confidently predict the budget reduction requirement for financial years beyond 2020/21.
- 9.3 It had also been expected that a full Comprehensive Spending Review (CSR) of Government funding would have taken place during 2020/21 and this would have provided the opportunity to improve forecasting over the next CSR period. As advised earlier in the report, the uncertainty caused by the pandemic has delayed the CSR process and Government funding estimates beyond 2021/22 remain subject to revision.
- 9.4 However, during 2020/21 work took place to update and revise the budget reduction requirement based on a review of base budget adjustments, revised cost pressures (adverse and favourable) influenced by local and national factors and Government funding changes. In this regard Members will recall that finance update reports were presented to Cabinet on 24 August 2020 and 30 November 2020 which advised that the budget reduction requirement for 2021/22 had increased to a rounded £30.000m. The precise sum was £29.940m. The changes to the estimates are shown in the table below and explained in the following paragraphs.

Table 8 – 2021/22 Revised Forecasts as at November 2020

	2021/22 Forecasts £000
Budget Reduction Requirement - Forecasts as at 26 Feb 2020	23,251
Unachieved budget reductions	2,089
Loss of Treasury Management Income	6,600
Investment Fund	(500)
Development Fund	(175)
Software Licenses	125
Coroners Service	50
Support for Third Party Provider	500
Revised Budget Reduction Requirement	31,940
Flexible use of Capital Receipts 2021/22	(2,000)
Adjusted Budget Reduction Requirement	29,940

Unachieved Budget Reductions

9.5 The budget for 2021/22 was prepared on the basis that all anticipated budget reductions would be achieved. As advised in the monitoring reports presented to Members during 2020/21, a number of these budget reductions have not been delivered as planned. A key element of this has been the impact of COVID. Nonetheless, in order to provide stability, the 2021/22 budget must be amended to reflect a corrected base position. The individual elements that make up this £2.089m are:

- Service efficiencies of £1.660m from Children's Social Care approved within the 2019/20 budget to reflect the investment that the Council had made in the service to support increased staffing levels but also embed new ways of working;
- Additional savings of £0.013m approved within the 2019/20 budget, the second year element of a budget reduction in the day care services contract;
- An increase of £0.103m in income expected from a second phase of bus enforcement. This was also approved in the 2019/20 budget;
- A budget reduction of £0.150m for 2020/21 in relation to a direct payments review; and
- A part non- achievement of a 2020/21 budget proposal relating to the property savings and accommodation review at £0.163m.

Loss of Treasury Management Income

9.6 The Council has in previous years relied on Treasury Management income from dividends and investments to support its budget. Due to the impact of COVID and low interest rates, this income has substantially reduced. This must therefore be reflected by increasing the budget pressure of the Council by £6.600m.

Investment Fund

9.7 The original budget estimates for 2021/22 included an allocation of funding to account for the on-going revenue resource implications of the Capital programme (entitled Investment Fund). Following a review of the Capital Programme, it was assessed that the funding requirement could be reduced by £0.500m from £4.400m to £3.900m.

Development Fund Allocation

9.8 A funding allocation of £1.000m had been included in the estimates to facilitate the funding of business developments which may be identified subsequent to or during the budget process. Following the identification of £0.175m of pressures, these have been funded as follows:

- The allocation of £0.125m to support the increase in costs of software licences as a result of new ICT initiatives that the Council requires to support day to day business and future transformational activities.
- An anticipated increase in the funding required to support the Coroners Service (£0.050m).

Support for a Third Party Service Provider

- 9.9 During 2020/21 the Council has supported a third party supplier experiencing pressures arising from COVID. It was anticipated that further support of £0.500m may be required in 2021/22 and this has been built into the budget estimates.

Flexible Use of Capital Receipts

- 9.10 In line with the MTFS estimates prepared for 2021/22, it had been assumed that there would be the opportunity to take advantage of using capital receipts to support transformational activity. This assumption of £2.000m was therefore included in the revised mid-year position. This has the impact of reducing the budget reduction requirement.

Further Revisions to Budget Estimates

- 9.11 The receipt of the Provisional LGFS has enabled the budget reduction requirement to be updated with Government funding allocations. The opportunity to revise Council estimates has also been taken and this has moved the budget reduction requirement from £29.940m to £26.951m, prior to the adjustment for the Collection Fund Deficit relating to the awarding of Business Rates Reliefs in 2020/21, which will be explained in Paragraph 9.63.
- 9.12 Taking into account all of the above issues, this section of the report explains the revised budget estimates underpinning the calculation of the updated 2021/22 budget reduction requirement. The starting point for the calculation is the latest approved net revenue budget for 2020/21 of £292.845m. Due to the high level of temporary one-off funding received in 2020/21 it is then necessary to exclude this at a value of £58.712m, in line with the Month 8 monitoring position as shown in Section 8. As shown in the table below, the starting point for the 2021/22 estimates is then £234.133m.

Table 9 – Base Budget Adjustment

	2021/22
	£000
2021/22 Net Revenue Budget at Month 8	292,845
Adjustment for new one off funding in 2020/21	(58,712)
Prior Year Adjusted Net Revenue Budget	234,133

- 9.13 The table below highlights the movements from the budget reduction requirement of £29.940m to £27.908m, with explanations of the key issues in the following paragraphs.

Table 10 – Revised Budget Reduction Requirement

	2021/22 Forecasts at 30/11/20	Change	2021/22 Revised Forecasts
	£000	£000	£000
Expenditure			
Prior Year Net Revenue Budget	234,133	0	234,133
One-Off Funding Adjustments	963	1,642	2,605
2020/21 In Year Expenditure Pressures	9,039	441	9,480
COVID Legacy - Estimated expenditure pressures / income losses in 2021/22	0	7,737	7,737
2021/22 Expenditure Pressures	11,950	(2,777)	9,173
Passported Expenditure	2,019	(176)	1,843
Levies	(234)	0	(234)
Total Expenditure	257,870	6,867	264,737
Funding			
Core Government Funding	53,678	(493)	53,185
Other Government Funding	21,820	13,121	34,941
Retained Business Rates	50,983	(961)	50,022
Council Tax	101,449	(2,607)	98,842
Total Funding	227,930	9,060	236,990
Budget Reduction Requirement	29,940	(2,193)	27,747
General Collection Fund Deficit (excluding the impact of Business Rate Reliefs)	0	161	161
Budget Reduction Requirement	29,940	(2,032)	27,908

One-Off Funding Adjustments

- 9.14 The revised budget for 2021/22 had anticipated an adjustment of £0.963m for the impact items included within the budget on a one-off basis. Most of these were confirmed when the budget was revised in November 2020. However, since then there has been a further amendment to estimates resulting in further adjustments totalling £1.642m as follows:

- It had been assumed that the Council would receive grant funding totalling £0.358m for homelessness services. As advised at 6.35, this unringfenced grant is being replaced by an increased level of funding, which is in future ringfenced. This requires an adjustment to the presentation of the net revenue budget; and
- The flexible use of capital receipts at a value of £2.000m was included in budget projections in November 2020. This must be adjusted in the budget presentation at this stage. However, it is revisited as a means to balance the budget in Section 11.

9.15 Table 11 therefore shows these one-off adjustments which total £2.605m.

Table 11 – One-Off Funding Adjustments

	2021/22 Forecasts at 30/11/20	Change	2021/22 Revised Forecasts
	£000	£000	£000
Adjustment for one off funding in 2020/21 Rough Sleeping Initiative	(37)	0	(37)
Adjustment for one off expenditure in 2020/21 - Creating a Better Place	(750)	0	(750)
Ringfence Flexible Homelessness Support Grant	0	(194)	(194)
Ringfence Homelessness Reduction Grant	0	(164)	(164)
Flexible use of Capital Receipts 2020/21	3,750	0	3,750
Flexible use of Capital Receipts 2021/22	(2,000)	2,000	0
Total other base adjustments	963	1,642	2,605

2020/21 Increased Expenditure / Loss of Income

9.16 A number of increases in expenditure and losses of income have been experienced in 2020/21, highlighted through the budget monitoring process. A total of £9.039m of these pressures had been recognised when the revised budget forecast was reported to Cabinet. The reasons for these planned spending increases and revisions to the estimates are presented in paragraphs 9.17 to 9.20. Whilst management action, where appropriate, is in place to mitigate these pressures and bring expenditure levels closer to the resources available, increases to the 2021/22 budget will be required in a number of service areas as set out below.

Unachieved Budget Reductions

9.17 The budget for 2021/22 was prepared on the basis that all anticipated budget reductions would be achieved. As already explained at paragraph 9.5, it has been assessed that the budget needs to be adjusted by £2.089m to ensure stability for 2021/22.

Educational Services

9.18 A number of services within the Education, Skills and Early Years Directorate have experienced budgetary pressures during 2020/21. Whilst it was recognised that the Educational Psychology Services and the Quality, Effectiveness and Support Team (QEST) have income generation targets, which, given the way in which the services are now being provided are not now considered achievable, there has also been further staffing pressures in year. Again, in order to ensure stability for 2021/22, this has been addressed with the addition of a total of £0.421m added to the service budget.

Early Payment Scheme

9.19 The Council has an income generation target for the early payment scheme. As has been reported in financial monitoring reports, excluding any pressures related to COVID, the target requires revising to more achievable level, resulting in an adjustment of £0.120m to the budget.

Treasury Management

- 9.20 As advised at paragraph 9.6, the Council has in previous years relied on Treasury Management income to support its budget. Due to the impact of COVID, this income has substantially reduced, and the estimate has now been revised to £6.850m. This could not have been foreseen when the original budget estimates were prepared in February 2020 and this must therefore be reflected by increasing the budget pressures.

Summary of 2020/21 Increased Expenditure Items

- 9.21 The changes to the estimates described above are summarised in Table 12 and show the anticipated increase in expenditure of £9.039m has increased by £0.441m to £9.480m.

Table 12 - 2020/21 In Year Increased Expenditure / Loss of Income

	2021/22 Forecasts at 30/11/20	Change	2021/22 Revised Forecasts
	£000	£000	£000
Unachieved budget reductions	2,089	0	2,089
Educational Services	230	191	421
Early Payment Scheme	120	0	120
Loss of Treasury Management Income	6,600	250	6,850
Total 2020/21 In Year Pressures	9,039	441	9,480

COVID Legacy - Estimated expenditure pressures / income losses in 2021/22

- 9.22 The following pressures have been identified as a continuation of increased expenditure or loss of income in relation to COVID. These amounts represent the full use of Government funding allocations as detailed in Section 6 at Paragraphs 6.32 to 6.33.

Income Reductions / Cost Pressures and Home to School Transport

- 9.23 During 2020/21 the pressures related to COVID have been constantly monitored. As is highlighted in the month 8 monitoring report, expenditure pressures in year are currently exceeding the resources available, largely related to COVID. One of the main pressures being experienced in 2021/22 is the loss of treasury management income. This is one area of loss that the Sales, Fees and Charges compensation scheme does not cover. The Council has had therefore to cover this loss itself. As has been explained earlier, this on-going loss has been adjusted for in the estimates and will not therefore impact further on 2021/22.
- 9.24 Working on the Governments assumption that the impact of COVID will reduce during 2021/22 it had been assumed that general pressures of up to £3.000m would be COVID related with £0.741m specifically related to the costs associated with the provision of home to school transport due to demand and the social distancing measures required. These areas of increased expenditure are fully covered by the Government Grant allocation of £7.737m.

Other Expenditure

- 9.25 As had been noted, the Government has allocated £7.737m of COVID specific grant which will fund other pressures. In line therefore with this allocated sum, additional pressures of £3.996m have been assumed to match the allocation. Covid related pressures will be closely monitored in 2021/22.

Summary of COVID Legacy - Estimated expenditure pressures / income losses in 2021/22

- 9.26 The items described above are summarised in Table 13 and show the new anticipated increases in COVID Legacy expenditure of £7.737m fully financed by Government Grant.

Table 13 – COVID Legacy Expenditure

	2021/22 Forecasts at 30/11/20 £000	Change £000	2021/22 Revised Forecasts £000
Covid Legacy - Income reductions / cost pressures	0	3,000	3,000
Covid Legacy - Home to School Transport	0	741	741
Covid Legacy - Other	0	3,996	3,996
Total COVID Legacy - Estimated expenditure pressures / income losses in 2021/22	0	7,737	7,737

2021/22 Expenditure Pressures

- 9.27 The following expenditure pressures have been identified as part of a further review of the 2021/22 budget estimates.

Investment Fund

- 9.28 The first review of the budget reduction requirement for 2021/22 identified that the allocation of funding to account for the on-going revenue resource implications of the Capital programme could be reduced by £0.500m. A second review has taken place which identified a further reduction of £1.650m from £3.900m to £2.250m as a result of re-profiling the Capital Programme.

Pay Inflation

- 9.29 The original estimates assumed that pay awards would average 2.5%. Given the announcement from the Government that it expects public sector pay awards to be limited, the anticipated addition to the budget has been reduced by £1.017m from £1.850m to £0.833m.
- 9.30 Since the Government's initial intentions were made known there has been no further information released and no response from The National Employers for Local Government Services Local Government Employers or from the Trade Unions due to the limitations of such a general announcement without any subsequent detail. The £0.833m remaining in the budget should be sufficient to cover pay awards for those on lower pay points of the NJC scales should it be agreed that there is an uplift in pay for a smaller set of employees as has been the case in the past, or for a general increase of up to 1% should this be agreed with Trade Union. A reserve of £1.000m will be held to mitigate a potential further increase up to a total of 2.5%.

Contractual and Service Inflation

- 9.31 A review of the budget estimates for contractual price and service cost inflation identified a requirement for £1.700m in order to address anticipated pressures in 2021/22. This estimate is unchanged.

Children's Social Care Increased Pressures

- 9.32 In recognition of the financial pressures experienced in 2020/21 and the national trends in Children's Social Care expenditure, additional resources of £1.500m are required to bring further stability to the Children's Social Care budget.

Adult Social Care Demographics

- 9.33 In recognition of the financial pressures experienced by the service in 2020/21, demographic movements and the national trends in Adult Social Care expenditure, additional resources of £1.500m are required to support the Adult Social Care budget.
- 9.34 There are specific reserves that are available to address any overspending in 2021/22 should it be required for either Children's or Adult's Social Care Services.

Development Fund

- 9.35 At the revised estimate stage, £0.175m of the £1.000m Development Fund had been allocated, leaving £0.825m available. This can now be released to support the budget.

Support for a Third Party Provider

- 9.36 The revised estimate assumed that £0.500m of support may be required for a third party provider. Given the worsening COVID position, it is expected that this support will need to increase by a further £0.500m.

DSG Inherited Liabilities

- 9.37 In response to the funding notifications from the Department of Education, a review of the funding available for historic commitments chargeable to the Central Schools Services Block of the DSG has been undertaken. This has identified that a sum of £0.265m can no longer be charged to the DSG. This relates to historic commitments including on-going pension liabilities. These costs will not cease and therefore as they cannot be charged to the DSG, they must be met from the Council's revenue budget.

Software Licences

- 9.38 At the revised estimate stage £0.125m was allocated to support the additional cost of software licences. There has been no change to this position.

Coroners Services

- 9.39 A further review of the requirement for resources to support the Coroners Service has determined that the previously assumed additional £0.050m resource allocation is no longer required.

Summary of 2021/22 Expenditure Pressures

- 9.40 The changes to the estimates described in paragraphs 9.27 to 9.39 are summarised in Table 14 below and show a reduction of £2.777m, from an overall expected pressure of £11.950m to £9.173m.

Table 14 - 2021/22 Expenditure Pressures

	2021/22 Forecasts at 30/11/20 £000	Change £000	2021/22 Revised Forecasts £000
Investment Fund	3,900	(1,650)	2,250
Pay Inflation	1,850	(1,017)	833
Contractual and Service Inflation	1,700	0	1,700
Children's Social Care Growth	1,500	0	1,500
Adult Social Care Pressures Demographics	1,500	0	1,500
Development Fund	825	(825)	0
Support for Leisure Provision	500	500	1,000
DSG Inherent Liabilities	0	265	265
Software Licenses	125	0	125
Coroners Service	50	(50)	0
Total 2021/22 Expenditure Pressures	11,950	(2,777)	9,173

Funding Passported Directly to Services

Adult Social Care Precept (ASCP)

- 9.41 As previously advised, the Government permits Councils to raise additional Council Tax via an Adult Social Care Precept (ASCP). A condition of raising the precept is that the additional funding generated must be ringfenced to finance increases in costs associated with Adult Social Care. The funding is therefore passported directly to the Community Health and Adult Social Care Directorate. A 2.00% increase to the ASCP (to reflect 2021/22) Council Tax Policy) will generate an additional £1.844m. This has reduced by £0.175m from the level anticipated due to the reduction in the Tax base as previously described.

Parish Precepts

- 9.42 At this stage there has been a small reduction of £0.001m to the level of Parish Precepts as a result of the change to the Tax Base. This change has no detrimental impact to the Council. Should there be a change to the precept amount charged, a change to expenditure will be offset by an equal and opposite adjustment in Council Tax generated.

Summary of Funding Passported Directly to the Service

- 9.43 The changes to the estimates as described in paragraphs 9.40 to 9.42 are summarised in Table 15 below and show an overall reduction of £0.176m from an anticipated increase in resources of £2.019m to a net increase of £1.843m.

Table 15 - Funding Passported Directly to the Service

	2021/22 Forecasts at 30/11/20 £000	Change £000	2021/22 Revised Forecasts £000
Passporting of Adult Social Care Precept (ASCP)	2,019	(175)	1,844
Revised Parish Precept	0	(1)	(1)
Total Passported Expenditure	2,019	(176)	1,843

Levies

GMCA – Waste Disposal Levy

- 9.44 It is anticipated that the Council will be formally notified of the GMCA Waste Disposal levy for 2021/22 on 12 February 2021. In accordance with the notification received when the 2020/21 budget was set there is an initial indication that the levy will reduce by a value of £0.236m to £17.212m.

GMCA – Transport Levy

- 9.45 The GMCA will also consider its 2021/22 Transport Levy payable by the Greater Manchester Districts on 12 February 2021. Oldham's Transport Levy is expected to be held at the same base level as in 2020/21, a sum of £16.076m.

Contributions to GM-Wide Activities

- 9.46 The GMCA will also consider its 2021/22 budget on 12 February 2021 and contributions to GM wide activities are expected to be unchanged at a total value of £0.823m.

Environment Agency Local Levy

- 9.47 On 2 February 2021 the Environment Agency will provide Councils with provisional levy amounts for the 2021/22 financial year and then from 8 February 2021 onwards will advise of any amendments made as a result of changes to provisional data.
- 9.48 For planning purposes, it has been assumed that the amount will increase in line with previous years and whilst not of a significant value, £0.002m has been added to the estimates for 2021/22. This was anticipated in the original forecasts and as such does not represent a change to the estimates.

Summary of Levies/Contributions

- 9.49 The changes to the estimates relating to Levies described in paragraphs 9.44 to 9.48 are summarised in Table 16 and show an anticipated reduction of £0.234m.

Table 16 – Impact of Levies

	2021/22 Forecasts at 30/11/20 £000	Change £000	2021/22 Revised Forecasts £000
GMCA - Waste Disposal Levy	(236)	0	(236)
GMCA - Transport Levy	0	0	0
Contributions to GM-Wide Activities	0	0	0
Environment Agency Levy	2	0	2
Total Levies	(234)	0	(234)

- 9.50 The table below presents the overall expected position for GMCA levies and the Environment Agency Levy. It shows an overall reduction of £0.234m in line with the table above.

Table 17 – Levies/Contributions for 2020/21

Levy/Contribution	2020/21 Budget £000	2021/22 Budget £000	Difference £000
GMCA - Waste Disposal Levy	17,448	17,212	(236)
GMCA - Transport Levy	16,076	16,076	0
Contributions to GM-Wide Activities	823	823	0
Environment Agency	108	110	2
Levies/Contributions for 2021/22 and change from anticipated levels	34,445	34,221	(234)

Impact of 2020 Spending Round and Provisional LGFS

- 9.51 The 2020 Spending Round announcement and the Provisional LGFS covered previously in Section 6 of the report have resulted in changes to the Business Rates Top Up grant and Grants in Lieu of Business Rates. These are set out in the table below.

Table 18 – Core Government Funding

	2021/22 Forecasts at 30/11/20 £000	Change £000	2021/22 Revised Forecasts £000
Funding			
Business Rates Top Up	41,541	207	41,748
Grants in Lieu of Business Rates	12,137	(700)	11,437
Total Funding	53,678	(493)	53,185

Other Unringfenced Government Grants

- 9.52 Section 6 of the report details Government announcements included within the Provisional LGFS relating to the continuation of specific funding streams associated with grants including the Improved Better Care Fund, Social Care Support Grant, Local Council Tax Support Grant and Housing and Council Tax Benefit Administration Grants. This funding now totals £34.941m, an increase of £13.121m compared to the original February 2020 estimates as detailed at paragraph 6.39.
- 9.53 These funding adjustments are summarised in Table 19 below.

Table 19 – Other Unringfenced Government Grants

	2021/22 Forecasts at 30/11/20 £000	Change £000	2021/22 Revised Forecasts £000
Total Other Unringfenced Government Grants	21,820	13,121	34,941

Locally Generated Income

Retained Business Rates

- 9.54 It was initially anticipated that Retained Business Rates income for 2021/22 would be £50.983m. This estimate has been revised down to £50.022m but is still subject to change. The Council must submit to the MHCLG a locally determined and approved Business Rates forecast through the National Non-Domestic Rates (NNDR 1) return by 31 January 2021. AS previously advised, any change to the estimates arising from the NNDR1 can be approved under delegated authority by the Deputy Leader and Cabinet Member for Finance and Green in consultation with the Director of Finance. The work to finalise the NNDR is still underway.

Table 20 – Retained Business Rates

	2021/22 Forecasts at 30/11/20 £000	Change £000	2021/22 Revised Forecasts £000
Retained Business Rates	50,983	(961)	50,022
Total Funding	50,983	(961)	50,022

Council Tax

- 9.55 Section 7 of the report details the Council's policy in regard to Council Tax and the Adult Social Care Precept.

Council Tax for General Purposes

- 9.56 The approved tax base has decreased by 463 from 57,663 to 57,200. This had not been anticipated when original estimates for 2021/22 were prepared. Indeed, an increase of at least 500 had been anticipated. In addition, the original planning assumption, in line with the previous Council Tax policy, was for a 1.99% general increase to Council Tax and the revised policy of a 0.99% general increase also lowers the anticipated Council Tax income. The net effect of the reduced tax base combined with the anticipated general increase to Council Tax is a reduction of £2.431m from £90.460m to £88.029m.

Adult Social Care Precept

- 9.57 Council Tax policy is to increase the Adult Social Care Precept by 2%. This precept has to be highlighted separately on the face of the Council Tax bill. This increase will generate an additional £1.914m Council Tax income for 2020/21. This is a reduction on the anticipated sum of £1.946m due to the impact of the reduction in the tax base. This sum will be passported in full to support Adult Social Care.
- 9.58 In addition, the decrease to the tax base for 2020/21 also impacts on previous years ASCP figures and reduces the sum anticipated by £0.143m. Rather than £8.752m a slightly lower sum of £8.609m will be generated. This sum will however be passported to Adult Social Care services.

Parish Precepts

- 9.59 The Parish Precept expenditure referenced at paragraph 9.42 reflects a slightly reduced position from 2020/21 resulting in income of £0.290m.

Summary of Council Tax Income

- 9.60 Full Council Tax levels and calculations are presented in Section 15 of this report and show, due to the reduction in the Taxbase, an overall reduction in anticipated Council Tax income of £101.449m to £98.842m.

Table 21 – Council Tax Income

	2021/22 Forecasts at 30/11/20	Change	2021/22 Revised Forecasts
	£000	£000	£000
Council Tax Income	90,460	(2,431)	88,029
Adult Social Care Precept 2021/22	1,946	(32)	1,914
Adult Social Care Precept 2016/17 to 2020/21	8,752	(143)	8,609
Parish Precepts	291	(1)	290
Total Locally Generated Income	101,449	(2,607)	98,842

Collection Fund Deficit

- 9.61 The Government has recently passed legislation that requires Councils to spread the deficit of the Collection Fund over three years. This will be applied to both Council Tax and non-domestic rates and will be incorporated into the regulatory process of estimating the collection fund deficits in January 2021. This will mean that 2020/21 Collection Fund deficit will still be recovered but allowing the longer time frame, reduces the impact on the 2021/22 budget setting process.
- 9.62 As advised in the month 8 monitoring report due to the impact of COVID, there is a significant 2020/21 Collection Fund deficit. However, after applying this new legislative approach to normal Collection Fund activity, a deficit of £0.161m will require to be recovered from the General Fund in 2021/22 with a further £2.092m in both 2022/23 and 2023/24.
- 9.63 In addition, due to the way in which Government awarded Business Rate relief to the retail, leisure, hospitality and nursery businesses after the 2020/21 budget had been set, it has agreed to reimburse the Council for the element of the Collection Fund deficit that this will cause. It is estimated that this will be £25.463m (the final figures will only be confirmed at the end of the financial year). The Government has been reimbursing the Council for this sum during 2020/21 and therefore there are resources available to fully offset this deficit. This funding will be carried forward in to 2021/22 as a reserve.

Table 22 – Collection Fund Deficit

	£000
General Collection Fund Deficit (excluding the impact of Business Rate Reliefs)	(161)
Collection Fund Deficit – impact of Business Rates Reliefs	(25,463)
Collection Fund Deficit to be addressed in 2021/22	(25,624)

Revised Budget Reduction Requirement after Adjustments to Estimates

- 9.64 The result of these revisions to estimates is that the comparative budget reduction requirement has reduced from £29.940m to £27.908m (excluding the technical adjustment for the Collection Fund deficit caused by Business Rate reliefs) as illustrated at a summary level in the table below and explained in the commentary from paragraph 9.14 to 9.63.

Table 23 – Revised Budget Reduction Requirement

	2021/22 Forecasts at 30/11/20 £000	Change £000	2021/22 Revised Forecasts £000
Total Expenditure	257,870	6,867	264,737
Total Funding	227,930	9,060	236,990
Budget Reduction Requirement	29,940	(2,193)	27,747
General Collection Fund Deficit (excluding the impact of Business Rate Reliefs)	0	161	161
Budget Reduction Requirement	29,940	(2,032)	27,908
Collection Fund Deficit – impact of Business Rates Reliefs	0	25,463	25,463
Adjusted Budget Reduction Requirement	29,940	23,431	53,371

- 9.65 The detailed MTFS estimates for 2021/22 summarised in the table above are shown in full at **Appendix 4**.

10 Budget Reduction Proposals

- 10.1 The approach used by the Administration for balancing the 2021/22 revenue budget has followed on from the successful processes adopted in previous years. Using the well-established Member review process, there has been a review of the financial pressures facing the Council alongside available funding and resources, with a number of revenue budget reduction proposals considered to help bridge the budget reduction requirement.
- 10.2 The revenue budget has been reviewed by Portfolio area with proposals put forward for consideration. The Portfolio areas are as follows:
- Community Services and Adult Social Care
 - People and Place
 - Children's Services
 - Communities and Reform
 - Commissioning
 - Chief Executive
 - Capital, Treasury and Corporate Accounting
- 10.3 Member support for Portfolio specific proposals has been demonstrated by each budget reduction proforma (BR1) bearing the signatures of the relevant Cabinet member.
- 10.4 A total of 43 budget reduction proposals at a cumulative value of £8.920m for 2021/22 with an FTE impact of 97.28 are now recommended for approval. These are presented in summary at **Appendix 5** and in detail at **Appendix 6**. The individual proposed budget reductions and associated values are shown in the table below (excluding REF-BR1-432 at a value of £0.127m which is a one-off use of reserves and is presented in a later table). Net recurrent budget reductions total £8.793m
- 10.5 Assuming approval of the budget reduction proposals, the budget reduction requirement for 2021/22 reduces from £53.371m to £44.578m.

Table 24 – Summary of Proposed Budget Reductions

	2021/22 £000	2021/22 £000
Revised Budget Reduction Requirement after Adjustments to Estimates		53,371
Community Services & Adult Social Care	(2,729)	
Communities & Reform – excluding £0.127m use of reserves	(499)	
Children's Services	(911)	
Chief Executive	(134)	
People and Place	(3,225)	
Commissioning	(490)	
Cross Cutting	(805)	
Total Budget Reduction Proposals		(8,793)
Revised Budget Reduction Requirement after Budget Reduction Proposals		44,578

11 Other Financing Means – Flexible Use of Capital Receipts

- 11.1 As part of the 2016/17 LGFS, the Secretary of State for Housing, Communities and Local Government provided Local Authorities with the opportunity to use capital receipts to finance the revenue costs of transformation activity. This flexibility was then extended to 2021/22 as part of the 2018/19 LGFS. The Council intends to use up to £2.000m of capital receipts to fund elements of Oldham's transformational agenda in line with the directive guidance and therefore in 2021/22 the first £2.000m of unfettered receipts will be used to support the revenue budget via the financing of transformational projects.
- 11.2 Use of £2.000m of capital receipts was anticipated in the medium term financial strategy, with the expectation that it could be increased. This lower sum (for 2020/21 £3.750m was initially budgeted) is in recognition of the challenge in generating capital receipts as advised in the 2020/21 month 8 financial monitoring report. This could however be revised in year should the generation of capital receipts increase above anticipated levels.
- 11.3 The flexible use of capital receipts is designed to offset the revenue cost of transformational projects which are expected to deliver future ongoing revenue savings for either the Council or other public sector delivery partners.
- 11.4 In order to take advantage of the change of use to capital receipts, the Council must act in accordance with the statutory guidance issued by the Secretary of State. This guidance requires the Council to prepare, publish and maintain a Flexible Use of Capital Receipts Strategy. The Council's Flexible Use of Capital Receipts Strategy is included in the Capital Strategy presented elsewhere on the agenda.
- 11.5 Once the Flexible Use of Capital Receipts is factored into the revenue budget, the remaining budget reduction requirement reduces to £42.578m as presented in the table below.

Table 25 – Other Financing Means

	2021/22 £000
Revised Budget Reduction Requirement after Budget Reduction Proposals	44,578
Flexible use of Capital Receipts 2020/21	(2,000)
Revised Budget Reduction Requirement	42,578

12 Use of Reserves

- 12.1 Unusually for 2021/22 there is a technical adjustment required to the budget as a result of the Collection Fund deficit caused by the Government introducing Business Rate reliefs for retail, leisure, hospitality and nursery businesses after the 2020/21 budget had been set. The estimated sum (the final figures will only be confirmed at the end of the financial year) is £25.463m. Government is paying the Council grant compensation for the loss of Business Rates income through 2020/21 and this will be carried forward as a reserve. The use of this reserve will then offset part of the Collection Fund deficit.
- 12.2 As already advised a specific reserve of £0.127m representing budget reduction REF-BR1-432 will be used to support the 2021/22 budget.
- 12.3 A key part of the Medium Term Financial Strategy and the budget setting process for 2021/22 is the creation of £29.000m of Earmarked Reserves to support the budget over 2021/22 and 2022/23. The Balancing Budget reserve has been revised to accommodate this. It is therefore, proposed to balance the revenue budget for 2021/22 by utilising corporate reserves at a value of £16.988m. This is comprised of £15.988m of reserves carried forward from 2019/20 and an additional £1.000m created in 2020/21 as a result of the Local Tax Income Guarantee as set out in paragraph 6.31. The balance of the £29.000m, a sum of £12.012m will be used support the 2022/23 revenue budget.
- 12.4 Included within the Reserves Policy 2019/20 to 2020/21 was the requirement for a full review of all reserves to be completed. During 2020/21, the Finance Service in conjunction with budget managers, reviewed each reserve to ensure that resources could be made available to support the future financial resilience of the Council. As explained above £29.000m of Earmarked Reserves are required to support the 2021/22 and 2022/23 budgets and as a result of this requirement, a significant number of specific reserves set aside to fund corporate initiatives and to manage risk have been decommissioned.

Table 26 – Use of Reserves

	2021/22 £000	2021/22 £000
Revised Budget Reduction Requirement		42,578
Use of Balancing Budget Reserve		
Collection Fund Deficit – Business Rates compensation	25,463	
Budget Reduction REF-BR1-432	127	
Specific Reserve - Local Tax Income Guarantee	1,000	
General Use of reserves	15,988	
Total Use of Reserves		42,578
Revised Budget Reduction Requirement after Use of Reserves		0

- 12.5 It is acknowledged that the 2021/22 revenue budget is underpinned by the deployment of reserves and that this is not sustainable in the medium term. However, the Council is committed to delivering its Transformation Programme to support the revenue budget in future years. This is set out in more detail in Section 17; the Medium Term Strategy.

Ability to Address COVID Related Pressures

- 12.6 An important consideration in preparing the 2021/22 budget is the impact of COVID and the ability of the Council to withstand any additional financial pressures. The Government (via the MHCLG) has provided £7.737m of grant funding to support the impact of COVID. The availability of this resource together with the compensation available from the Sales, Fees and Charges scheme (if required) for which no assessment has been made, give some assurance that the pressures of COVID can be addressed. The Government has advised that it will provide further funding if necessary.
- 12.7 However, it is important to note that in addition to the grant funding received from the MHCLG, the Council has also received extensive support to cover a number of initiatives, principally to support hospital discharges into adult social care services but also for a range of costs including personal protective equipment for care providers. This has been financed the Department of Health via Oldham CCG in line with Government policy. There will be the continuation of such costs beyond 1 April 2021, but the ongoing provision of NHS funding is less clear. The most recent surge in COVID cases would suggest that funding will continue but this has not been confirmed.
- 12.8 In addition, the Council has received significant COVID specific ringfenced grants in 2020/21. It is anticipated that any of this resource that is not spent by the end of 2020/21 can be carried forward (although none has been included in the year end reserve projections). It is also anticipated that there may be further allocations of specific resources beyond the end of 2020/21, depending on the course of the pandemic. The main pressure caused by COVID for which no Government compensation is provided is the loss of treasury management income. This has been built into the budget estimates and therefore is fully covered and will present no further financial pressure.
- 12.9 The reserves and balances outlined in the next section are also a key element in the Councils ability to manage unforeseen pressures. Reserves are being held to provide support should there be any overspending in both Children's Services and Adult Social Care. Reserves are also available to support the transformation programme which will underpin the Councils budget strategy and should pay awards be agreed above the available sum built into the budget. Balances have been risk assessed to provide support in case budget reductions are not delivered to timeline.
- 12.10 Reserves and balances would be used should there be any significant unplanned costs, including those arising from the withdrawal of NHS resources for adult social care, that cannot be contained within the extra COVID related resources provided by Government.

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- 12.11 Given the financial position and uncertainties that will prevail in 2021/22, it is important that the measures introduced in 2020/21 to more effectively manage expenditure are continued (or adapted as appropriate) in 2021/22. Members will recall that these measures were agreed initially in the Financial Update – Budget 2020/21 and 2021/22 report to Cabinet on 24 August 2020 and confirmed in a further report of the same name, approved at Cabinet on 30 November. These measures are:
- A continuous review of the capital schemes within the capital programme to ensure that the schemes are focussed on maximising the benefit to the Borough whilst minimising the revenue impact;
 - Maintaining expenditure controls to stop the commissioning of goods and services not deemed essential to the operation of the Council at a time of emergency – both revenue and capital items;
 - Maintaining tight recruitment controls and reviewing the use of agency/temporary staff;
 - Reviewing all revenue budgets to assess if there is an excess resource that can be reallocated to offset the financial challenge presented by COVID;
 - More rigorously enforcing budget holder accountability, especially on all overspending budgets via task and finish meetings with officers and the Cabinet Members with responsibility for the relevant budgets;
 - Stopping the introduction of new initiatives unless they are essential (such as a response to a Government initiative) which will enable resources (staffing and financial) to be focussed on existing priorities;
 - Maintaining the stringent controls on the use of any reserves in order to minimise the call down of reserves and undertaking a continuous review of reserves to decommission those deemed to no longer be a priority so they are available to underpin the financial position of the Council.
- 12.12 Whilst the financial challenge remains significant, there are resources available to address to address such challenges in 2021/22 and plans to deliver transformational change that will deliver financial stability. However, the in-year position will be kept under close review with the financial monitoring reports presented to Cabinet being an early indicator that management action is required and allowing the formal agreement of measures to contain expenditure.
- 12.13 The MTFS section of the report sets out in more detail the strategy to achieve financial sustainability over the period 2022/23 and 2023/24.

13 Reserves and Balances

- 13.1 The forecast year-end Earmarked Reserves position presented below reflects the estimated closing balance for 2020/21 and hence the total reserves available for the financial year 2021/22. However, this is before the proposed use of reserves of £42.578m as highlighted at Table 26.

Table 27 – Reserves Position

Earmarked Reserves	2020/21 Opening Balance £000	2020/21 Estimated Closing Balance £000
Adverse Weather Reserve	(1,000)	(1,000)
Balancing Budget Reserve - 2020/21	(10,008)	-
Balancing Budget Reserve - 2021/22	-	(42,578)
Balancing Budget Reserve - 2022/23	-	(12,012)
Council Initiatives Reserve	(3,531)	(1,904)
Demand Changes Reserve	(2,000)	-
Directorate Reserves	(1,860)	(1,339)
District Executive Reserves	(629)	(502)
Emergency and External Events Reserve	(2,251)	-
Fiscal Mitigation Reserve	(26,977)	(3,455)
Insurance Reserve	(12,165)	(8,073)
Integrated Working Reserve	(3,986)	(3,297)
Levy Reserve	(403)	(250)
Life Cycle Costs Reserve	(1,580)	(1,080)
Regeneration Reserve	(4,661)	(3,715)
Taxation/Treasury Reserve	(500)	-
Transformation Reserve	(7,809)	(5,710)
Total	(79,360)	(84,915)

- 13.2 Although the estimated level of reserves at the end of 2020/21 is £84.915m, this is artificially high due to the technical requirement to carry forward as a reserve, the £25.463m of Government grant compensation to support the loss on the Collection Fund due to the granting of Business Rates reliefs after the budget was set. The use of this reserve, alongside the use of £17.115m of general reserves to underpin the 2021/22 budget (a total of £42.578m), will therefore utilise in full the 2021/22 Balancing Budget Reserve on 1 April 2021.
- 13.3 In addition, a number of these reserves are committed to finance expenditure planned for future financial years meaning they are not available for alternative uses. However, the final 2020/21 position will not be determined until the year-end accounts have been prepared. It is possible that many of the COVID specific grants received by the Council may not be spent in year and carried forward to support 2021/22. This would therefore increase the reserves, but as yet it not possible to make a reasonable estimate of such reserves. The availability of these COVID specific reserves is a key strand in the Councils response to managing its COVID related expenditure in 2021/22.

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- 13.4 As detailed at paragraph 8.11, there is a potential requirement to use reserves to support the 2020/21 budget if additional funding and/or management actions do not reduce the forecast adverse variance. At this stage this is considered unlikely.
- 13.5 Having regard to all relevant information, it is recommended that the level of General Fund balances required to support the 2021/22 budget increases from £15.110m to £15.641m. Under Section 25 of the Local Government Act 2003, the Chief Finance Officer is required to prepare a statement on the adequacy of proposed financial reserves and the robustness of the budget estimates. The statement is included in a report elsewhere on the agenda. Members are reminded, therefore, that any budget proposals have been subject to a risk assessment undertaken by the Director of Finance.

14 Fees and Charges

- 14.1 Attached at **Appendix 7** is the proposed fees and charges schedule for the 2021/22 financial year. It is proposed that an element of the charges have been uplifted following discussions with the Heads of Service and Cabinet Members, however a number are proposed to remain at the same level as the 2020/21 financial year. The proposed value and percentage increase for 2021/22 where applicable for each charge is included within the Appendix.
- 14.2 For the majority the requirement to publish the fees and charges schedule arises from paragraph 12.1 of the Finance Procedure Rules *“The Revenue Budget report presented to the relevant Overview and Scrutiny Committee for scrutiny prior to the start of each financial year will include proposals for fees and charges, including any amendments, for the forthcoming financial year. This will be prepared by the Director of Finance in consultation with Heads of Service / Directors. After comments from the Overview and Scrutiny Committee, the final approval of fees and charges will align with the budget process with a report to Cabinet with a recommendation to Council. Any amendments in year should be reported to Cabinet for approval”*.
- 14.3 In determining the proposals, consideration has been given to whether:
- it is appropriate to increase fees and charges in the context of the pandemic;
 - charges need to increase to keep pace with service specific cost pressures and inflation in order to avoid creating a future budget pressure;
 - proposals support the long-term sustainability and viability of services which rely on a significant proportion of fee income to cover service costs;
 - increased charges are necessary to mitigate overspends or alternatively support the delivery of budget reduction proposals;
 - the market can bear any additional increase;
 - fee increases could be counter-productive as they have the potential to reduce demand.
- 14.4 For the majority of charges, Directors and Heads of Services have proposed no increase. This is mainly due to the impact of the pandemic on users of key services together with a weakening of demand. Where demand for services has fallen, it is not yet clear when or whether this will recover to pre-pandemic levels.
- 14.5 Proposals have, however, been put forward to increase some charges to deal with service specific cost pressures and inflation. This is also deemed necessary to support the long-term sustainability and viability of specific services. The rejection of proposals to increase charges may lead to additional budget pressures and an increase in the budget reduction requirement.
- 14.6 Below is a brief summary of the proposals for each service
- a) Registrars (Births, Deaths and Marriage Duties)
- It is proposed that charges remain unchanged at 2020/21 levels.
- b) Libraries, Leisure and Culture
- It is proposed that charges for Library Services, Oldham Theatre Workshop, Local Studies and Archives and Oldham Gallery remain unchanged at 2020/21 levels. A small increase in Music Centre charges is proposed of around 1%.

c) Outdoor Education

Charges for the Castleshaw centre and the provision of instructors are proposed to increase by an average of 1.5%. Charges for the School Swimming Service are proposed to increase by 3.8%. It is proposed that charges for study support remain unchanged at 2020/21 levels.

d) Lifelong Learning

Many lifelong learning tuition fees remain free to users of the service. Where charges are levied, it is proposed these are increased by an average of 3%.

e) Adult Social Care

It is proposed that housing and care charges covering helpline services remain unchanged. An average 2% increase is proposed for services associated with the protection of property. Court of Protection fees remain unchanged at present, but these will be determined in line with Statutory provisions.

f) Corporate Landlord/Facilities Management

Due to a significant weakening of demand resulting from the pandemic, no increase is proposed in room hire or facilities charges at sites including Chadderton and Failsworth Town Halls, the Queen Elizabeth Hall, the Link Centre and the Honeywell Centre.

g) Parking

Again, due to the impact of the pandemic and weak demand, no increase is proposed for parking charges.

h) School Meals

From 1 April 2021, it is proposed that school meal charges are increased by 15p per meal. A child's meal will cost £2.55 and an adult meal will cost £2.75 (excluding VAT). Also proposed is a further increase of 5p in child and adult meals with effect from 1 September 2021.

i) Parks, Open Spaces and Outdoor Facilities

A small increase of around 1% is proposed for the hire of changing accommodation, pitches and open spaces.

j) Cemeteries and Crematorium

New charges are proposed for funerals which arrive later than the agreed appointment time. New charges are also proposed for direct cremations (no memorial service) and the live streaming of the chapel service. Charges for most services are proposed to increase by between 2% and 3%. Larger increases are proposed for services where charges were frozen in 2020/21.

k) Highways

It is proposed that charges for skip, scaffolding and hoarding licences are increased by an average of 2.5%. Other charges associated with Highways and Traffic are proposed to increase by a similar amount although a small number of charges are proposed to increase by 3% or more.

l) Planning

Planning fees remain unchanged at present, but Members should note that many of these charges are determined in line with Statutory provisions.

m) Public Protection

It is proposed that charges associated with Food Safety, Environmental Health, Health and Safety, Neighbourhood Enforcement, Public and Animal Health, Trading Standards, Taxi Licencing and Other Licencing remain unchanged compared to 2020/21. A range of increases are proposed for Pest Control services; most of which are between 1% and 4%. Many Pest Control charges have not changed since 2019/20 or earlier in a small number of cases.

n) Security

It is proposed that charges for Patrolling and Guarding Services, CCTV and First Response Services are increased by around 3% in most cases. It is also proposed that charges for static security guarding are rationalised to one charge of £20.10 per hour. Similarly, charges for the hire of Radio Communications Equipment will be fixed at £18. Charges for some CCTV, monitoring, keyholding and concierge services are proposed to remain unchanged at 2020/21 levels.

o) Waste and Fleet Management

To remain competitive, it is proposed that fleet MOT charges remain unchanged. Trade Waste charges for refuse collection are proposed to increase by between 2.5% and 3% whilst recycling charges are proposed to increase by between 1.5% and 2.5%. In terms of domestic waste, many services remain free to residents. Where charges are levied, increases are typically between 1% and 3% with many charges increasing by only a few pence.

- 14.7 Excluding school meals, the fees and charges relating to educational establishments and schools e.g. lifelong learning, outdoor education, music, and swimming have been reviewed in line with the academic year and any resulting changes will commence from September 2021. The charges for these areas included within the Appendix relate to charges from September 2021 onwards.
- 14.8 As in previous years, there are a number of exclusions to the schedule. The following services set their charges based on current legislation and market conditions – planning, markets, hoardings rental, leased out buildings, lifelong learning accreditation fees, adult care charges and Oldham Leisure services.
- 14.9 Given the uncertainty caused by COVID, at this stage where services have proposed to increase fees and charges, due to volatility, any increases generated will mostly be used to offset inflationary pressures within the relevant service. In addition, the demand for services financed from fees and charges is unknown and could vary. As advised earlier in the report, the Government compensation for lost sales, fees and charges income (is set to continue for at least the first 3 months of 2021/22). This is helpful in the context of considering fees and charges income levels for 2021/22.

15 Council Tax and Adult Social Care Precept Levels

- 15.1 Section 7 sets out the current planning assumptions in relation to Council Tax and the Adult Social Care Precept.
- 15.2 It is proposed that a 0.99% general increase to Council Tax is applied for 2021/22 together with a 2% increase in the Adult Social Care Precept. This represents an overall increase of 2.99% in Council Tax for Oldham Council services.
- 15.3 Oldham Council Band D Council Tax for 2021/22 is therefore recommended to be £1,722.94 of which £183.97 relates to the Adult Social Care Precept.

Impact of Decisions of Precepting Authorities

- 15.4 Whilst the spending decisions of precepting Authorities do not affect the level of resources available to the Council, they do affect the amount of Council Tax that is charged to Oldham citizens. The major preceptor is the GMCA which precept for two components as follows:

Mayoral Police and Crime Commissioner Precept

- 15.5 The Mayoral Police and Crime Commissioner precept will be considered by the Police and Crime Panel by the end of January 2021. It is expected that the precept will be formally determined at the GMCA meeting on 12 February 2021. As the Mayor's approach has not been determined, for reporting purposes, the precept is shown as remaining static at a value of £208.30.

Mayoral General Precept (including Fire Services)

- 15.6 The Mayor will also propose the Mayoral General Precept on 12 February 2021 (this will incorporate funding for Fire and Rescue Services as well as other Mayoral functions). Again, the Mayor's intention has yet to be determined so at this stage the only position that has been assumed is a static level at a value of £90.95.

Parish Precepts

- 15.7 Saddleworth and Shaw & Crompton Parish Councils are due to agree their budgets and precepts in January 2021. At present no change is assumed in the level of precept.
- 15.8 The Parish Precept income will however decrease as a result of a reduction in respective tax bases. This change is currently estimated to be at a value of £0.001m.

Draw on Collection Fund

Council Tax

- 15.9 Subject to confirmation from all precepting bodies, taking account of the approved Council Tax Base of 57,200 for 2021/22 and the Council Tax and Adult Social Care Precept proposals set out in Section 7 of the report, the sums anticipated to be drawn from the Collection Fund for Council Tax in 2021/22 are:

Table 28 – Draw on Collection Fund

Precepting Body	2020/21 £000
Oldham Council including Social Care Precept	98,552
Mayoral Police and Crime Commissioner Precept	11,915
Mayoral General Precept (including Fire Services)	5,202
Saddleworth Parish Council	198
Shaw & Crompton Parish Council	92
TOTAL	115,959
Less: contribution from Parish Taxpayers	(290)
TOTAL Draw on Collection Fund for Major Preceptors	115,669

- 15.10 The 2021/22 Band D Council Tax is shown in the table below at anticipated levels for Oldham Council services, Mayoral Precepts and Parish Precepts. These will clearly change as the budget setting processes of each organisation develop.

Table 29 - Anticipated Band D Council Tax

Council Tax Raising Body	2020/21 £	2021/22 £	Change %
Oldham Council (subject to confirmation)	1,672.92	1,722.94	2.99%
Mayoral Police and Crime Commissioner Precept (subject to confirmation)	208.30	208.30	0.00%
Mayoral General Precept (including Fire Services) (subject to confirmation)	90.95	90.95	0.00%
TOTAL BAND D COUNCIL TAX	1,972.17	2,022.19	
Saddleworth Parish Council (subject to confirmation)	22.76	22.76	0.00%
Shaw & Crompton Parish Council (subject to confirmation)	16.86	16.86	0.00%

16 Overall 2021/22 Revenue Budget Strategy

16.1 The key elements of the 2021/22 revenue budget strategy are:

- The revised budget reduction requirement of £53.371m for 2021/22;
- The budget reduction proposals set out in Section 10 of the report;
- The use of other funding opportunities to balance the 2021/22 budget, namely, the flexible use of capital receipts and specific and general corporate reserves;
- The approach to reserves and balances set out in Section 13 of the report; and
- Proposed Council Tax and Adult Social Care Precept levels set out in Section 15 of the report.

16.2 Having regard to the issues outlined at paragraph 16.1, the overall budget strategy for 2021/22 can be summarised as follows:

Table 30 – Overall Budget Strategy

Budget Strategy	2021/22	
	£000	£000
Directorate budget requirements	262,737	
Collection Fund Deficit – impact of Business Rates Reliefs	25,463	
Budget Reductions excluding use of reserves	(8,793)	
Budget for 2021/22 before use of reserves		279,407
<u>Less Government Funding</u>		
Business Rates Top Up	(41,748)	
Grants in Lieu of Business Rates	(11,437)	
Improved Better Care Fund Grant	(10,858)	
2021/22 Social Care Support Grant	(8,947)	
Lower Tier Services Support Grant	(407)	
Local Council Tax Support Grant	(3,183)	
Covid Grant	(7,737)	
New Homes Bonus Grant	(171)	
Independent Living Fund (ILF) Grant	(2,500)	
Housing Benefit Administration Grant	(778)	
Council Tax Administration Grant	(360)	
		191,281
<u>Less</u>		
Retained Business Rates	(50,022)	
Collection Fund Deficit	161	
Parish Precepts	(290)	
		141,130
<u>Add Precepts</u>		
Mayoral Police and Crime Commissioner Precept	11,915	
Mayoral General Precept (including Fire Services)	5,202	
Total Council Tax including Levies (A)		158,247
Current Council Tax, adjusted for Tax Base (B)		115,669
Difference (A-B)		42,578
This additional expenditure is being funded by resources from appropriations from earmarked reserves		

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- 16.3 If the proposals in this report are approved, the revised revenue budget position for 2021/22 would be as set out in detail at **Appendix 8** and the summary for 2021/22 to 2023/24 is set out at **Appendix 9**. This presents a balanced position for 2021/22, a budget reduction requirement of £32.815m for 2022/23 and £21.564m for 2023/24 before any use of reserves and indicative budget proposals.

17 Budget Strategy and Medium Term Financial Planning for Future Years

- 17.1 The Council has never faced such financial uncertainty. Whilst the Council was already planning to address a £23.251m budget reduction requirement for 2021/22 with significant savings also projected for the years to 2024/25, COVID has exacerbated the position and heightened the challenge. The Council's priority is therefore to stabilise the financial position and ensure its financial resilience over the medium term.
- 17.2 In view of the above and the single year funding notification provided in the Provisional Local Government Finance Settlement, the MTFS which usually covers a five year timeframe has been reduced to three years, covering the period 2021/22 to 2023/24. As this is a time of constant challenge and change, forecasting and developing financial plans must be focussed. Looking too far into the future would not be an effective exercise at this time. However, the Council will revert to a five year timeline for future financial planning rounds.
- 17.3 Estimates upon which the MTFS is based are prepared based on the best information currently available but remain under continuous review. The local, regional and national policy landscape continues to develop and change. In addition, existing financial challenges are subject to revision as new issues emerge. Each new issue or change has an impact, sometimes on a one-off basis, but more commonly, a multi-year effect. As soon as the 2021/22 revenue budget has been finalised, the cycle of reviewing the budget reduction requirement for 2022/23 and future years will begin again.
- 17.4 Having been subject to almost a decade of severe funding reductions, increased demand pressures and inflationary pressures, the Council has successfully managed to balance its budget whilst simultaneously protecting service provision as far as possible. However, in order to achieve this, since 2017/18, there has been an increase in the use of one off measures, including the use of reserves.
- 17.5 As this section of the report highlights, there are significant budget reduction targets for both 2022/22 and 2023/24 but addressing the challenge for 2021/22 to 2023/24 must be considered as a three year plan. As the next financial planning cycle progresses, a key task will be to ensure that the suggested level of saving remains deliverable and that there are sufficient robust budget reduction proposals being prepared to contribute to addressing the target.
- 17.6 A consequence of responding to the COVID-19 pandemic has been the inability of the Council to take forward its planned programme of transformational change in line with plan. This was a key strand of the MTFS approved for the period 2020/21 to 2024/25. Nonetheless, work has taken place in developing a revised programme which will be the focus of the financial strategy. However, given the extent of the financial challenge, as outlined in the earlier part of this report, a balancing budget reserve of £29.000m has been created to support the phasing of the delivery of:
- Savings arising from the budget proposals put forward which have an impact in 2022/23 and 2023/24
 - The next phases of the agenda for transformational change

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- 17.7 However, the budget reduction requirement for 2022/23 in part reflects the use of reserves and flexible use of capital receipts that have been used to balance the 2021/22 revenue budget. Similarly, the target for 2023/24 is high due to the reserves planned to support the 2022/23 budget. It is important to note that the Balancing Budget reserve will have been used by 2023/24, unless there is an opportunity to top it up with additional funds, so it is essential that robust and deliverable budget proposals are available.

Policy Landscape Surrounding the Development of Medium-Term Financial Plans

National Context

- 17.8 The overriding influence on budget setting for 2021/22 is COVID-19. This has overtaken all other issues both nationally and locally. Now that vaccines are beginning to be rolled out, it must be assumed that at some time during 2021/22 the impact of COVID will begin to reduce and the recovery will begin. The MTFS has been prepared on this basis. Indeed, the Government has assumed this in allocating grant support for 2021/22. However, the impact will remain with expert opinion suggesting some restrictions will be necessary during the winter of 2022/23. It is anticipated that Government will provide additional support should it prove necessary.
- 17.9 Prior to COVID, the Government had indicated that it was prepared to reverse some of the impacts of the years of austerity and begin to provide further investment in public services including Local Government. The long awaited review of Adult Social Care provision was expected and there was an increasing recognition of the vital role played by the Local Government sector. The Government was pressing ahead with Brexit and was committed to securing a trade deal with the EU by December 2020 (finally agreed on 24 December 2020 and signed on 29 December 2020) ruling out any extension to the post-Brexit transition period. There was, however, no clarity on how Brexit might impact on the nation's public finances nor how it might impact on the Council's medium-term financial position.
- 17.10 The Chancellor was expected to deliver a Budget giving clarity over future investment. A multi-year Comprehensive Spending Review was expected, the Review of Relative Needs and Resources (Fair Funding Review) which sought to redistribute unringfenced grant on a new formula basis, was also to be introduced from 2021/22 together with significant reform of the Business Rates system. These were all delayed by COVID. It is evident that the significant investment that the Government has had to make is responding to the COVID crisis will have an impact on funding available for public services in future years. Delivering the 2020 Spending Review, the Chancellor said his immediate priority was to protect people's lives and livelihoods as the country continued to battle the outbreak.
- 17.11 The overarching challenge in preparing the MTFS is that due to COVID, the multi-year Comprehensive Spending Review planned for 2020, which was to aid a medium term planning process was cancelled. Instead, in November 2020 the Spending Review provided funding allocations for one year only with no indication of future funding.
- 17.12 This was then translated into the Provisional LGFS which advised that many of major general fund grant funding streams have to a large extent, simply rolled forward from 2020/21 and these are assumed to roll forward into 2022/23 and 2023/24. Estimates have therefore been prepared based on assumptions as set out in paragraph 17.26 below. The COVID related funding allocations included within the Provisional LGFS are also single year allocations although it is hard to assess if and how the COVID legacy will impact in years beyond 2021/22. It is assumed that Government funding will follow, if necessary, to address evident and on-going COVID related financial pressures.

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- 17.13 It is also assumed that Department of Health funding support that the Council has been able to access via Oldham CCG for costs of hospital discharges into Adult Social Care will be continued in relation to legacy expenditure.
- 17.14 Adding to the uncertainty created by the absence of any Spending Review estimates for 2022/23 and beyond, the timelines for the major reforms to the Local Government Finance system are unclear:
- As advised previously, the Review of Local Authorities Relative Needs and Resources has been delayed and the Government has not specified when it will conclude. This could lead to a significant redistribution of resources between Local Authorities as it is aimed at removing some of the perceived inequalities in the allocation of national Government funding;
 - The Spending Review announced that Government is undertaking a fundamental review of the business rates system and is currently considering responses to the call for evidence. A final report setting out the full conclusions of the review will be published in spring 2021. Linked to this:
 - In order to provide further stability to the sector, the Government has decided not to proceed with a reset of business rates baselines in 2021/22. When this is eventually initiated it will have the impact of potentially redistributing existing gains and losses associated with the current system
 - The planned move to 75% Business Rates Retention system has been delayed and consequently the existing 100% business rates pilot schemes will continue for a further year. It is therefore anticipated that the Greater Manchester 100% Business Rates retention pilot scheme will cease at the end of 2021/22;
 - Business rates revaluations will be implemented in April 2023 rather than April 2021. This will affect the amount of business rates paid by the occupiers of commercial premises. To better reflect the impact of COVID-19, it will be based on property values as of 1 April 2021. Revaluation will, in future, take place every three years. It is unclear how the Government will address any significant reduction in a Councils ability to generate income locally arising from this revaluation.
- 17.15 In addition, the Spending Review announced that in the longer term, the Government is committed to a sustainable improvement of the adult social care system and will bring forward proposals in 2021/22. This is likely to have financial implications.
- 17.16 The potentially significant redistribution in general Government grant resulting from the issues outlined above, whatever the level of resources made available on a national basis, adds to the challenge of developing and providing medium-term financial forecasts. Therefore, whilst this section of the report presents forecast budget reduction requirements for the period 2022/22 to 2023/24. Members must consider these forecasts as indicative only.

Regional Context

- 17.17 As previously outlined in Section 3 of this report, Greater Manchester continues to take forward an ambitious devolution agenda across a range of services and policy areas including health and social care integration, transport, strategic planning, housing, work and skills and the justice system. The ambition of the region is reflected in the Greater Manchester Strategy and a series of supporting strategies.

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- 17.18 However, as a result of the impacts of COVID, GMCA has published a one year ‘Living with COVID Plan’ but is also preparing for the building back better phase of responding to COVID. The plan therefore begins to outline how Greater Manchester will respond to the disproportionate impact COVID has had on people’s lives and businesses, how to recover and build resilience and the level and type of support vulnerable communities will still need.
- 17.19 It recognises that the Greater Manchester Strategy remains the key policy document that will shape the future of Greater Manchester. The Living with COVID plan also has a key role to play in driving system change and provides a bridge between the unique situation being faced over the next 12 months, the existing Greater Manchester Strategy and the refresh of that document now planned for next year.
- 17.20 The extent to which this agenda will be supported by Central Government both in policy and in funding terms remains unclear. The recently published National Infrastructure Strategy has outlined major investment and the Levelling Up Fund will prioritise bids to drive growth and regeneration in places in need, those facing particular challenges, and areas that have received less Government investment in recent years. Whilst this is capital investment, Oldham Council, the other Councils in GM and the GMCA will seek to maximise funding and work together on key projects. Nonetheless, the Council’s own organisational plans and strategies are heavily influenced by the devolution agenda particularly within the realm of the service and policy areas.
- 17.21 The GMCA also faces challenges in its medium-term financial planning in the current environment, as it too is affected by the absence of any Central Government funding estimates beyond 2021/22. However, the GMCA and the 10 District Councils will continue to collaborate to ensure these challenges are handled consistently across the city-region. The GMCA is responsible for waste and transport levy charges which impact on the Council’s budget and the impact of Mayoral budget spending decisions (with regard to the Mayoral precepts) also impact on Council Tax charges for Oldham citizens.

Local Context

- 17.22 The Councils Corporate Plan expired in December 2020. Work to refresh Oldham’s Corporate Plan was due to be completed by summer 2020, however, the impact of the COVID pandemic meant that this was no longer possible. Instead, the Council is in the process of developing a COVID-19 Recovery Strategy which will act as an interim Corporate Plan until at least 2022. This will reflect the ambitions for the Borough including place based working, further integration with the health and wider public sector, the opportunities provided by devolution but being mindful of the constraints placed by the resources available and the significant budget reduction requirement over the period to 2023/24.

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- 17.23 Whilst the Council believes the funding/resource position may ease in future years in the post COVID medium-term, there remains a significant financial challenge which must be addressed by driving forward transformational change and taking a longer term approach to budgetary planning. After having addressed the immediate requirement of balancing the 2021/22 budget as outlined earlier in this report, a strong framework has been put into place to take forward the transformational change needed to ensure financial stability whilst at the same time:
- Continuing to manage the response to COVID;
 - Delivering essential services to Oldhamers; and
 - Laying the foundations for an effective recovery in the post COVID period.
- 17.24 The programme of transformation which, whilst interrupted during 2020 due to the pandemic, is now gathering pace and has:
- identified and agreed the change initiatives required to ensure the Council and its partners can deliver the strategic ambitions they have for the borough and its residents as set out in a refreshed Corporate Plan;
 - programme management systems in place to drive the implementation of those changes to a successful conclusion.
- 17.25 The programme of transformation is supported by a range of existing medium-term strategies which are designed to make a positive contribution to the Council's financial standing as well as supporting the ambitions for the Borough including those in the COVID-19 Recovery Strategy.
- 17.26 Specific themes underpinning the transformation programme together with indicative savings estimates are presented later in this section of the report.

Forecast Budget Estimates and Budget Reduction Requirements

Underlying Budget Assumptions

- 17.27 Notwithstanding the uncertainty presented by the national policy context, the Council has prepared high level budget estimates for the period 2022/23 to 2023/24. The key forecasting assumptions underpinning the estimates are as follows:
- Pay Awards – 2.5% per annum for both years, however this will be kept under review given the Government's announcement in relation to pay award restrictions for 2021/22;
 - Price Inflation – Allocations are based on forecasts for general price inflation together with sector specific estimates relating to major contracts covering, for example PFI contracts and utilities;
 - Pension Contributions – Local Government employer contribution rates are assumed to remain at 20.6%. Proposed savings from advance contributions for the latest Triennial period will cease after 2022/23;
 - Waste Disposal and Transport Levies – Forecasts are aligned with the latest estimates provided by the GMCA;
 - Investment Fund – Estimates for future capital financing costs are aligned with the latest Capital Programme and Capital Strategy and are based on the current market and economic outlook set out in the Council's Treasury Management Strategy;
 - Development Fund – General budgetary provision is included for future policy decisions, demand, spending pressures and new initiatives;
 - Public Health Grant – Reinstated after the cessation of the GM 100% Business Rates retention pilot scheme;

- Health and Social Care Grants – All improved Better Care Fund and Social Care Support grants are expected to continue at 2021/22 levels (cash standstill);
- Council Tax & Housing Benefit Administration Grants - These grants are expected to continue throughout the forecast period at 2020/21 levels (cash standstill);
- New Homes Bonus – This grant will cease after 2021/22 in line with comments made by the Secretary of State as part of the Provisional LGFS;
- COVID legacy – Government funding will be announced for 2022/23 and future years to address on-going and evident pressures at a level sufficient to minimise the impact on the Council including NHS resources to support Adult Social Care hospital discharge legacy costs;
- Business Rates – Retained revenues and associated Government grant top ups and compensation payments are assumed to be cash flat recognising the current challenges and that there may be some changes to the Business Rates regime over the period of the MTFS.
- Council Tax for General Purposes – Referendum limits are expected to remain at 2% and Council Tax increases to be 1.99%
- Adults Social Care Precept – using the flexibility allowed for 2021/22, a 1% increase is assumed for 2022/23 plus a further 1% (a total of 2%). The Government has not announced any future policy intention beyond 2021/22. However, the additional 1% has been assumed for 2022/23 together with a further 2% for 2023/24. Any ASCP increase will be passported through to Community Health and Adult Social Care Services;
- Overall Local Council Tax – the assumption is an overall 3.99% increase for 2022/23 and for 2023/24 (but of course will be subject to an annual review).

17.28 Other assumptions relating to expected levels of expenditure within the Council's MTFS are as follows:

- All budget reductions are delivered at the full amount and per timeline;
- Budget reductions presented as part of the Council's transformation programme and approved by Council as part of the budget setting process each year will be integrated into the base budget and owned by the appropriate budget manager;
- Portfolios will not overspend against their approved budget allocations;
- Budget pressures other than those that are approved to be funded corporately are expected to be met from within the Portfolio's approved allocations;
- General Balances and reserves will be managed on a risk-based approach as outlined in Statement of the Chief Financial Officer on Reserves, Robustness of the Estimates and Affordability and Prudence of Capital Investments (the Balancing Budget reserve includes £29.000m created to support the budget process for 2021/22 and 2022/23);
- The Housing Revenue Account continues to be self-sustaining and any surplus or deficit is financed via the Housing Revenue Account Reserve;
- The recovery plan for Dedicated Schools Grant (DSG) activities is assumed to be delivered in full. Any reduction in DSG funding for Council provided school support activities will be incorporated within MTFS estimates

17.29 It is important to note that there are sensitivities in relation to each of these assumptions, and therefore detailed MTFS workings will consider probable, best and worst case scenarios. The MTFS estimates presented in this report show the probable scenario.

Risks and Uncertainties

- 17.30 As outlined above, there are a vast range of risks and uncertainties influencing the MTFS. Much relies on the impact of COVID fading during 2021/22 and the MHCLG and the Department of Health (via Oldham CCG) continuing to provide financial support for COVID related costs. The Council will need to be flexible in its response to a potentially rapidly changing policy and financial environment.
- 17.31 There may be a more significant on-going COVID legacy. This has not been factored specifically into future years estimates and may therefore create pressures that need to be included in forecasts.
- 17.32 A potential risk is the inability to deliver the transformational change to the timeline and values required. The delivery of the change is a key assumption in the financial strategy. The position will require constant review, however, the programme management arrangements that have been established will provide an early warning if challenges are encountered.
- 17.33 Whilst the medium-term financial estimates reflect a series of assumptions relating to inflation levels, pay awards, interest rates, service demand, levy increases, Government funding, locally generated funding and the profile of capital programme investment, there is scope for significant variation due to the challenge of preparing forecasts for all of these variables in what remains a turbulent and uncertain global political and economic environment.
- 17.34 At the local level, the medium-term financial estimates also assume that beyond 2021/22 there will be a return to a growth in the Council Tax Tax Base. This is expected to result from an upturn in the economy as employment opportunities increase, fewer people will be eligible for Council Tax Reduction and more new homes will come on stream. This is supported by the recent development and roll out of COVID-19 vaccines. It is also assumed that there will be no material deterioration in collection rates for local tax revenues. These assumptions rely on the successful delivery of the Council's housing strategy as well as being able to maintain or improve collection rates for Council Tax and Business Rates.
- 17.35 Business Rates continue to present specific forecasting challenges due to general volatility surrounding Business Rates income, the impact of COVID and the ability of certain sectors to bounce back, the impact of appeals and changes in Government policy around Business Rates reliefs. This is compounded by the planned reset of the system, the expected move to 75% Business Rates Retention and the revaluation process.
- 17.36 The medium-term financial position of the Council will also be affected by future decisions regarding Council Tax increases and increases in fees and charges for Council services.
- 17.37 In view of the significant risks and uncertainties surrounding the medium-term financial estimates, the assumptions and calculations underpinning these forecasts will be regularly reviewed and updated.

Forecast Budget Reduction Requirements (2022/23 and 2023/24)

- 17.38 Summarised in Table 31 is the forecast budget reduction requirement for the period 2022/23 to 2023/24, including 2021/22 to show the three year perspective. This is based on the assumptions detailed above and high-level estimates presented at **Appendix 9**. The figures assume all 2021/22 budget reduction proposals presented as part of this report will be approved and implemented in full.
- 17.39 The information presented below, assumes all currently planned savings are delivered and a planned use of reserves for 2022/23. It therefore highlights the target budget savings to be addressed by further transformation or cross cutting initiatives – a total of £14.123m for 2022/23 and £16.808m in 2023/24 (£30.391m in total). It is important to note that by the 2023/24 budget, it is assumed sufficient savings will have been made to remove the reliance on reserves underpinning the budget.

Table 31 – Forecast Budget Reduction Requirement

Budget Pressures/ Balancing Measures	2021/22 £000	2022/23 £000	2023/24 £000
Budget Reduction Requirement	53,371	13,070	9,552
Add back one off measures		19,115	12,012
Net Gap / Budget Reduction Requirement	53,371	32,185	21,564
Recurrent Savings	(8,793)	(6,050)	(4,756)
Use of Reserves			
- Collection Fund Deficit	(25,463)		
- Specific Reserve	(127)		
- General Reserves £29.000m	(16,988)	(12,012)	
- Flexible use of Capital Receipt	(2,000)		
Target Budget Reductions Required from Transformation / Other Changes	0	14,123	16,808

- 17.40 The following paragraphs present the means by which savings will be delivered, championed by the Transformation Programme.

Transformation Programme

- 17.41 As previously stated, the Council has a programme of transformational activity which is being further developed to make a substantial contribution towards addressing the forecast budget reduction requirements for 2021/22 onwards.
- 17.42 The programme comprises four main workstreams and each of these is led by a member of the Executive Management Team (EMT) with the Chief Executive taking overall responsibility for the initiative (the Health and Care workstream is jointly led by two EMT members):
- Place Based Integration/Communities
 - Children's Services
 - Health and Care
 - Economy

A description of each of the main workstreams and associated activities expected to contribute to addressing future budget reduction requirements is set out below.

- 17.43 A number of the 2021/22 budget reduction proposals have on-going implications across 2022/23 and 2023/24. These proposals are expected to make a significant contribution to closing the budget gap. These are set out in the table below, aligned to workstreams.

Table 32 – Indicative Current Transformation Programme Savings

Indicative Transformation Programme Savings 2021/22 to 2023/24	2021/22 £000	2022/23 £000	2023/24 £000	Totals £000
Place Based Integration/Communities	236	100	0	336
Children's Services	614	814	672	2,100
Health and Care	1,938	1,570	400	3,908
Economy	2,465	3,566	3,684	9,715
Total	5,253	6,050	4,756	16,059

- 17.44 The significant financial challenge the Council is facing means that there will need to be an acceleration of the existing programme of transformation to deliver a sustainable balanced budget with a reduced reliance on one off measures. This transformation agenda will continue to focus on several key areas of the operating model.
- 17.45 Mindful that in some instances there is a requirement to support change with some pump-priming resources, the reserves strategy includes a Transformation Reserve for which the current balance is £5.700m and this will be used from 2021/22 onwards to support the implementation of the initiatives outlined in the following paragraphs.

Programme 1 - Place Based Integration / Communities

- 17.46 The purpose of this programme is to transform the way in public services engage with and support communities. The place-based model will underpin a new approach to engaging with people, working around a strengths-based approach and mobilising community resources with a focus on early intervention and prevention. New delivery models will be based on a single response to need, with services across the public and VCFSE sector working in a much more joined up way, sharing information and addressing common challenges, being closer to communities and working through the five districts of Oldham, with services configured and aligned to those localities. By organising services this way, it

will reflect the needs of local areas and manage demand through more preventative approaches. This will include working through solutions to sustain Oldham's award winning approach to social prescribing using the innovation partnership. A key aim is to reduce the cost of service delivery through a reduction in buildings and assets and more effective deployment of a joint workforce (the realisation of efficiencies through the use of buildings and assets is included in the Economy programme)

- 17.47 Place based integration is not new to Oldham and is not a standalone programme unrelated to the way in which mainstream services are delivered. Rather it is the way that mainstream services will be delivered across public services and in partnership with residents. COVID has helped the acceleration of working as a unified public service by bringing services closer together with a new sense of shared purpose but also exacerbated the financial challenges and forced thinking about how meaningful and targeted services can still be delivered with less resources. In addition to the approaches to working with NHS partners, opportunities will continue to be taken forward for closer working with police, housing providers, VCFSE organisations and others in improving operational efficiency and effectiveness whilst also strengthening local engagement and enabling communities to contribute more significantly to improving outcomes.
- 17.48 This approach underpins the activities of the other workstreams, so it is essential not to double count the financial benefits. The first stage has been the development of proposals to align districts into 5 areas for which a saving of £0.136m has been proposed for 2021/22 (this is in addition to savings included in the overarching voluntary redundancy budget reduction proposal). Having established the new teams and working arrangements, this lays the foundation for future place based initiatives. Only one on-going saving of £0.100m can be aligned to this workstream as set out in the table below. However, an additional indicative target of £0.500m over 2022/23 to 2023/24 has been assigned to this workstream as presented below, bringing the total expected to £0.700m over the period 2021/22 to 2023/24. A business case is in development to outline more specific options for the way in which more integrated services can be delivered through a district based model.

Table 33 – Place Based Integration / Communities

Reference	Proposed Budget Reduction	2021/22 £000	2022/23 £000	2023/24 £000	Totals £000
REF-BR1-416	Districts Realignment	136	0	0	0
REF-BR1-415	Mahdlo Funding Reduction	100	100	0	200
	Additional Anticipated Programme Saving		200	300	500
	Total	236	300	300	700

Programme 2 - Children's Services

- 17.49 From 13-15 October 2020 Ofsted conducted a focused visit in Oldham based on how England's social care system has delivered child-centred practice and care within the context of the restrictions placed on society during the COVID pandemic. The majority of findings are overwhelmingly positive, and no immediate priority actions were identified. Inspectors recognised that a sharp focus has been maintained on improvement priorities during period from April to October 2020 and that this has increased the pace of improvement and had a positive impact on workforce culture. It is from this encouraging position that plans for the transformation of services can be delivered. It is evident that in 2020/21 and previous years, despite investment in Children's Services, that expenditure has exceeded budget. However, having stabilised the position with the injection of some additional resources for 2021/22, there is the opportunity to transform services and deliver savings.
- 17.50 There is an identified need for social care strength in the early help provision at the front door. Work will be directed at preventative service provision to reduce demand, building on the work that is already in train and for which savings have already been proposed. Revised service delivery models will be based on and complement the place based approach described within the Communities programme.
- 17.51 Services that are commissioned from external providers will be reviewed. As contracts come up for renewal, especially where there are several contracts with different providers for similar services, opportunities will be taken to amalgamate service provision into boarder contracts with more targeted performance measurements. Also, where appropriate, a joint commissioning approach will be taken with partners to drive efficiencies and improve service outcomes. Experiences of the delivery of services during the COVID pandemic have begun to demonstrate that there are different, effective and more flexible delivery models which reflect the needs and views of children and young people.
- 17.52 Work will continue with schools and other partners to drive efficiency in Education Service provision, again around a place based model. Work is already in train to around Special Educational Needs and Disability provision and this will be developed across the whole of Education Services, also supporting the DSG recovery plan as well as the revenue budget.
- 17.53 As advised above, key to reducing costs will be an emphasis on demand management, comparing and contrasting expenditure in Oldham to other similar organisations and using this to explore opportunities for effective change. Recognising that this is one of the largest areas of expenditure for the Council, budget proposals of £2.100m have already been presented for 2021/22 to 2023/24, however a further target of £6.025m has been assigned to this workstream as shown in the table below, bringing the total to £8.125m over the period 2021/22 to 2023/24.

Table 34 – Children's Services

Reference	Proposed Budget Reduction	2021/22 £000	2022/23 £000	2023/24 £000	Totals £000
CHS-BR1-441	SEND Education Provision	114	114	372	600
CHS-BR1-443	External Placements Cost Avoidance	500	500	0	1,000
CHS-BR1-445	Early Help Remodelling	0	200	300	500
	Additional Anticipated Programme Saving		3,100	2,925	6,025
	Total	614	3,914	3,597	8,125

Programme 3 - Health and Social Care Integration

- 17.54 The NHS Long Term Plan sets out a vision for integrated care but around the needs of local people in order to:
- Enable decisions to be taken closer to the communities they affect;
 - Enable collaboration between health, care, public health and the voluntary sector as it is more effective than competition in addressing health inequality, improving outcomes and reducing waste from overlapping service; and
 - Enhance collaboration between acute providers across larger geographic footprints in order to be more effective in sustaining high quality care taking inequality in access to services and improving productivity.
- 17.55 The Long Term Plan also places a greater focus on prevention and as this is a key aspect of the Oldham strategy the local and national approaches are aligned. The emphasis is on reducing demand and the costs of care in the medium to long term. Aligning resources across and between organisations will facilitate longer term benefits, economies and a whole system approach.
- 17.56 In addition, a recent publication, Integrating Care – Next Steps to Building Strong and Effective Integrated Care Systems across England, has signalled an internal reorganisation by the NHS that will result in Integrated Care Systems (ICS) operating from no later April 2022. This clearly impacts the GM health and social care devolution agenda but also specifically the operational arrangements in Oldham.
- 17.57 However, good progress continues to be made with regard to Health and Social Care integration. Oldham is therefore well placed to adapt to the changes and development linked to the national and regional change. Oldham Council and Oldham CCG are working under a joint leadership structure and together with other health partners continue to operate as Oldham Cares. There are ambitious plans for the improvement of the delivery of health and social care which aim to ensure the future financial sustainability of the local health and social care economy. Work is taking place to consider whole system sustainability across the footprint of the Oldham Borough and deliver cross sectoral savings and efficiencies.
- 17.58 Linked to the health and social care devolution agenda is the opportunity to develop closer working arrangements with other partners including other GM Authorities and the GMCA. The Council is building on the existing collaborative working arrangements by:
- Sharing and co-locating more services (Oldham CCG is now based at Oldham Civic Centre) as a means to deliver future financial and operational efficiencies building on the five cluster teams already in place across the borough;
 - Moving to an outcomes based commissioning model and integrating Council and CCG commissioning functions;
- 17.59 Locally, the model of integrated delivery will complement health and social care integration in neighbourhoods and the place based approach as described above,
- 17.60 Leading up to the period 2022/23, and linked to the ICS development programme consideration will be given to incorporating most of the Community Health and Adult Social Care Service, Children's Social Care, Public Health and CCG Primary and Secondary Care commissioning in addition to Better Care Fund activities, within the Section 75 pooled funding agreement between Oldham Council and Oldham CCG.

- 17.61 There are clearly significant implications for the financial planning and financial management arrangements of the Council as the budgets of the Council and the CCG are more closely aligned. Traditional budget preparation and monitoring arrangements will be replaced with revised processes although organisational statutory requirements will be delivered. Detailed work is required to ensure that any financial risk to the Council is minimised and that new working arrangements continue to demonstrate value for money. This will be progressed over the forthcoming months and any implications will be factored into revisions to the MTFS.
- 17.62 It is inevitable that change of the magnitude envisaged will take time to be developed. Savings so far included within the remit of this programme workstream total £3.908m and are all attributable the Community Health and Adult Social Care Service. As this is one of the major spending services in the Council, it is appropriate that it makes a significant contribution to the financial sustainability of the Council. However, potential savings are expected from demand management initiatives and over the period 2022/23 to 2023/24 a target of £8.225m has been assigned as shown in the table below, bringing the total to £12.133m over the period 2021/22 to 2023/24.

Table 35 – Health and Social Care Integration

Reference	Proposed Budget Reduction	2021/22 £000	2022/23 £000	2023/24 £000	Totals £000
CSA-BR1-423	Maximising independence through alternative models of care	1,500	1,000	0	2,500
CSA-BR1-424	CHASC Workforce Reduction	100	50	0	150
CSA-BR1-430	Achieving Better Outcomes: Supported Living and Learning Disabilities	288	500	0	788
CSA-BR1-435	Residential Enablement Redesign	0	0	400	400
CSA-BR1-429	Keyring	50	20	0	70
	Additional Anticipated Programme Saving		4,000	4,225	8,225
	Total	1,938	5,570	4,625	12,133

Programme 4 - Economy

- 17.63 The economic context of the borough is a key determinant of quality of life for Oldham residents and businesses. Public sector organisations in Oldham are ‘anchor institutions’ and are the largest employers in the Borough as well as having significant influence in shaping residents’ lives. This theme is divided into two main areas as described below:
- a) Creating a Better Place - Projects and Assets*
- 17.64 The financial challenge facing the public sector has been exacerbated by the reductions in revenue arising from the economic and social conditions in the Borough. By focussing on the development of robust economic initiatives a vibrant local economy can be rebuilt together with a high-quality environment that is attractive to residents and visitors.
- 17.65 Corporate land and property assets are essential to the delivery of the Council’s priorities. As part of the refreshed ‘Creating a Better Place’ initiative approved by Cabinet on 24 August 2020, the previously approved Medium-Term Property Strategy (MTPS) has been reviewed to meet the scale of the change required. At a strategic level, the review has

confirmed that the Council's property portfolio can be a catalyst for building new homes, creating job opportunities, re-skilling residents through new apprenticeship opportunities, and re-engaging communities and partners through property / estate co-location and collaboration.

- 17.66 Developing the existing programme of work on the use of property and assets, the Council will maximise the benefit from the corporate estate by developing property disposal and procurement routes that will ensure the Council is able to shape and maintain a property portfolio that will support service delivery and contribute a sustainable income stream.
- 17.67 In addition, the Council will rationalise its office accommodation, where possible, following the place based principles and co-locate staff with partners to maximise efficiencies and realise the potential of 'One Public Estate' for Oldham and Greater Manchester.
- 17.68 The regeneration of Oldham town centre remains a Council priority. The recent acquisition of the Spindles and Town Square Shopping Centres is a key part of the Creating a Better Place initiative unlocking land and development opportunities. There are also ambitious plans for the regeneration of the borough as a whole with investment in Royton and projects in train at Hollinwood and Foxdenton.
- 17.69 Significant capital investment is needed to deliver the town centre vision, new homes and the vision for the rest of the borough. These resources are reflected in the Capital Strategy and Capital Programme for 2020/22 to 2025/26.
- 17.70 This investment will bring future benefits to Oldham through additional economic and housing growth, which may provide increased revenue from, for example, Council Tax.
- 17.71 In addition to the budget reduction of £1.541m proposed for 2021/22, further budget reductions are expected – net of required offsetting costs. The anticipated budget reduction for 2022/23 is £2.991m with £3.684m expected in 2023/24. This is expected to be the first phase of the benefits of this transformational change.

b) Digital

- 17.72 The digital infrastructure underpins a modern and forward looking Borough and reflect the expectations of residents and businesses to transact with public sector organisations using the latest technology, to increase choice and improve satisfaction while moving high volume transactions on to more cost-effective alternatives.
- 17.73 The opportunity to utilise the advantages provided by new technology and digital is one of the key enablers for much of the Council's change agenda. The transformation of service delivery across the Council and the integrated working arising from health and social care devolution will be supported by a range of enabling activity including technology and digital change amongst others. The Council's current IT strategy (2017 – 2022) is determining the direction of travel and is supported by £7.571m of Capital Programme investment. This Strategy and the accompanying investment has served us well thus far and has already provided the platform for a more flexible approach to working through the delivery of technology that improves mobility (laptops, smart phones, MS Office 365, Teams and improved network access). The IT Strategy is being refreshed and this, along with the new Digital Strategy sets out the principles and approach to be adopted in order to enable new and more efficient ways of working and sets out the building blocks to deliver across a range of themes.
- 17.74 A key strand of this investment is the Digital Oldham Ambition which is to inclusively deliver a connected Oldham for everyone across place, communities, services, teams and leadership.

- 17.75 The Digital Services strand of the Digital Strategy is key to enabling cost reduction. The intent is to support all Service areas to review how they deliver services currently and assist the Services to re-design their service provision in order to determine how digital and technology change may extract benefits by delivering efficient, simple and easy access.
- 17.76 Work has started to focus on Customer delivery to change our approach to engagement with residents and businesses. This will align with the place based model, it is proposed to redesign the service including customer support services, to provide an improved customer experience and journey with local support available where needed so there will no longer be a need to travel to a central point for service. A digital maturity assessment was undertaken in 2020, using a model that assesses an organisation against five key themes, including: governance and leadership; people and culture; capacity and capability; innovation and change and technology. The Council aims to double its level of digital maturity over a 2-year period. A digital delivery plan is being developed to outline how this ambitious change process will be realised through an iterative and outcomes-orientated approach to change.
- 17.77 The savings associated with providing digital access, self-service, automation and more efficient ways of working are expected to be delivered via cost reduction in service budgets. Digital will help enable Services to redesign delivery and consequent cost reduction will need to be captured by Service areas. Care will need to be taken to ensure no double accounting takes place. Savings so far included within the remit of this workstream total £1.499m, however, further savings, which are currently under development are expected to deliver savings from 2022/23.

Economy Budget Reduction Target

- 17.78 Collectively the Economy workstream is expected to deliver £9.715m over the period 2021/22 to 2023/24 with a further £5.475m savings target being assigned to it as shown in the table below bringing the total to £15.190m.

Table 36 - Economy

Reference	Proposed Budget Reduction	2021/22 £000	2022/23 £000	2023/24 £000	Totals £000
PPL-BR1-401	Creating a Better Place - Projects & Assets	1,541	2,991	3,684	8,216
PPL-BR1-403	Digital Mail	24	100	0	124
PPL-BR1-421	Transformation of the Contact Centre	120	45	0	165
PPL-BR1-439	Internal Efficiency Initiatives (Unity Partnership)	780	430	0	1,210
	Additional Anticipated Programme Saving		2,000	3,475	5,475
	Total	2,465	5,566	7,159	15,190

Transformation Programme – Enabling Activities

- 17.79 Each programme of work requires a specific focus from specialist functions that enable the delivery of business change. These typically include but are not limited to Human Resources and Organisational Design, Information and Communications Technology, Business Intelligence, Legal and Finance services. Through effective planning of these enabling activities the requirements of the totality of the programme will be managed to identify matters of timing, sequencing and capacity. It is evident that many of the planned

workstreams and the themes within them are interlinked. However, the overall programme management of the workstreams will create a more coherent approach to the extensive change activities, provide focus on the most important projects and enable more effective management of the interdependencies.

Budget Reductions – Cross Cutting Initiatives

- 17.80 The opportunities for budget reductions are not confined to the four programmes or enabling activities. There are a wide range of other areas of the Councils operations that will be explored to identify other opportunities for savings and efficiencies.

Organisational Design

- 17.81 The developments set out above, coupled with the enhancement of revised working arrangements between the Council and its strategic delivery partners will have implications for the structure of the Council and the operating model the Council adopts to deliver services in the future. As well as being prompted by policy and service developments, continuing the transformation of the Council's operating model will be necessary to support the delivery of future savings requirements and a sustainable balanced budget position.

Workforce Development

- 17.82 A further enabler to transformation is the drive to support new ways of working to ensure that all employees can deliver services more effectively. Alongside better use of assets and digital technology, this will open additional opportunities for transforming services to help ensure the Council can operate within available resources for the medium to long term. The new ways of working that have been required as a result of COVID-19 have dramatically demonstrated how flexible workstyles and an agile model of working can be effective. Again, linked to the place based model, this will be further explored to ensure that the Council can bring the people, processes, connectivity and technology, time and place together to find the most appropriate and effective way of working to carry out a particular task.
- 17.83 Responding the programme of change, the Council will also consider if voluntary redundancy options can be utilised if necessary, to support the change programmes.

Income Generation

- 17.84 The Council has an approved income strategy and will endeavour to pursue key objectives within this strategy. As such the Council will ensure:
- Fees and charges are reviewed annually, and an assessment will be undertaken to determine the extent to which costs are recovered through charging arrangements;
 - Traded Services will be reviewed to ensure they are delivering services efficiently and effectively, minimising any adverse impact on the Councils budget;
 - Wholly owned companies, the Unity Partnership and MioCare, will explore opportunities for generating income from clients other than the Council to reduce the contribution the Council provides towards operating these companies.
- 17.85 Although not specifically income generation, the Council will continue its efforts to maximise grant income and bid for external resources for both revenue and capital priority projects to reduce the requirement for specific Council funding.

17.86 Underpinning all transformation workstreams will be:

- An approach to service delivery where the Council (and its partners) will be making new strategic choices based on the characteristics of Oldham, its people and communities within the borough, thus constantly striving for new opportunities for collaboration and new ways of working between organisations (especially support functions) that share a common footprint;
- A review of the provision of discretionary services and also the level at which statutory services are delivered;
- Traditional approaches to reviewing budgets and the identification of service specific budget reductions and efficiencies including the use of benchmarking analysis and reviewing practices at other Local Authorities.

17.87 At this stage there is still further work to assign specific budget reduction targets to other areas of activity, indeed the overarching target could change as is based on estimates, however as shown in the table below, it is expected that £10.706m of savings will be identified from cross cutting initiatives including income generation and service specific budget reductions and efficiencies. As initiatives are progressed, more definitive estimates will become available.

Table 37 – Cross Cutting Initiatives

Proposed Budget Reduction	2021/22 £000	2022/23 £000	2023/24 £000	Totals £000
Additional Anticipated Programme Saving from Cross Cutting Initiatives	0	4,823	5,883	10,706
Total	0	4,823	5,883	10,706

Indicative Savings to be derived from Transformation Programme and Cross Cutting Initiatives

17.88 In addition to the savings of £16.059m already planned from the transformational workstreams, the following table summarises the indicative savings of £20.225m that may be achievable from the successful delivery of the additional activities in these service areas. Detailed delivery plans are being developed. These will be evaluated, and risk assessed prior to their presentation to Members as budget reduction proposals. Proposals will then be considered by Members for approval before being deployed to offset future budget reduction requirements.

Table 38 – Transformation Programme and Cross Cutting Initiatives Summary

Workstream	2021/22 £000	2022/23 £000	2023/24 £000	Totals £000
Place Based Integration/Communities	0	200	300	500
Children's Services	0	3,100	2,925	6,025
Health and Care	0	4,000	4,225	8,225
Economy	0	2,000	3,475	5,475
Total Transformation Programme		9,300	10,925	20,225
Cross Cutting Initiatives	0	4,823	5,883	10,706
Total Budget Reduction Requirement		14,123	16,808	30,931

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- 17.89 Clearly this planned activity does not full address the budget reduction requirement. Therefore, further phases of the transformation programme together with other budget processes will clearly have to be employed to address the £11.080m remaining forecast budget reduction requirement (should that sum remain unchanged). In this regard Cross Cutting Initiatives illustrated will be undertaken to support the transformation programmes. During the course of 2021/22, as the next phases of the transformation programme develop and begin to deliver change, the contributions of each of these workstreams will be reported and further targets determined.

On-going Budget Review

- 17.90 Given the importance of delivering budget reductions and embedding the programme of transformational change, during 2021/22, there will be a regular review of the progress of existing change programmes against the delivery milestones and financial targets. It will also ensure that there is continuous emphasis on the delivery of change and the achievement of the budget reductions required in line with the three year strategy.

Reserves and Balances

- 17.91 In the light of the risks and uncertainties highlighted in the MTFS, it is important to maintain a healthy and robust level of reserves and balances to manage uncertainty. Undoubtedly the financial resilience of the Council has been reduced but based on the reserves and balances information set out at Section 13, the position remains manageable when considering the 2021/22 to 2023/24 MTFS period. As outlined above, the Council has prudently set aside £5.700m to support the implementation of transformational change and this reserve will be released in line with the progression of the various change programmes. It is, however, imperative that there are no unforeseen calls on reserves which would undermine the strategy.
- 17.92 Whilst the MTFS indicates a potential general use of reserves of £29.000m to balance the budget over the period 2021/22 to 2023/24, with good budget management practices, the delivery of transformational change and budget reduction proposals in line with expectations and taking forward any opportunities for income generation, there may be an opportunity to replenish reserves to improve financial resilience. This will be considered during the final accounts processes for respective financial years.
- 17.93 The continued reliance on the use of reserves to balance the budget is not without risk but given the planned approach, the availability of reserves to support the transformation process and other corporate initiatives, the risk is to some degree mitigated. However, the position will be monitored closely and in line with the Councils Reserves Policy which is reported to the Audit Committee.

18 Pay Policy Statement

- 18.1 Included at **Appendix 10** is the Council's current Pay Policy Statement. This Statement sets out the Council's approach to pay policy in accordance with the requirements of Section 38 to 43 of the Localism Act 2011, which requires approval of the Statement through full Council. The purpose of the statement is to provide transparency about the Council's approach to setting the pay of its employees, with particular emphasis on the level of remuneration for senior staff.

19 Options/Alternatives

- 19.1 The options as follows:

- Option 1 – PVFM accept the assumptions and resulting financial forecasts presented within the report and the budget position at Appendix 4.
- Option 2 – PVFM propose amendments to the assumptions which will change the resulting budget reduction requirement and financial forecasts.
- Option 3 – PVFM can recommend all the budget reduction proposals included in this report to the value of £8.920m for approval and the approach to the use of reserves and balances and as well as Council Tax and Adult Social Care Precept increases.
- Option 4 - PVFM can request that further work is undertaken on some or all of the budget proposals and the approach to reserves and balances and that Cabinet considers a revised position.

20 Preferred Option

- 20.1 Options 1 and 3 are the preferred options. Assumptions are based on objective research and the latest available information. The Council has a statutory duty to set a balanced budget and the budget reductions included in this report along with the proposed use of reserves fulfil that requirement.

21 Consultation

- 21.1 Public consultation on the proposed budget reductions opened on 9 November 2020 and is set to close on Monday 1 February 2021. At the time of writing there have been 611 responses to the consultation; well above the target of 500 responses. 60% of the budget proposals have so far received positive feedback from members of the public.
- 21.2 The table below shows the eight proposals with a net negative agreement. This is where the total of respondents who strongly disagree or disagree outnumbers those who have strongly agreed or agreed.

Proposal	Ref	Net Agreement
Keyring	CSA-BR1-429	-60%
Service review of SEND QEST team	CHS-BR1-440	-38%
Sheltered Housing Support	CSA-BR1-433	-29%
Carers Personal Budgets	CSA-BR1-426	-17%
Men in Sheds Funding	CSA-BR1-436	-12%
Closure of Grassroots day care centre	CSA-BR1-431	-10%
Adult Social Care Prevention and Early Intervention Service	CSA-BR1-434	-10%
Reduction in Mahdlo funding	REF-BR1-415	-8%

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- 21.3 Members of the public were asked, through the consultation process, to suggest alternative budget reductions. Suggestions received so far have included amending conditions for staff, such as reducing mileage and car park allowances, and reducing the spend on floral displays.
- 21.4 A full report on the consultation findings will be produced after the consultation period has ended. This report will go to Cabinet on 23 February 2021.
- 21.5 Consultation has taken place through a range of channels in order to encourage maximum public engagement within the consultation process. This has included engaging with the traditional media, including newspaper reports; social media; digital media; and through community engagement, including posting out copies of the consultation to a randomly-selected sample group of addresses in areas with less digital access.
- 21.6 Oldham Council also worked directly with Action Together and other community groups to improve the response from Black, Asian and Minority Ethnic (BAME) communities, to try and ascertain the most representative spread of responses from across the whole borough.

(Paul Shelmerdine, Research, Engagement and Consultation Lead)

22 Financial Implications

- 22.1 Financial Implications are dealt with in full within the detail of the report.

23 Legal Services Comments

- 23.1 Legal issues are addressed in the body of the report. The Council has a legal obligation to pass a resolution to agree its budget and Council Tax resolutions before 11 March 2021.

(Paul Entwistle, Director of Legal Services)

24 Co-operative Agenda

- 24.1 As a Co-operative Council, Oldham is committed to reforming public services and encouraging innovation, leading to better outcomes and delivery. The revenue budget projections have been prepared so that they support the Council's co-operative agenda with resources being directed so that the aims, objectives and co-operative ethos of the Council are delivered.

(Jonathan Downs, Corporate Policy Lead)

25 Human Resources Comments

- 25.1 In support of the Council's budgetary pressures, the organisation issued a Section 188 notice and launched a voluntary reduction programme on the 24 August 2020 inviting applications from the workforce to leave the organisation on the grounds of voluntary redundancy or reduce their working time through part-time hours, flexible retirement or the purchase of additional leave. This scheme closed on the 4 October 2020 and the majority of approved applicants (69) left the organisation on the 31 December 2020. This programme was equally mirrored in the Unity Partnership with 12 approved applicants. This exercise was undertaken as a pre-cursor to Service Redesign and compulsory redundancies in an effort to reduce the impact on the workforce.
- 25.2 Upon conclusion of the voluntary programme the organisation issued a second Section 188 notice on the 4 January 2021 to open formal consultation with Staff and Trade Unions in areas where the approved budget reduction proposals required service redesign and would result in a reduction of posts / staff. The issuance of a formal S188 notice is a statutory requirement to commence formal collective consultation on potential job losses is triggered

where the employer proposes to dismiss as redundant more than 20 employees over a 90 day period.

25.3 Formal consultation with affected staff and Trade Unions will conclude on the 18 February in advance of full Council sign-off for the proposals.

25.4 Upon approval, implementation will be undertaken in accordance with the appropriate policies / procedures and proactive redeployment put in place to minimise the impact on the workforce where possible.

Paul Dernley (Assistant Director - HR Operations)

26 Risk Assessments

26.1 There are a wide range of issues which could impact on the MTFS and projections. A regular review of projections will ensure that any key changes are highlighted immediately.

Mark Stenson (Head of Corporate Governance)

27 IT Implications

27.1 Any specific IT implications associated with the proposals included in the report are detailed within the individual budget reduction proformas included at Appendix 6.

28 Property Implications

28.1 Any specific property implications associated with the proposals included in the report are detailed within each individual budget reduction proformas included at Appendix 6.

29 Procurement Implications

29.1 Any proposals that impact on the procurement of goods, services etc. will be undertaken in full liaison with the Procurement Service and in compliance with all necessary Council and statutory requirements.

30 Environmental and Health & Safety Implications

30.1 Environmental and Health and Safety implications will be considered when dealing with the individual proposals as appropriate.

31 Equality, community cohesion and crime implications

31.1 In taking financial decisions, the Council must demonstrate that it has given “due regard” to the need to eliminate discrimination, promote equality of opportunity and promote good relations between different groups.

31.2 Demonstrating that “due regard” has been given involves:

- assessing the potential equality impacts of proposed decisions at an appropriate stage in the decision-making process - so that it informs the development of policy and is considered before a decision is taken; and
- ensuring that decision makers are aware of the equality duties and any potential equality issues when making decisions.

NB – having due regard does not mean the Council cannot make decisions which have the potential to impact disproportionately, it means that the Council must be clear where this is the case and must be able to demonstrate that it has consulted, understood and mitigated the impact.

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- 31.3 To ensure that the process of impact assessment is robust, it needs to:
- Be specific to each individual proposal;
 - Be clear about the purpose of the proposal;
 - Consider available evidence;
 - Include consultation and involvement with those affected by the decision, where appropriate;
 - Consider proposals for mitigating any negative impact on particular groups; and
 - Set out arrangements for monitoring the actual impact of the proposal.
- 31.4 The Equality Act 2010 extends the public sector equality duties to cover nine protected characteristics, namely:
- age,
 - disability,
 - gender,
 - gender reassignment,
 - marriage and civil partnership,
 - pregnancy and maternity,
 - race,
 - religion and belief and
 - sexual orientation.
- 31.5 In December 2010, the Government announced that it would not be taking forward the socio-economic duty for public bodies. Despite this the Council has continued to consider people on low incomes as part of its equality impact assessment process.
- 31.6 Assessing the potential equality impact of proposed changes to policies procedures and practices is one of the key ways in which public authorities can show 'due regard'. Equality Impact Assessments (EIAs), therefore, provide a structured framework which enables the Council to ensure that it considers the equality impact of decisions, and to demonstrate to others that it has done so.
- 31.7 Oldham's EIA form is based on the experience of previous years and incorporates elements from good practice elsewhere. The main aims of our current EIA are to:
- strengthen the process through improved accountability – identifying a lead officer for each EIA;
 - stimulate a more rigorous and overt analysis of the impact and possible mitigations; and
 - implement a stronger equality monitoring and management process to ensure that the Council follows through on any commitments. This includes identifying risks to implementation and how these will be managed.
- 31.8 The equality impact assessment process undertaken for the Council's budget process involves:
- An initial equality impact screening – The budget proposal action plan forms completed by each Director / Service Manager incorporate an initial equality screening to identify whether any proposal has the potential for significant disproportionate adverse impact in respect of any protected characteristic i.e. whether the impact of the proposal falls disproportionately on any particular group – such as people with a disability.

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- 31.9 The key aims of this review process are to:
- assess the potential equality impact of each proposal using the information provided;
 - provide challenge to those where the initial screening does not accurately identify those equality groups potentially affected and that a further screening process needs to be completed.
- 31.10 Full equality impact assessment – An equality impact assessment is carried out if the initial screening identifies that the proposal could have a potential significant, disproportionate adverse equality impact.
- 31.11 A key element to assessing the equality impact has been the involvement of elected Members. This involvement has included:
- Consideration of equality impacts throughout the Leadership Star Chamber process, including through the initial screenings on the proposal forms and a briefing paper;
 - Briefings between Directors and Cabinet Members during development of proposals and working together to consider the equality impacts and identify any mitigating actions;
 - Both the EIA screening information contained with the budget proposals and the EIA forms themselves, where available, were submitted to, and considered by PVFM Select Committee. NB: Where public consultation was required, the EIA forms were still in draft form at that stage;
 - Final EIAs are available to Members alongside the budget reduction proposals included in this report.
- 31.12 Following an initial equality impact screening process for the budget proposals included within this report, it was determined that none of the proposals required public consultation or the completion of a full equality impact assessment.

(Jonathan Downs, Corporate Policy Lead)

32 Key Decision

32.1 Yes

33 Key Decision Reference

33.1 FG-11-20

34 Background Papers

34.1 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 in Appendices 1 - 10
Officer Name:	Anne Ryans / Neil Stott
Contact:	anne.ryans@oldham.gov.uk (0161 770 4902) neil.stott@oldham.gov.uk

- Appendix 1 - Council Policies and Strategies
- Appendix 2 - Dedicated Schools Grant 2021/22
- Appendix 3 - Council Tax Tax Base Calculation 2021/22
- Appendix 4 - Current Budget Position 2021/22
- Appendix 5 - Budget Reductions Summary
- Appendix 6 - Detailed Budget Reduction Proposals and Draft EIA's
- Appendix 7 - Proposed 2021/22 Fees and Charges Schedules
- Appendix 8 - Budget Position 2021/22 post Budget Proposals
- Appendix 9 - Summary MTFS Position 2021/22 to 2023/24 post Budget Proposals
- Appendix 10 - Pay Policy Statement 2021/22
 - 10a – Table 1: Senior management remuneration
 - 10b – Chart 1: Family tree of officers earning over £50k as at December 2020
 - 10c – Table 2: Salaries expressed as a ratio of the Chief Executive as at December 2020

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Service	Title	Description
Children's Social Care	Family and Friends Care Policy	This policy describes how the Council will assess and provide help to family and friends who become carers for children who cannot live with their birth parents.
Children's Social Care	Looked After Children Commissioning Strategy	The purpose of this strategy is to set out how Oldham Council will meet the placement needs of current and future children in care and care leavers and improve their outcomes considering our understanding of their needs and current provision.
Children's Social Care	Residential Services	This document sets out a vision for residential children services across Bury, Oldham and Rochdale councils. The vision covers all residential services including children's homes, emergency temporary accommodation, supported accommodation and residential short breaks for disabled children.
Children's Social Care	Youth Justice Strategic Plan	The Youth Justice Strategic plan sets out the strategy for the Oldham Youth Justice Service and how the Council will collaborate with partners and other services to support children, young people and families. An integrated range of services including 'Early Help' is also provided to try and prevent young people from entering the youth justice system.
Corporate	Corporate Enforcement Policy	This document sets out what businesses and others can expect from Oldham Council and its officers when enforcement action is being taken. It commits the Council to good enforcement practices and procedures. The document has been prepared with regard to current legislation and specific policies which detail standards to which the Council must adhere.
Corporate	Key Decision Document	The Key Decision Document details the key decisions that the Council is going to take over a four-month period. It aims to make the citizens of Oldham aware of the key decisions that are going to be taken as well as the consultation methods available for them.
Corporate	Single Use Plastics	This policy was developed in response to a Council motion asking Cabinet to develop a robust strategy to make Oldham a 'single-use plastic-free' authority and encourage the Borough's institutions, businesses and citizens to adopt similar measures.
Corporate	Modern Slavery Act 2015 Transparency Statement	In accordance with the Modern Slavery Act 2015, Oldham Council seeks to ensure that no slavery or human trafficking is taking place in any part of its own business or any of its supply chains.

Service	Title	Description
Corporate	Registration Service Delivery Plan	This document sets out a plan for the delivery of Registration Services for the borough of Oldham.
Corporate	Homelessness Strategy	The Council's Homelessness Strategy sets out visions and targets to reduce homelessness in Oldham. The strategy identifies individuals and families that are at risk of becoming homeless, sets out how the Council's multi-agency approach will work with individuals and families to stop them from being homeless in the first place and where able, to assist and provide emergency housing provision. In the long-term, the strategy will, eradicate homelessness by securing long term housing provision.
Corporate	Community Safety	Oldham's Community Safety plan sets out our vision for creating a more safe, inclusive and fairer place for everyone to live and work in. The strategy acknowledges the diverse communities that represent Oldham, the challenges they face and our approaches in eradicating them to ensure all our communities can live and work together.
Corporate	Complaints or Feedback Policy	The policy provides information on how the Council provides a fair, consistent and structured approach to dealing with complaints.
Economic Development	Medium Term Property Strategy	This document sets out the Council's approach to managing its large and diverse property portfolio over the medium term.
Education, Skills & Early Years	Oldham's Inclusion Policy	This policy articulates a shared ambition for all Oldham's children and young people, placing them at the centre of everything and putting their voice first. Through strong partnership working the Council will identify their needs early and secure high quality, appropriate educational provision.
Education, Skills & Early Years	Participation and Engagement Strategy	Provides a framework for all agencies working with, or wishing to engage with, children and young people in Oldham based on guiding principles derived from the United Nations Convention on the Rights of the Child (UNCRC).
Education, Skills & Early Years	Sustainable Modes of Travel to School Strategy	This strategy aims to make it easier for parents and pupils to use different types of transport to get to school, college or training.
Education, Skills & Early Years	Aiming High	This programme ensures disadvantaged children with SEND can access short breaks that are fit for purpose and age appropriate.
Education, Skills & Early Years	Autism Strategy	The aim of the strategy is to improve both the design and delivery of services and support to ensure improved outcomes for people with autism and achieve value for money from commissioned services.

Service	Title	Description
Education, Skills & Early Years	Local Authority Policy on Free Schools	This policy seeks to ensure the Council can exert influence over the choice of trust/sponsor for every Free School established in Oldham. The policy on Free Schools outlines criteria that the Council should insist on for any provider hoping to operate a Free School within Oldham. This includes working in partnership with the Council and working with the Oldham Education and Skills Commission to develop and improve the education offer for parents, young people and the community.
Education, Skills & Early Years	Policy on Academy Conversion and Guidance for Schools	This policy ensures that the Council can proactively manage and influence the academy conversion process within the current statutory framework in order to shape the future of education in Oldham and, at an operational level, manage any reputational, educational and financial risks.
Education, Skills & Early Years	Oldham Education and Skills Commission	The Oldham Education and Skills Commission set out a vision for Oldham to create a 'self-improving education system' where schools, colleges and all interested parties work together in a collaborative partnership. The focus of the partnership is the continuous improvement of outcomes for children and young people, leadership, teaching, learning and assessment.
Education, Skills & Early Years	Oldham Work and Skills Strategy	The strategy aims to create jobs, deliver social regeneration and in-work progression. deliver the vision of the Oldham Education and Skills Commission (OESC), improve college provision and support a thriving private sector.
Education, Skills & Early Years	Get Oldham Working	A key aim of the Council is to improve employment opportunities for Oldham residents. As part of the Work and Skills Strategy, the "Get Oldham Working" campaign has created thousands of job, apprenticeship, traineeship and work experience placement opportunities.
Education, Skills & Early Years	Policy for Monitoring Challenge, Support and Intervention in Schools	This policy sets out how Oldham Council will fulfil its statutory duties in relation to maintained schools and provides the framework for engagement with Academies, Free Schools and Academy Sponsors in relation to standards and attainment.
Education, Skills & Early Years	Free School Meals Policy	This policy ensures there is a clear, transparent and accessible application and eligibility assessment process in place for Free School Meals.
Environmental Services	Local Flood Risk Management Strategy	This strategy aims to tackle 'local flood risk', which includes flooding from surface water, groundwater, ordinary watercourses, canals and reservoirs. This type of flooding is responsible for most of the household flooding in England, but until now there has been no duty on the Council or the Environment Agency (EA) to address these forms of risk in an organised way. The strategy aims to address this gap and direct and manage the way forward.

Service	Title	Description
Environmental Services	Air quality management	The Council has a statutory duty to review and assess air quality within the borough to determine whether air quality objectives will be met. Alongside other districts, Oldham has contributed to the production of a joint Greater Manchester Air Quality Action Plan.
Environmental Services	Environmental Policy	This policy provides a framework for identifying and tackling the environmental impacts of operations and services, and influencing others to do the same, prioritising areas where the most impact can be made. The policy aims to ensure the environment allows us, our children and our grandchildren to prosper.
Environmental Services	Light Duty Vehicle Crossings Policy	This policy sets out the Council's procedures for assessing Light Duty Vehicle Crossing applications to ensure that they are assessed in a consistent and fair manner.
Environmental Services	Highway Safety Inspection Policy	This policy details how the Council will carry out proactive and reactive safety inspections to ensure that the Council can meet its statutory duty to maintain the highway. This policy also sets out how the Council will apply the principles of the national code of practice and Greater Manchester Highway Inspection Framework to its safety inspection regime.
Environmental Services	Oldham Highway Asset Management, Policy, Framework and Strategy	The Highways Asset Management Policy, Framework and Strategy details the individual processes for maintaining all major highway assets. These processes have been developed to provide best value for money on a whole life cost basis for the asset, by maintaining assets to approved service levels appropriate to the overall current condition of the asset.
Environmental Services	Gambling Policy Review	Local authorities have statutory responsibilities for licensing premises used for gambling and associated activities. This strategy aims to prevent gambling from being a source of crime and disorder, ensure gambling is conducted in a fair and open way; and protect children and other vulnerable people from being harmed or exploited by gambling.
Environmental Services	Licensing Act 2003 - Review of Statement of Licensing Policy	This policy provides advice to businesses and the public on what the Council expects of those licensed under the Licensing Act 2003. The policy also provides a decision-making framework for the Council via its Licensing Committee, and the Licensing Premises Panel, to exercise its quasi-judicial functions under the Act.

Service	Title	Description
Health and Social Care	Health and Wellbeing Strategy	This policy outlines how the Council and its partners will work together to improve the health and wellbeing of the borough's population. Reducing health inequalities is a key priority for Oldham and the strategy will identify the local context and local challenges (socio-economic) to eradicate health disparities.
Health and Social Care	Early Help Strategy	The Early Help Strategy captures the important priorities and local challenges faced by children and families. It identifies those who need additional support and identifies children and families from marginalised communities, so no one goes missing. The Strategy provides a voice for children and families and support will be provided in line with their requirements, with a multi-agency perspective.
Health and Social Care	Safeguarding Partnership Strategy	A Safeguarding Strategy includes our approach in identifying children, young people and adults who are vulnerable and at risk of coming into harm. The policy lays out how a multi-agency approach to safeguarding will strengthen our approach to keeping people safe as a strong partnership approach will facilitate and strengthen information sharing to prevent people coming into harm in the first place and also work to reduce the number of people coming into harm and mitigate the impact of harm and risk.
Health and Social Care	Adult Social Care Preferred Accommodation and Top-Up Arrangements	Where a person's needs have been identified to be met in a residential or nursing home setting, shared lives environment or supported living accommodation, the person may choose a setting that is more expensive than the amount identified for the provision of care within their personal budget or the Councils residential care price framework. This policy sets out how the Council will deal with preferred accommodation requests and associated 'top-up' payments.
Health and Social Care	Adult Social Care Provider Failure Policy	As required by the Care Act 2014, this policy sets out how the Council will meet the care and support needs of an individual and the support needs of a carer when a registered care provider becomes unable to carry on a regulated activity, establishment or agency as a result of business failure.
Health and Social Care	Adult Social Care Local Account	The Adult Social Care Local Account provides Oldham borough residents with information about Adult Social Care services and how it aims to support and improve the lives of service users.
Health and Social Care	Adult Social Care Information and Advice Strategy	The aim of the strategy is to take stock of information and advice provision across care and support and to recommend required improvements.

Service	Title	Description
Health and Social Care	Child and Adolescent Mental Health Services Strategy	This strategy aims to improve emotional wellbeing and mental health for children and young people in Oldham.
Health and Social Care	Local Welfare Provision Policy	This policy aims to meet the short-term emergency / immediate support needs of vulnerable residents and to assist vulnerable residents to establish or maintain a home in the community.
Health and Social Care	Locality Plan for Health and Social Care Transformation	Through the integration of Health and Social Care services, the vision is to achieve and sustain the greatest and fastest improvement in wellbeing and health for the people of Oldham. This will be achieved through innovative programmes, new ways of working, and partnerships.
Health and Social Care	Right Start Pre-school children's oral health improvement strategy	This strategy aims to improve the oral health of pre-school children living within the borough of Oldham.
Health and Social Care	Oldham Public Health Charter	The charter is committed to creating the conditions for residents to take greater control over their own lives and enjoy the freedoms that lead to healthy and independent lives.
Health and Social Care	Think Local Act Personal (TLAP)	TLAP is a national, cross sector leadership partnership focused on driving forward with personalisation and community-based support – the process of enabling people to be in more control of the care and support services they receive. It encourages interaction between service users, carers, Councils and other groups.
Planning	Local Plan	The Local Plan is a series of documents setting out planning and development arrangements for the borough of Oldham covering the local development scheme, local plan review, supplementary planning documents, neighbourhood planning, the brownfield land register and housing land.
Youth, Leisure & Communities	Libraries Strategy	This document sets out a strategy for the delivery of Library Services within the borough of Oldham.
Youth, Leisure & Communities	Domestic Violence Strategy	This document sets out how the Council and partners will deal with the issue of domestic violence and promote a social norm where individuals treat each other with respect and dignity.
Youth, Leisure & Communities	Oldham Playing Pitch Strategy	This strategy aims to ensure that sufficient playing pitches are provided. These should be of a good quality and should support the needs of each sport and club in Oldham. Provision should aim to be sufficient yet flexible enough to deal with current and projected increases in demand.

1. Background

- 1.1 The Dedicated Schools Grant (DSG) is a ringfenced grant payable to Local Authorities by Government for the funding of both maintained schools and academies. From 2018/19, the Government changed the way it funds the Authority for schools via the DSG to a standard means of allocating resources. This is known as the National Funding Formula (NFF).
- 1.2 The DSG contains 4 blocks, each of which is determined by a separate National Funding Formula which calculates the total funding due to Local Authorities. The Department for Education (DfE) calculated the funding that Local Authorities will receive for the Schools Block as if the National Funding Formula had been applied. As in 2020/21, it still remains the role of the Local Authority to determine the funding to schools and academies via their Local Funding Formula for the Schools and Early Years Blocks.
- 1.3 There is no legal requirement for Authorities to move further to the funding allocation methodology introduced by the NFF in 2018/19 when determining schools and academies funding for 2021/22 using the local formula, however there is a requirement for the Local Authority to consult with schools on the DSG allocation methodology that will be applied.
- 1.4 As referenced above, the DSG is made up of 4 blocks of funding:
 - a) The **Schools** block covers funding for:
 - Individual mainstream schools and academies
 - Growth Funding for planned growth by the Local Authority (LA) in schools.
 - b) The **High Needs** block covers funding for the education of pupils subject to Education, Health and Care Plans from age 0-25 in a range of provision including special schools, mainstream schools, alternative provision, independent specialist provision and Council centrally retained expenditure for High Needs. Funding for the High Needs block has over the past few years, not kept pace with demand.
 - c) The **Early Years** block covers:
 - Two Year old Funding
 - Early Years Funding in Schools and Private, Voluntary and Independent provision
 - Centrally retained expenditure for under 5's.
 - d) The **Central Schools Services** block covers:
 - Funding previously allocated through the retained duties element of the Education Services Grant (ESG) which has been discontinued from 2018/19
 - Central school services which includes the expenditure related to Schools Forum, Premature Retirements, Admissions service, and School Improvement
 - School Licenses
 - Statutory and Regulatory duties.

- 1.5 There is limited flexibility for Local Authorities to transfer funding between the four blocks, even though there are growing demand pressures in the High Needs Block. For 2021/22 the Education and Skills Funding Agency (ESFA) has limited the movement of funds from the Schools Block to other blocks to 0.5% of the total Schools Block Allocation, but only with the agreement of the Schools Forum. Any proposed movement above the 0.5% must be referred to the Secretary of State for approval.
- 1.6 The Authority has a responsibility to ensure that the DSG is deployed in accordance with the conditions of the grant and the School and Early Years Finance (England) regulations 2020. The arrangements for 2021/22 are detailed by the ESFA “2021 to 2022 Schools revenue funding operational guide” published in July 2020 and the “High needs funding 2021 to 2022 operational guide” published in September 2020.
- 2. DSG Allocations 2021/22**
- 2.1 On 20 July 2020, the Department for Education, via the Education and Skills Funding Agency published provisional DSG funding allocations for 2021/22. This included notification that nationally, Schools funding would increase by £2.6bn in 2020/21, £4.8bn by 2021/22 and £7.1bn by 2022/23. Within this funding announcement the Government advised that in 2021/22, High Needs funding for Schools was set to increase by £730m.
- 2.2 Oldham’s share of this overall DSG funding was initially announced in July at a sum of £261.701m excluding Early Years funding, based on October 2019 pupil numbers. It was subsequently revised on 17 December 2020 based on October 2020 pupil numbers. The 2021/22 DSG allocation for Oldham is £285.413m including the Early years Block; being £21.940m more than the 2020/21 allocations (analysed in Table 1 below).
- 2.3 As there is a requirement to agree the funding formula with schools, consultation with schools and the Schools Forum was required. A budget paper, based on estimated 2019 pupil numbers and an estimated Schools Block allocation of £216.559m, was presented to Schools Forum on 18 November 2020. This suggested a funding allocation methodology for schools; a move towards the 2021/22 NFF cash values in full except for the Area Cost Adjustment factor, which was to be reduced to 1.00000, together with a 0.5% transfer of DSG funding between the Schools and the High Needs Funding Blocks.
- 2.4 The projection that Schools Forum received was that the outturn DSG position for 2020/21 was showing a deficit of £6.186m, mainly due to additional costs of funding from the High Needs block for Special Schools, the Pupil Referral Unit, additional children with statements in mainstream schools, the cost of high cost external placements and an increase in learners accessing Post 16 FE provision.
- 2.5 The funding formula and the 0.5% transfer between blocks as proposed was approved by Schools Forum and provides a minimum funding level per pupil of £4,180 for primary and £5,415 for secondary schools. The funding formula and 0.5% transfer between blocks was subsequently reported to and approved by Cabinet on 14 December 2020.

- 2.6 As advised above, the Council received the final DSG notification for 2021/22 including an amount for the Early Years Block on 17 December 2020. The 2021/22 DSG for Oldham is a total value of £285.413m, which includes additional funding of £16.774m for the Schools Block and £5.243m for the High Needs Block. The total allocation is analysed over the four funding blocks including comparisons to the 2020/21 actual allocations in the table below:

Table 1 – Dedicated School Grant 2021/22

	Schools Block	Central School Services Block	High Needs Block	Early years Block	Total DSG Allocation
	£000	£000	£000	£000	£000
2021/22 Allocation	218,648	2,618	44,432	19,715	285,413
2020/21 Allocation*	201,874	2,689	39,189	19,721	263,473
Variance	16,774	(71)	5,243	(6)	21,940

*2020/21 Early Years allocation includes a retrospective allocation of £275k re 2019/20

- 2.7 The allocations for the Schools and Central Schools Services Block are final. A small proportion of the High Needs Block is subject to change and will be adjusted in Spring 2021. This will include an adjustment for Springboard Free School which is included within the Local Authority allocation and imports/exports (Oldham children educated in schools outside the borough and children from outside the borough educated in Oldham schools). For planning purposes, the allocation for imports/exports has been estimated and the allocation adjusted. The Local Authority will also estimate the Early Years Block based on the January 2021 census when available, as the current figure is based on January 2020, and this is not formally updated until July 2022. In addition, the Early Years Block funding will not be fully finalised until July 2023 because 7/12 of the allocation will be based on the January 2023 census.
- 2.8 Overall, the 2021/22 allocation has increased by £21.940m. For 2021/22, historic commitments funding has been reduced by 20% nationally by the DfE. The DfE will continue to unwind this funding in future years. As a result, the Central School Services Block allocation for Oldham for 2021/22 has reduced by £0.265m although the costs will still be incurred. The impact of this reduction is being managed as part of the Council's 2021/22 revenue budget setting process. The amount for ongoing responsibilities has increased by £0.195m due to an increase of 348 pupils and additional funding OF £3.52 per pupil for the Increase in amount for Teachers' Pension Employer Contribution Grant (TPECG) for centrally employed teachers for 2020 to 2021.

3 DSG Deficit

- 3.1 The DSG has been in deficit since 2016/17, largely caused by spending pressures in the High Needs Block in relation to increasing numbers of pupils receiving Education Health & Care Plans (EHCPs), increasingly complex needs, increasing costs of provision, particularly those outside the Local Authority, the Pupil Referral Unit and for Post 16 Education.

- 3.2 There have been transfers of funding from other blocks (including using year end underspends) towards offsetting the deficit and Table 2 below shows the net overall position of the DSG balance for the last few years.

Table 2- DSG Surplus / Deficit

DSG High Needs Block	High Needs Block (Deficit)/ Surplus £000	Movement from Schools Block £000	Savings/ Movement Schools Block £000	Savings/ Movement Early Years Block £000	Overspend CSSB £000	Other £000	DSG (Deficit)/ Surplus £000	Cumulative DSG (Deficit)/ Surplus £000
2015/16	(671)	0	1,399	99	0	10	837	837
2016/17	(2,968)	385	38	1	0	5	(2,539)	(1,702)
2017/18	(4,336)	2,380	682	(55)	0	0	(1,329)	(3,031)
2018/19	(2,665)	1,878	268	826	0	1	308	(2,723)
2019/20	(4,239)	1,594	366	134	(48)	0	(2,193)	(4,916)
2020/21 estimate	(1,473)	1,009	875	0	(54)	0	357	(4,559)
2021/22 estimate	1,542	1,049	(1,539)	0	(41)	0	1,011	(3,548)

High Needs Block

- 3.3 The High Needs Block mainly funds pupils in specialist and alternative settings, such as special schools (both maintained and independent), resource units within mainstream schools, pupil referral units, and pupils with high needs in mainstream and early years settings and post 16 colleges. It also provides central support services such as Hearing and Visual Impairment (HI/VI) services.
- 3.4. Table 3 details the funding allocation for the High Needs Block. The allocation is provisional as there are still adjustments to be confirmed.

Table 3. High Needs Block Allocation

High Needs Block	2020/21 allocation £000	2021/22 allocation £000
High Needs Formula	33,880	38,002
Hospital Allocation	486	592
Additional Allocation	0	0
Special Schools Census	3,965	4,979
Additional funding for Special Free School	213	214
Import/Export Adjustment (not yet known 2021/22)	645	645
Estimated Additional allocation imports/exports	0	198
Gross High Needs Allocation	39,189	44,630
Transfer from Schools Block; 0.5% 2020/21 and 0.50% 2021/22	1,009	1,049
Gross High Needs Allocation after transfer	40,198	45,679
Top sliced for Academies for ESFA (recoupment) to pay academies direct. 2021/22 is an estimate	(10,027)	(10,282)
Total High Needs Block	30,171	35,397

- 3.5 The funding for 2021/22 has increased by £5.243m. The place funding for academies/free schools is top sliced from the Local Authority allocation and paid to the school direct.
- 3.6 Despite the additional funding notified for 2021/22, there remains a requirement for the transfer between the Schools and High Needs blocks to continue in Oldham in order for the DSG to be brought back into balance in 2023/24. In total therefore, after allowing for the 0.50% movement of £1.049m, the revised Schools Block is £217.600m and the revised High Needs Block is £45.679m (includes estimated £198k for imports/exports)
- 3.7 Table 4 shows the current recovery plan. Additional pressures of £0.691m not anticipated in the initial recovery plan (nor by the DfE) create a predicted adverse variance of £4.559m in 2020/21. This was reported to the Schools Forum on 13 January 2021.
- 3.8 Further anticipated, additional pressures in 2021/22 are offset by the increased funding from Government, estimated savings from Out of Borough placements and favourable adjustments for imports/exports to deliver a potential in-year surplus of £1.011m, despite which there remains a forecast deficit of £4.597m. This reduces to £3.548m with a transfer between Schools and High Needs Blocks.
- 3.9 It is an important element of the financial management of the Authority that the DSG is not in a deficit position and there has been action to address this. However, the current deficit has resulted from the increase in DSG resources being more than offset by the increasing numbers of children with special needs entering the education system, predominantly resulting in increased expenditure in the High Needs Block. Action taken so far to try to reduce the deficit include:
- The revision of Council processes to ensure that Education Health and Care Plans (EHCP) are issued in a timelier manner and reviewed more frequently with regard to the needs of the child
 - Changes to the process for the placement of children out of borough
 - Transfers of funding between the Schools and High Needs blocks
- 3.10 Work will continue during the remainder of 2020/21 and throughout the next few years to address the DSG deficit position, building on the work already in train, with the continued monitoring of the detailed DSG recovery plan. However, it is evident, that progress has been hindered by the impact of COVID-19 and the widespread disruption to the education system during 2020.
- 3.11 The recovery plan has been revisited and this highlights that the DSG deficit forecast for 2020/21 has reduced to £4.559m due to growth funding not spent in 2020/21 but committed for 2021/22. In order to set a realistic timeframe for the removal of the cumulative DSG deficit the plan has been extended by an additional two years to 2023/24.

Table 4 - DSG Recovery Plan

	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Opening Balance - Surplus/(Deficit)	(4,916)	(4,559)	(3,548)	(1,879)
Movements per original plan	1,048	5,081		
Original Forecast Variance	(3,868)	522	(3,548)	(1,879)
Estimated Adjustments including Additional (Pressures)/ Savings	(691)	(4,268)	185	123
Estimated Savings Out of Borough	0		286	928
Additional High Needs Funding	0		1,000	1,000
Estimated adjustment re imports/exports	0	198	198	198
0.5% Movement Agreed by Schools Forum				
Revised Net Forecast (Deficit)/Surplus	(4,559)	(3,548)	(1,879)	370

- 3.12 The recommendations of the DfE consultation 'Clarifying the Specific Grant and Ring-Fenced Status of the DSG' have been incorporated in the Schools and Early Years Finance (England) Regulations 2020, which were laid before Parliament on 30 January 2020 and came into force on 21 February 2020. The revised legislation makes it entirely clear, on a statutory basis, that a DSG deficit must be carried forward to be dealt with from future DSG income, unless the Secretary of State authorises an Authority not to do this. The Government's intention is that DSG Deficits should not be covered from general fund resources and that over time they should be recovered from DSG income. This came into force from 29 November 2020 and is applicable for 3 financial years starting in the 2020/21. Local Authorities must charge the amount of the deficit to an account established, charged and used solely for the purpose of recognising deficits in respect of its schools' budget. This account must be presented within the Statement of Accounts.
- 3.13 The new regulations also mean that there will no longer be an automatic 1% trigger for the production of a DSG deficit recovery plan, instead the DfE will focus on those Authorities requiring help through a more measured and targeted approach. As the current recovery plan has been agreed with the Schools Forum, it is appropriate to continue to present information in this format. The Authority will continue to use the recovery plan arrangements as an effective means of monitoring the DSG position and returning the deficit to a surplus and will continue to liaise with the Schools Forum accordingly.

APPENDIX 3

Council Tax Tax Base Calculation 2021/22 (Based on all properties)

Bands	A reduced	A	B	C	D	E	F	G	H	Total
Total number of Dwellings on the Valuation List		50,639	17,317	16,332	6,990	3,341	1,538	899	82	97,138
Total number of Exempt and Disabled Relief Dwellings on the Valuation List	137	(1,298)	(195)	(346)	(117)	(55)	(16)	(13)	(22)	(1,925)
No. of Chargeable Dwellings	137	49,341	17,122	15,986	6,873	3,286	1,522	886	60	95,213
Less: Estimated discounts, exemptions and disabled relief	(7.75)	(5,673.50)	(1,459.25)	(1,148.25)	(392.50)	(160.75)	(71.75)	(40.25)	(4.75)	(8,958.75)
Total equivalent number of dwellings after discounts, exemptions and disabled relief	129.25	43667.5	15662.75	14837.75	6480.5	3125.25	1450.25	845.75	55.25	86,254.25
Factor stipulated in regulations	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
Band D equivalent	71.8	29,111.7	12,182.1	13,189.1	6,480.5	3,819.8	2,094.8	1,409.6	110.5	68,469.9
Net effect of Local Council Tax Support Scheme (LCTSS) and other adjustments – reduction in Band D Equivalents										(10,217.3)
Increase in Band D equivalents in 2021/22 based on estimates of changes in discounts & exemptions and the acceleration of planned housing/ regeneration schemes.										869
Total after LCTSS and other adjustments										59,121.6
Multiplied by estimated collection rate										96.75%
Band D Equivalents										57,200

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Appendix 4 - Current Budget Position 2021/22

Estimated revenue position 2021/22	2021/22 £000
Prior Year Net Revenue Budget	292,845
Adjustment for new one off funding in 2020/21	(58,712)
Prior Year Adjusted Net Revenue Budget	234,133
2021/22 Adjustments to the Base Budget	
Adjustment for one off funding in 2020/21 Rough Sleeping Initiative	(37)
Adjustment for one off expenditure in 2020/21 - Creating a Better Place	(750)
Ringfence Flexible Homelessness Support Grant	(194)
Ringfence Homeless Reduction Grant	(164)
Flexible use of Capital Receipts 2020/21	3,750
Total Adjustments to the Base Budget	2,605
Revised Base Position	236,738
Additional Expenditure Pressures for 2021/22 and future years	
Expenditure Pressures	
Unachieved budget reductions	2,089
Educational Services	421
Early Payment Scheme	120
Loss of Treasury Management Income	6,850
Covid Legacy - Income reductions / cost pressures	3,000
Covid Legacy - Home to School Transport	741
Covid Legacy - Other	3,996
Investment Fund	2,250
Pay Inflation	833
Contractual and Service Inflation	1,700
Childrens Social Care Growth	1,500
Adult Social Care Pressures demographics	1,500
Development Fund	0
Support for Third Party Provider	1,000
Inherent Liabilities	265
Software Licenses	125
Coroners Service	0
Passporting of Adult Social Care Precept (ASCP)	1,844
Revised Parish Precept	(1)
Total Expenditure Pressures	28,233
Impact of Levies	
GMCA - Waste Disposal Levy	(236)
GMCA - Transport Levy	0
Contributions to GM-Wide Activities	0
Environment Agency Levy	2
Total Impact of Levies	(234)
Total Expenditure	264,737

Estimated revenue position 2021/22	2021/22 £000
Funded By:	
Government Grant	
Business Rates Top Up	41,748
Grants in Lieu of Business Rates	11,437
Improved Better Care Fund Grant	10,858
2021/22 Social Care Support Grant	8,947
Lower Tier Services Support Grant	407
Local Council Tax Support Grant	3,183
Covid Grant	7,737
Flexible Homelessness Support Grant	0
Homeless Reduction Grant	0
New Homes Bonus Grant	171
Lead Local Flood Authority Grant	0
Independent Living Fund (ILF) Grant	2,500
Housing Benefit Administration Grant	778
Council Tax Administration Grant	360
Total Government Grant Funding	88,126
Locally Generated Income	
Retained Business Rates	50,022
Council Tax Income	88,029
Adult Social Care Precept 2016/17	1,593
Adult Social Care Precept 2017/18	1,653
Adult Social Care Precept 2018/19	1,718
Adult Social Care Precept 2019/20	1,787
Adult Social Care Precept 2020/21	1,858
Adult Social Care Precept 2021/22	1,914
Parish Precepts	290
Collection Fund Defecit (20/21)	(161)
Total Locally Generated Income	148,703
Total Funding	236,829
Budget Reduction Requirement	27,908
Collection Fund Deficit – impact of Business Rates Reliefs	25,463
Adjusted Budget Reduction Requirement	53,371

Reference	Proposal Name	Responsible Officer	Cabinet Member	2021/22		2022/23	2023/24	Total		
				Proposed Budget Reduction £000	Proposed FTE Reduction	Proposed Budget Reduction £000	Proposed Budget Reduction £000	Proposed Budget Reduction £000	EIA Required?	Appendix 6 Page Number
Directorate : Community Services & Adult Social Care										
CSA-BR1-423	Maximising independence through alternative models of care	Mark Warren	Cllr Z Chauhan	(1,500)	0.00	(1,000)	0	(2,500)	Yes	1
CSA-BR1-424	CHASC Workforce Reduction	Mark Warren	Cllr Z Chauhan	(100)	3.00	(50)	0	(150)		15
CSA-BR1-425	Out of Hours Call Centre Support for Community Health Services	Mark Warren	Cllr Z Chauhan	(20)	0.00	0	0	(20)		20
CSA-BR1-426	Carers Personal Budgets	Mark Warren	Cllr Z Chauhan	(100)	0.00	0	0	(100)	Yes	25
CSA-BR1-427	Brokerage	Mark Warren	Cllr Z Chauhan	(250)	0.00	0	0	(250)	Yes	39
CSA-BR1-429	Keyring	Mark Warren	Cllr Z Chauhan	(50)	0.00	(20)	0	(70)	Yes	55
CSA-BR1-430	Achieving Better Outcomes: Supported Living & Learning Disabilities	Mark Warren	Cllr Z Chauhan	(288)	0.00	(500)	0	(788)	Yes	69
CSA-BR1-431	Wellbeing Service	Mark Warren	Cllr Z Chauhan	(70)	3.00	0	0	(70)	Yes	82
CSA-BR1-433	Adult Social Care Sheltered Housing	Mark Warren	Cllr Z Chauhan	(100)	0.00	0	0	(100)	Yes	92
CSA-BR1-434	Adult Social Care Prevention and Early Intervention Service	Mark Warren	Cllr Z Chauhan	(200)	0.00	0	0	(200)	Yes	106
CSA-BR1-435	Residential Enablement Redesign (Medlock Court)	Mark Warren	Cllr Z Chauhan	0	0.00	0	(400)	(400)		117
CSA-BR1-436	To cease the funding of the Men in Sheds service	Mark Warren	Cllr Z Chauhan	(51)	0.00	0	0	(51)	Yes	122
Directorate : Communities and Reform										
REF-BR1-422	Sport Development	Katrina Stephens	Cllr Z Chauhan	(13)	19.68	0	0	(13)		137
REF-BR1-428	School Swimming	Katrina Stephens	Cllr Z Chauhan	(11)	4.90	0	0	(11)		142
REF-BR1-416	Districts Realignment	Rebekah Sutcliffe	Cllr A Chadderton	(136)	3.00	0	0	(136)		146
REF-BR1-418	Reduction in Members Ward Budgets	Rebekah Sutcliffe	Cllr A Chadderton	(60)	0.00	0	0	(60)		151
REF-BR1-432	Review of Elected Member Reserves	Rebekah Sutcliffe	Cllr A Chadderton	(127)	0.00	0	0	(127)		155
REF-BR1-438	HR Staffing Review	Julia Veall	Cllr A Chadderton	(120)	3.83	0	0	(120)		160
REF-BR1-413	Gallery Oldham	Katrina Stephens	Cllr B Brownridge	(22)	0.94	0	0	(22)	Yes	165
REF-BR1-415	Mahdlo Funding Reduction	Katrina Stephens	Cllr E Moores	(100)	0.00	(100)	0	(200)	Yes	172
REF-BR1-417	Youth Service Kerching	Katrina Stephens	Cllr E Moores	(37)	0.00	0	0	(37)	Yes	184
Directorate : Childrens Services										
CHS-BR1-442	Early Help Staffing Efficiencies	Gerard Jones	Cllr E Moores	(40)	1.50	0	0	(40)		193
CHS-BR1-443	External Placements Cost Avoidance	Gerard Jones	Cllr E Moores	(500)	0.00	(500)	0	(1,000)	Yes	198
CHS-BR1-445	Early Help Remodelling	Gerard Jones	Cllr E Moores	0	0.00	(200)	(300)	(500)		208
CHS-BR1-440	Quality and Effectiveness Support Team - Service Efficiency / Review	Gerard Jones	Cllr E Moores	(192)	3.38	0	0	(192)	Yes	213
CHS-BR1-441	Special Educational Needs & Disability (SEND) Education Provision	Gerard Jones	Cllr E Moores	(114)	0.00	(114)	(372)	(600)	Yes	223
CHS-BR1-437	Reduction in Traineeship Programme	Jon Bloor	Cllr S Fielding	(65)	0.00	0	0	(65)	Yes	235

Reference	Proposal Name	Responsible Officer	Cabinet Member	2021/22		2022/23	2023/24	Total		
				Proposed Budget Reduction £000	Proposed FTE Reduction	Proposed Budget Reduction £000	Proposed Budget Reduction £000	Proposed Budget Reduction £000	EIA Required?	Appendix 6 Page Number
Directorate : Chief Executive										
CEX-BR1-410	Corporate Priorities - CEX	Carolyn Wilkins	Cllr S Fielding	(27)	0.00	0	0	(27)		243
CEX-BR1-420	Legal Staff Reductions & Reduction of post in Democratic Services	Paul Entwistle	Cllr S Fielding	(90)	2.30	0	0	(90)		247
CEX-BR1-447	Registrars Service Restructure	Paul Entwistle	Cllr S Fielding	(17)	1.42	0	0	(17)		251
Directorate : People and Place										
PPL-BR1-403	Digital Mail	Emma Barton	Cllr S Fielding	(24)	1.00	(100)	0	(124)		255
PPL-BR1-401	Creating a Better Place - Projects & Assets	Emma Barton	Cllr S Fielding	(1,541)	0.00	(2,991)	(3,684)	(8,216)		259
PPL-BR1-402	Creating a Better Place - Service Review	Emma Barton	Cllr S Fielding	(300)	5.00	0	0	(300)		263
PPL-BR1-404	Printing Reduction - Digital Platform Roll Out	Emma Barton	Cllr H Roberts	(20)	0.00	0	0	(20)		267
PPL-BR1-408	To re-align grounds maintenance to support core service functions and reduce the traded offer	Carol Brown	Cllr B Brownridge	(150)	6.00	0	0	(150)		271
PPL-BR1-407	Transfer of client officer to Unity	Carol Brown	Cllr B Brownridge	(40)	1.00	0	0	(40)		275
PPL-BR1-406	Review of Street Lighting Contract	Carol Brown	Cllr B Brownridge	(150)	0.00	0	0	(150)		279
PPL-BR1-409	Restructure of Neighbourhood Enforcement Team	Carol Brown	Cllr B Brownridge	(100)	3.00	0	0	(100)		283
PPL-BR1-439	Internal Efficiency Initiatives (Unity Partnership)	Helen Lockwood	Cllr A Jabbar	(780)	0.00	(430)	0	(1,210)		287
PPL-BR1-421	Transformation of the Contact Centre	Dominic Whelan	Cllr A Jabbar	(120)	5.00	(45)	0	(165)	Yes	291
Directorate : Commissioning										
COM-BR1-411	Procurement Staffing Reduction	Mike Barker	Cllr A Jabbar	(101)	1.00	0	0	(101)		301
COM-BR1-412	Financial Services Redesign	Anne Ryans	Cllr A Jabbar	(389)	9.40	0	0	(389)		305
Directorate : Cross Cutting										
CRC-BR1-448	Voluntary Redundancies	Julia Veall	Cllr A Chadderton	(805)	18.93	0	0	(805)		310
Grand Total				(8,920)	97.28	(6,050)	(4,756)	(19,726)		

Appendix 6

BR1 proposals and Draft EIAs

Budget
reductions

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BR1 - Section A

Service Area :	Adult Social Care Support
Budget Reduction Title :	Maximising independence through alternative models of care

Budget Reduction Proposal - Detail and Objectives :

The Community Health and Social Care Service are proposing to further the development and implementation of person-centred care and strength-based trajectories to ensure that people are supported in the most appropriate and effective way, with a view to reducing demand, helping people to stay at home for as long as possible and utilising alternative avenues of support. These approaches will seek to maximise a person's independence through the provision of alternative models of care.

The proposal includes a number of elements including the adoption of a strength-based approach, a review of our use of assistive technology, utilisation of community-based support and social prescribing and a review of our Direct Payment (DP) offer.

Strength based approach

In order to qualify for adult social care services a needs assessment is completed to establish if a person has eligible needs, if eligibility is confirmed a care and support plan is completed to detail the needs and how these are to be met. Oldham currently has over 3,700 users of adult social care services, 791 of these are supported in residential and nursing care placements with the remainder being supported to live within the community through the provision of a range of services including supported living, extra care housing and direct payments.

(Continued in additional information)

2020/21 Service Budget and Establishment	£000
Employees	0
Other Operational Expenses	64,422
Income	(14,071)
Total	50,351

Current Forecast (under) / overspend	2,438

Number of posts (Full time equivalent)	0.00

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(1,500)	(1,000)	0
Proposed Staffing Reductions (FTE)	0.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
None.
Service Delivery
A change to the delivery of services with a focus on developing links with the thriving communities agenda and more innovative methods of support and models of care ensuring people are supported in the most appropriate way with a focus on improving an individual's long term outcomes & independence.
Future expected outcomes
A wider, more flexible approach to meeting eligible needs providing greater choice and promoting independence and resilience.
Organisation
None.
Workforce
There will be a significant impact on the workforce through the adoption of a strength-based model. Training and guidance will need to be provided to support the adoption and roll out of this along with building knowledge of and relationships with, services available within local communities.
Communities and Service Users
Service users and communities will be impacted by the proposed changes and a full EIA will be completed to fully understand the potential impact and any mitigating actions required.
Oldham Cares
Assistive Technology is a managed service within MioCare and as such expansion of our use of AT would have an impact on MioCare. Liaison is ongoing with MioCare to explore this further.
Other Partner Organisations
The proposals will impact the utilisation of adult social care services provided by commissioned providers and the voluntary sector.

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	Yes
Local business community	Yes
Schools	No
Trade Unions	No
External Partners (if yes please specify below)	Yes
Voluntary sector (Action Together)	
Other Council Departments (if yes please specify below)	Yes
Communities and Reform.	
Other (if yes please specify below)	Yes
Miocare	

Benefits to the organisation/staff/customers including performance improvements

- Resources will be maximised through alternative models of care
- A consistent, aligned approach to service provision and delivery
- Long-term outcomes and wellbeing of adults with care and support needs will be maximised
- Alternative models of care will be adopted, commissioned and developed which improve and achieve better outcomes for people with care and support needs

Section C

Key Risks and Mitigations:

Risk	Mitigation
The ability to release staff to undertake training to support the roll out of a strength-based approach due to current capacity and demand pressures within the service (linked to the current pandemic).	Recruitment under way to support the management and review of Covid funded packages of care.
Availability of services within communities to support strength-based approaches due to the restrictions currently in place as a result of the pandemic.	Close working with colleagues within commissioning, thriving communities and the voluntary sector to understand the availability of services.
Availability of specialist services to support increased demand as a result of the current pandemic.	Demand will be monitored through respective management structure and mitigating actions identified.

Key Development and Delivery Milestones:

Milestone	Timeline
Development of programme, aligned with the MTFS process and delivery of savings (detailed plan to be developed)	April 2021 – March 2023.
N/a	N/a
N/a	N/a
N/a	N/a

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	09-Nov-2020	01-Feb-2021
Service User	23-Nov-2020	01-Feb-2021
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	Yes
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	Yes
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	Yes

Section E

Finance Comments
This proposal will achieve a saving of £2.5m, £1.5m in 21/22 and £1m in 22/23. This saving will be achieved through a culture change in how residents are supported to meet their needs and so reducing the value of care packages. This approach has been successful in other localities.

Signed RO	11-Dec-2020

Signed Finance	07-Jan-2021

Cabinet Member Signature	
Page 204 Name and Date	Cllr Z Chauhan 18-Jan-2021

Additional Information (if required)

The introduction of the Care Act and further developments both nationally and locally have seen a transition to integrated, joined up approaches to the provision of care and support with a focus on the holistic needs of a person helping them to maintain their independence and continue to live within the community for as long as possible.

Nationally, regionally and locally there has been a move towards strength based models of assessment utilising a collaborative process which enables a person to be fully involved in the planning of their care and support; drawing on their strengths and assets along with those of their wider support network to promote independence.

Employing a strengths-based approach will enable a more creative approach to be taken to meeting a person's needs helping to reduce dependence on traditionally commissioned support and encouraging community participation through the access of support available within the local community, through social prescribing linking with voluntary sector providers and the thriving communities agenda. There will be a focus on providing support in the least restrictive way whilst improving the long-term outcomes, independence and wellness of individuals.

The adoption of strength-based assessment approaches will require a significant shift in culture across the workforce and users of adult social care; as such the savings for the service from this will be delivered over 2 years through a structured programme of review. Training will be provided to staff to support the move to a strength-based approach and to understand and build connections with the community support available. It is estimated that over the 2-year period savings of £1.5m can be realised.

Assistive Technology

Not unique to Oldham or the Greater Manchester Region, nationally the social care system is under unsustainable pressure, facing considerable savings. Whilst there will always be a need for more intensive care packages and care models, we need to explore new methods of care delivery closer to home to ensure people receive the support they need and prevent them for potential dependency. This coupled with the majority of people would rather continue to live independently in their home, if given the right support to do so.

By expanding the current assistive technology offer in Oldham this will support benefits being realised such as: maximising resources, driving up the quality of care, a greater emphasis on prevention and early intervention, improved outcomes for individuals, tailoring services to specific needs, promoting social inclusion and supporting carers and independence.

Closely linked to the strengths-based approach, increasing Oldham's offer of assistive technology will further enable practitioners to consider elements of the current package and examine whether these can be delivered through alternative approaches. For example, whether changes to accommodation and support could help to maximise resources whilst achieving better outcomes for the individual. Assistive technology can help to enable effective community-based support which manages risk, provides person-centred care and promotes independence.

From managing risk such as fires or falling, to aiding communication and helping to deliver greater privacy or dignity. Technology can enable people to have more control over the way they live their lives. As well as enhancing more traditional care solutions by managing risk in the home environment. Technology can also enable someone to be 'connected' with their wider community, friends and family and enjoy wellbeing derived from activities such as going to the shops, to social events and meeting friends and family.

Expansion of the assistive technology offer in Oldham will require a change to the infrastructure of the current team that is within a managed service of MioCare's reablement division. Once reconfigured, the team will need to develop a plan for training that is connected to the strengths-based approach, ensuring health and social care practitioners are familiar with what assistive technology is available to them which will include compulsory training and streamlining processes.

Additional Information (if required)

Examples of the potential for expanding Oldham's AT offer to maximise resources and achieve better outcomes:

- Review of waking nights, with risk assessments to determine whether the risk can be covered through telecare
- Review of the effectiveness of our existing and potential expansion of Just Checking service
- Review of two carer packages of care

Direct Payment Offer

Direct payments (DP) are one of three statutory mechanisms which local authorities have to offer as a way for people to meet their eligible social care needs. A direct payment is an amount of money paid to the individual so that they can purchase their care and support services directly, without the need for the Council to manage the contractual arrangements.

At the present time, there are 1,040 clients who receive a DP to meet their eligible social care needs with a net cost to the service of £13m and there has been a year on year increase in the number of people in receipt of a DP.

Annual audits are completed to ensure that funds are being used appropriately to meet a person's eligible needs and to ensure that any overpayment, non-payment of client contributions or misuse of funds are identified and reclaimed. The amount of monies reclaimed on an annual basis has increased year on year.

In order to support the transition to a strength-based approach it is proposed to undertake a holistic review of our DP offer and we are currently considering the policy approach and guidance documentation, collection of client contributions and service inclusion to align with changes in organisational culture.

•Policy and guidance documentation

Revision of current policy approach considering the management of contingency arrangements and the payment of funds at the commencement of a DP. Guidance documentation will be reviewed to ensure that staff and users are fully supported to understand our DP offer and the expectations on them around the use and management of a DP.

•Collection of client contributions

A financial assessment is completed to calculate how much a person can contribute towards the cost of their care services. For the majority of DP recipients their contribution is deducted from their DP before payment is made however, we currently have 79 DP cases where the full amount of the DP is paid, and an invoice is raised for the contribution. Moving all DP's to net payments will ensure consistency and will reduce the amount paid each week by £5,600.

•Service Inclusion

A review of the support currently being funded via DP's will be undertaken to ensure that this is appropriate, supports the transition to a strength-based approach and utilisation of a wider service offer.

It is estimated that over the 2 years savings of £1m can be realised from the review of our DP offer.

Additional Information (if required)

Risk 4:

Structure of the workforce to support expansion of assistive technology offer.

Mitigation:

Reconfiguration of current team in collaboration with MioCare.

Risk 5:

Users of adult social care services are reluctant to accept assistive technology as an alternative way of meeting their needs.

Mitigation:

Training and support provided to staff to support discussion on the benefits of assistive technology.

	Reference: CSA-BR1-423
Responsible Officer	Mark Warren
Cabinet Member:	Councillor Zahid Chauhan
Support Officer	Jayne Ratcliffe/Kirsty Littlewood

Equality Impact Assessment Tool

Service Area:	Health and Wellbeing
Budget Reduction Title:	Maximising independence through alternative models of care

Stage 1: Initial Assessment

1a	Which service does this project, policy or proposal relate to? Adult Social Care-Maximising independence through alternative models of care. The Care Act 2014 Section 9 sets out the duty for Local Authorities to assess a person's needs and provide care and support services to meet eligible needs. This proposal relates to a budget saving proposal to implement alternative models of care focussing on a person centred, strength-based approach to adult social care to promote independence, resilience and community involvement helping people to remain living within their own homes for as long as possible. Employing a strength-based approach allows for a collaborative process to care and support planning ensuring that the person and those supporting them are involved in the planning process. This helps ensure that a person's strengths and assets along with the support and opportunities available within their local community are fully considered to be provide support in the least restrictive way whilst maintaining focus on wellness and long-term outcomes. Through the role out of a structured programme of training for staff and case reviews all adult social care users will have an assessment completed utilising a strength based approach.
1b	What is the project, policy or proposal? What are eligible needs? When a person contacts adult social care a needs assessment is completed to ascertain if they meet the national eligibility criteria and are determined to have eligible needs. The needs assessment focuses on the following 3 key areas • Does a person have care and support needs as a result of a physical or mental condition? • Due to care and support needs is a person unable to achieve or meet 2 or more desired outcomes? • Is there, or is there likely to be a significant impact on a person's wellbeing? If following the completion of a needs assessment it is determined that a person has eligible needs a care and support plan is completed which sets out how these needs are to be met and the care and support that is to be out in place. Strength-based approach

In addition to setting out the national eligibility criteria for adult social care, The Care Act 2014 requires a person's own strengths and capabilities along with their wider support network to be considered in order to decide the best way to meet their needs.

As such, nationally, regionally and locally there has been a move towards strength-based models of assessment utilising a collaborative process and allowing a person to be fully involved in the planning of their care and support; allowing them to have more control over the support that they receive and helping them to retain as much independence as possible for as long as possible.

Employing a strengths-based approach allows a more creative approach to be taken to meeting a person's needs helping to reduce dependence on traditionally commissioned services and encouraging community participation through the access of support available within the local area and through social prescribing, thus linking with voluntary sector providers and the thriving communities agenda. There is a focus on providing support in the least restrictive way whilst improving the long-term outcomes and wellness of individuals.

To facilitate the move to a strength-based approach a structured programme of training and case reviews will be completed to ensure that all adult social care users have an assessment of their needs completed utilising a strength-based approach. This will ensure that their long-term outcomes and wellness are fully considered and that they are given the opportunity to contribute to the planning of their care and support.

In order to support the adoption of a strength-based approach consideration will also need to be given to our use of assistive technology and Direct Payment offer.

Assistive Technology

Closely linked to the strength-based work referred to above, increasing Oldham's offer of assistive technology will further enable practitioners to consider elements of the current care and support packages in place and examine whether these can be delivered in different ways. Assistive technology can help to enable effective community-based support which manages risk, provides person-centred care and promotes independence therefore aligning with a strength-based approach.

Examples of the areas currently being considered for the expansion of the use of assistive technology include waking nights, utilisation of the Just Checking service and AT as an alternative to a second carer in some two carer packages where this is felt to be appropriate.

Direct Payment Offer

Direct payments are one of three statutory mechanisms which local authorities have to offer as a way for people to meet their eligible social care needs. A direct payment is an amount of money paid to the individual so that they can purchase their care and support services directly, without the need for the Council to manage the contractual arrangements.

To support the adoption of a strength-based approach and to ensure service alignment it is proposed to undertake a holistic review of our Direct Payment offer. Undertaking the review will guarantee consistency and equity across service provision and will make sure

	that our offer meets statutory requirements and responds to service intelligence whilst being fully reflective and inclusive of wider changes being made. A review of current processes and analysis of service data has identified options for consideration including updating our policy approach with a focus on arrangements in place for payment at the commencement of a placement, contingency arrangements and the collection of client contributions towards the cost of services. Alongside this, regard will be given to the supporting documentation and guidance available to confirm that this provides staff and DP recipients with the information and support they require to fully understand our DP offer and their responsibilities.																																																																
1c	What are the main aims of the project, policy or proposal? The main aims of the project are the • Adoption of a strength-based approach • Exploration of the utilisation of assistive technology whilst considering the impact of having to purchase and maintain equipment for low income service users along with the support required to enable confident use. • Alignment of DP offer with strength-based approach • Revised DP policy and supporting documentation																																																																
1d	Who, potentially, could this project, policy or proposal either benefit or have a detrimental effect on, and how? This proposal could have a detrimental effect on those people who are in receipt of adult social care services. The changes proposed may • Change the way in which eligible needs are met • Utilise assistive technology as an alternative to current provision • Change the contingency arrangements for DP recipients																																																																
1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups? <table border="1"> <thead> <tr> <th></th><th>None</th><th>Positive</th><th>Negative</th><th>Not sure</th></tr> </thead> <tbody> <tr> <td>Disabled people</td><td>☐</td><td>☐</td><td>☒</td><td>☐</td></tr> <tr> <td>Particular ethnic groups</td><td>☒</td><td>☐</td><td>☐</td><td>☐</td></tr> <tr> <td>Men or women (includes impacts due to pregnancy / maternity)</td><td>☒</td><td>☐</td><td>☐</td><td>☐</td></tr> <tr> <td>People of particular sexual orientation/s</td><td>☒</td><td>☐</td><td>☐</td><td>☐</td></tr> <tr> <td>People in a Marriage or Civil Partnership</td><td>☒</td><td>☐</td><td>☐</td><td>☐</td></tr> <tr> <td>People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment</td><td>☒</td><td>☐</td><td>☐</td><td>☐</td></tr> <tr> <td>People on low incomes</td><td>☐</td><td>☐</td><td>☒</td><td>☐</td></tr> <tr> <td>People in particular age groups</td><td>☐</td><td>☐</td><td>☒</td><td>☐</td></tr> <tr> <td>Groups with particular faiths or beliefs</td><td>☒</td><td>☐</td><td>☐</td><td>☐</td></tr> <tr> <td colspan="5">Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?</td></tr> <tr> <td></td><td>☐</td><td>☐</td><td>☐</td><td>☐</td></tr> </tbody> </table>						None	Positive	Negative	Not sure	Disabled people	☐	☐	☒	☐	Particular ethnic groups	☒	☐	☐	☐	Men or women (includes impacts due to pregnancy / maternity)	☒	☐	☐	☐	People of particular sexual orientation/s	☒	☐	☐	☐	People in a Marriage or Civil Partnership	☒	☐	☐	☐	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐	People on low incomes	☐	☐	☒	☐	People in particular age groups	☐	☐	☒	☐	Groups with particular faiths or beliefs	☒	☐	☐	☐	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?						☐	☐	☐	☐
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1f	What do you think the overall NEGATIVE impact on groups and communities will be?	None / Minimal	Significant
		☐	☒

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes ☒
		No ☐
1h	How have you come to this decision?	
	The potential impact on the users of adult social care services and the way in which their eligible needs are met requires a full EIA to be completed.	

Stage 2: What do you know?

What do you know already?
There are currently over 3,700 people in Oldham in receipt of adult social care services with approximately 790 of these receiving support in a residential or nursing care setting. The remainder are supported in the community through the provision of a range of services including homecare, direct payments, extra care housing and shared lives. We know that there are 1,040 people receiving a direct payment to meet their eligible adult social care needs with a net annual cost to the authority of over £13m. We know that the number of DP's in payment has increased year on year and that over recent years over £1m has been reclaimed annually as a result of DP audits completed. We understand that nationally and regionally there is a move to adopting strength-based approaches as it promotes independence, resilience and community inclusion. Linked to this, local authorities across GM and nationally are exploring how assistive technology can be utilised to ensure people receive the support that they need in the most appropriate least restrictive way.
What don't you know?
We currently don't know the impact on individuals of adopting a strength-based approach and whether this will change the way in which their eligible needs are met. We don't know the number of cases in which assistive technology could be considered as an alternative method of providing support and what the financial impact of this would be. We don't know what the effect of the current pandemic situation will be on the long-term availability and capacity of services within the community and how this will impact the implementation of a strength-based approach.
Further Data Collection

Summary (to be completed following analysis of the evidence above)

1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?

		None	Positive	Negative	Not sure
	Disabled people	☐	☐	☒	☐
	Particular ethnic groups	☒	☐	☐	☐
	Men or women (includes impacts due to pregnancy / maternity)	☒	☐	☐	☐
	People of particular sexual orientation/s	☒	☐	☐	☐
	People in a Marriage or Civil Partnership	☒	☐	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐
	People on low incomes	☐	☐	☒	☐
	People in particular age groups	☐	☐	☒	☐
	Groups with particular faiths or beliefs	☒	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
		☐	☐	☐	☐
		☐	☐	☐	☐

Stage 3: What do we think the potential impact might be?

3a	Who have you consulted with?	
	Public consultation is being held between 9 November 2020 and 1 February 2021, although responses are still being received and are to be fully analysed in early reviews this area has not been identified as one of those receiving negative comments	
3b	How did you consult? (include meeting dates, activity undertaken & groups consulted)	
3c	What do you know?	
3d	What don't you know?	
3e	What might the potential impact on individuals or groups be?	
	Generic (impact across all groups)	
	Disabled people	Those with eligible needs will be impacted by this proposal and as such there will be a direct impact on this group as they will be assessed utilising a strength based approach meaning the way in which their eligible needs are met may change.
	Particular ethnic groups	
	Men or women (include impacts due to pregnancy / maternity)	Whilst our approach does not positively or negatively impact either of these groups disproportionately it should be noted that in general, across health and social care, there are significantly higher levels of

		women receiving care and support than men. This is linked to demographics reflecting that generally women live longer than men and in turn need a high level of social care support. In turn this may mean that a greater number of women are affected.
	People of particular sexual orientation/s	No Impact
	People in a Marriage or Civic Partnership	No Impact
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	No impact
	People on low incomes	Those with a low income may be impacted by the proposed changes to assistive technology if costs are incurred.
	People in particular age groups	As this will impact those with eligible needs it is likely to impact those in some age groups more than others though further analysis is required to fully understand the impact.
	Groups with particular faiths and beliefs	No impact
	Other excluded individuals (e.g. <i>vulnerable residents, individuals at risk of loneliness, carers or service and ex-serving members of the armed forces</i>)	

Stage 4: Reducing / Mitigating the Impact

4a	What can be done to reduce or mitigate the impact of the areas you have identified?	
	Impact 1	Proposal
	The way in which a person's eligible needs are met may change as a result of the move to a strength based approach	A fully structured programme of training and case reviews will be implemented to support the move to a strengths-based approach ensuring that individual circumstances are fully considered.
	Impact 2	Proposal
	Costs might be incurred in relation to the purchase and maintenance of assistive technology	Full consideration of potential financial implications will be taken into account when considering the use of assistive technology.
	Impact 3	Proposal

4b	Have you done, or will you do anything differently, as a result of the EIA?

4c	How will the impact of the project, policy or proposal and any changes made to reduce the impact be monitored?

Conclusion <i>This section should record the overall impact, who will be impacted upon, and the steps being taken to reduce / mitigate the impact</i>

Stage 5: Signature

Role	Name	Date
Lead Officer	Karen Maders	15/12/2020
Approver Signatures		

EIA Review Date:	TBC

Reference :	CSA-BR1-424
Responsible Officer :	Mark Warren
Cabinet Member :	Cllr Z Chauhan
Support Officer :	Karen Maders

BR1 - Section A

Service Area :	Adult Social Care Support
Budget Reduction Title :	CHASC Workforce Reduction

Budget Reduction Proposal - Detail and Objectives :
This budget proposal links to workforce reductions in the Community Health and Adult Social Care Service achieved through the Council's voluntary redundancy (VR) programme. It is anticipated that the service will identify up to 3 FTE posts which can be released through the scheme and attributed to overall savings achieved by CHASC. It is envisaged that the service will realise a saving of £150,000, broken down as: 2021/2022 - £100k 2022/2023 - £50k

2020/21 Service Budget and Establishment	£000
Employees	10,575
Other Operational Expenses	0
Income	(0)
Total	10,575

Current Forecast (under) / overspend	(582)

Number of posts (Full time equivalent)	254.00

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(100)	(50)	0
Proposed Staffing Reductions (FTE)	3.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
Not Applicable.
Service Delivery
See additional information.
Future expected outcomes
Potential impact on performance through workforce reductions; impact to be considered by Adults Social Care Senior Leadership Team.
Organisation
Potential impact on organisational form within CHASC – requests for VR have been considered within the context of service provision and model of delivery.
Workforce
See additional information.
Communities and Service Users
Critical service roles which are front facing may impact on the experience of service users and the wider community.
Oldham Cares
Not Applicable.
Other Partner Organisations
Not Applicable.

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	No
Local business community	No
Schools	No
Trade Unions	Yes
External Partners (if yes please specify below)	No
N/a	
Other Council Departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

A contribution to the Council's budget reduction targets.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Loss of key roles through voluntary redundancy impacts on service provision and performance.	Adult Social Care Senior leadership to consider which roles they can consider being released with limited impact on performance, service experience and delivery for each tranche of reductions.
Significant number of requests for VR which threaten the delivery of services.	Adult Social Care Senior leadership to consider which roles they can consider being released with limited impact on performance, service experience and delivery for each tranche of reductions.
Potential double counting of savings.	Savings proposal is clear that these relate to savings attributable to the service via the corporate workforce reduction programme.

Key Development and Delivery Milestones:

Milestone	Timeline
ASC Senior Leadership Team meeting to consider VR applications.	8 October 2020.
Directors narrative to be provided detailing which VR applications can/cannot be supported.	21 October 2020.
Workforce Panel to consider Directors submission.	29 and 30 October 2020.
Outcome of Workforce Panel to be communicated to Directors.	2 November 2020
For applications that have been agreed exit dates to be communicated	From 30 November 2020
Process and phase across subsequent financial years to be confirmed.	Mid 2021

Section D

Consultation Required?	No

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	not applicable	not applicable
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	No

Section E

Finance Comments
This proposal will achieve savings of £150k over two years. The service will be able to achieve these savings by reducing the establishment by 3 by re-organising the workforce.

Signed RO	17-Dec-2020

Signed Finance	07-Jan-2021

Cabinet Member Signature	
Page 218 Name and Date	Cllr Z Chauhan 18-Jan-2021

Additional Information (if required)

Service Delivery impact:

The impact on service delivery will be a key consideration in whether applications can be supported or not. Any reduction in workforce will have an impact due to the current capacity issues, some less than others. The workforce as a whole will be looked at in this context i.e. deployment of resources in a different way in order to be able to continue to deliver services, whilst achieving the savings identified.

Workforce impact:

The reduction in workforce will be up to 3 FTE. Adults Social Care part of CHASC are supporting 2 applications, the saving of which amounts to £23,889.72. Although this will impact on the service due to current capacity issues, in terms of risk, this can be managed. If the 2 posts are agreed they will be deleted from the establishment.

To achieve the remaining element of the budget reduction, this may not necessarily be through workforce reduction directly. The service is holding vacancies where possible, where recruitment is crucial, this in the main has been done on a fixed term basis in order to allow time for significant service redesign to be undertaken.

BR1 - Section A

	Reference :	CSA-BR1-425
Responsible Officer :	Mark Warren	
Cabinet Member :	Cllr Z Chauhan	
Support Officer :	Angela Barnes	

Service Area :	Adult Social Care Support
Budget Reduction Title :	Out of Hours Call Centre Support for Community Health Services

Budget Reduction Proposal - Detail and Objectives :
The Community Health and Adult Social Care Service (CHASC) Single Point of Access (SPoA) provides administrative support to the clinical triage of District Nursing (DNs) calls across the Oldham locality. The SPoA is operational between 8.00am – 6:00pm, 7-days per week and provides administration support for all community services referrals received via the SPoA, e.g. District Nursing, Nutrition and Dietetics, Podiatry and Tissue Viability and Lymphoedema. On average the SPoA receives 7,300 calls per month. All other community services currently manage their own calls, referrals and appointment booking. Whilst the SPoA only operates during core hours, an administrative support function is still required between 6:00pm and 8:00am; this is currently facilitated by Bardoc through a contracted arrangement. Out of hours (OOH) Bardoc responds to SPoA calls (through diverted telephones) and takes messages. These messages are then forwarded (usually via email) to the OOH DN's for triage. Bardoc take on average 200 calls per month; equivalent to 6 calls per evening. This service currently costs £40,000 per year and is funded through the Community Health Service (external cost centres to the council). It is proposed to re-align the OOH call centre contact requirements of Community Health Services with the Helpline function provided by MioCare services. This approach would reflect a natural alignment of realising further integrated arrangements across CHASC whilst also acknowledging that the OOH DN's are now co-located with MioCare services on the Southlink estate; providing a synergy of service delivery. This approach would realise savings for community health services, improve patient experience, integrate MioCare services with community health and further support integrated working for the locality. (Continued in additional information)

2020/21 Service Budget and Establishment	£000
Employees	0
Other Operational Expenses	11,696
Income	(645)
Total	11,051

Current Forecast (under) / overspend	79

Number of posts (Full time equivalent)	0.00

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(20)	0	0
Proposed Staffing Reductions (FTE)	0.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
Not Applicable.
Service Delivery
MioCare Helpline function would be extended to include responsibility for the out of hours District Nursing calls.
Future expected outcomes
Improved quality, performance and patient satisfaction through an integrated OOH contact provision co-located with the OOH District Nursing service.
Organisation
Not Applicable.
Workforce
Investment within council owned company workforce (via additional income generated).
Communities and Service Users
Patients experience a more enhanced and specialist offer of provision, delivered by MioCare as part of the integrated CHASC arrangements.
Oldham Cares
OOH call centre support delivered within locality, place-based, integrated provision further enhances the integration offer and delivers the priorities and ambitions for Oldham Cares.
Other Partner Organisations
Partners (NCA) realise value for money and an enhanced service offer through realigned OOH provision.

Who are the key stakeholders?

Staff	Yes
Elected Members	No
Residents	No
Local business community	No
Schools	No
Trade Unions	No
External Partners (if yes please specify below)	Yes
Northern Care Alliance / SRFT	
Other Council Departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	Yes
MioCare, Bardoc (current commissioned provider)	

Benefits to the organisation/staff/customers including performance improvements
Improved quality, performance and patient satisfaction through an integrated OOH contact provision co-located with the OOH District Nursing service.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Unable to decommission contract with Bardoc.	Proposals are being developed with commissioning colleagues to ensure contracts can be decommissioned. The proposal does not identify the current additional income level to minimise any risk to MioCare.
Proposal is not viable due to infrastructure / IT / technical requirements.	The proposal will be developed over the next quarter to ensure it is fully viable. At this time, there has not been a commitment to any additional income level against MioCare's budget whilst infrastructure / IT arrangements can be clarified.
Inability of MioCare to take on the proposal due to other factors i.e. resource, capacity, impact verses income level.	The proposal will be developed over the next quarter to ensure it is fully viable. At this time, there has not been a commitment to any additional income level to MioCare's budget to ensure this risk is effectively managed.

Key Development and Delivery Milestones:

Milestone	Timeline
Explore and scope potential options for a model of OOH provision at a CHASC level.	January 2021.
Work up project scope including contractual implications (subject to budget proposal being approved).	April 2021.
Develop and implement new model of OOH provision.	April - September 2021
N/a	N/a

Section D

Consultation Required?	No

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	not applicable	not applicable
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	No

Section E

Finance Comments
This proposal will achieve £20k of savings. The details are yet to be confirmed but it is anticipated that these will be achieved by charging a fee for providing the service.

Signed RO	17-Dec-2020

Signed Finance	07-Jan-2021

Cabinet Member Signature	
Name and Date	Cllr Z Chauhan 18-Jan-2021

Additional Information (if required)

Detail and objectives (continued):

The proposals require further refinement; however, it is envisaged that the existing contract with Bardoc would be decommissioned and funding provided to MioCare to take the calls outside core hours. Staff would be trained on access to the health systems, inductions provided on the types and nature of calls received out of hours and support given for triaging of calls i.e. to OOH DN's, await daytime shift and other outcomes. The proposal would include the following functions:

- OOH call centre support provided by Helpline (calls would be re-directed by the SPoA at the end / start of each day)
- Helpline would receive patient calls and 'triage' to an appropriate outcome
- Helpline would be provided access to 'Paris' information system to see the District Nursing record (not currently available to Bardoc) enabling them to be able to respond to more patient queries without the need for DN oversight, where appropriate to do so i.e. query about the time of their next DN appointment (thereby enhancing service and patient outcomes)
- Helpline would escalate any urgent calls to DN's or triage to 111/999 as appropriate (and in line with core hours policies and procedures)
- Helpline would provide a monthly summary of call data to support monitoring OOH demand and peak periods

This approach would not realise a direct saving to the Council; however, a small increase in income would be generated for MioCare. The exact figure is yet to be quantified but it is anticipated that this figure would be realised in late 2021/2022.

BR1 - Section A

Reference :	CSA-BR1-426
Responsible Officer :	Mark Warren
Cabinet Member :	Cllr Z Chauhan
Support Officer :	Angela Barnes

Service Area :	Adult Social Care Support
Budget Reduction Title :	Carers Personal Budgets

Budget Reduction Proposal - Detail and Objectives :

A carer is anyone who provides unpaid care for a friend or family member who due to illness, disability, a mental health problem or an addiction, cannot cope without their support. According to the 2011 census, there are over 24,000 carers in Oldham. Carers are estimated to save the UK economy £132bn per year, in Oldham alone this equates to over £380m worth of support. This support is integral to developing a sustainable health & social care economy where all participants are seen and valued as equal partners.

Oldham Carers Service carry out nearly 2,000 carers assessments per year. Over 1,800 of these assessments result in the carer being awarded a Carers Personal budget to help them meet the needs identified in their assessment. The carers assessment is used to look at the caring role being carried out by the carer, what impact this has on their lives and to identify ways to help manage or reduce the impact. The assessment is carried out with the carer by a team of Carers Link Officers and the impact of caring on different areas of their lives is discussed. The impact is measured as having - no impact, low impact or high impact and a resource allocation system is used to calculate an indicative amount to be paid as a one off annual personal budget to help the carer meet their identified needs.

The majority of carers use their carers budget as a contribution towards some form of break for themselves. Other uses include purchasing IT to enable isolated carers to stay in touch with family and friends, purchasing white goods to help with the caring role, e.g. a tumble dryer is a help if caring for someone who may be incontinent. Many carers are financially disadvantaged as a result of being a carer and the carers personal budget can help them to achieve outcomes of their own, it is also a recognition and acknowledgement to the carers of the contribution that their care makes to the local and national economy.

(Continued in additional information below)

2020/21 Service Budget and Establishment	£000
Employees	223
Other Operational Expenses	346
Income	(388)
Total	181

Current Forecast (under) / overspend	(30)

Number of posts (Full time equivalent)	6.00

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(100)	0	0
Proposed Staffing Reductions (FTE)	0.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
N/a
Service Delivery
The same levels of support to carers should be achievable but with less reliance on the use of cash personal budgets to carers and a wider offer utilising strength-based, non-traditional support, which maximises digital and other technological solutions.
Future expected outcomes
Increase in the number of carers being supported and a wider service offer to meet assessed need; thereby providing greater choice and flexibility.
Organisation
N/a
Workforce
N/a
Communities and Service Users
Improved and enhanced offer for carers whilst enabling increased demand for carers services by local carers across the borough
Oldham Cares
N/a
Other Partner Organisations
The proposal will affect the delivery of carers assessments and carers personal budgets by Age UK.

Who are the key stakeholders?

Staff	No
Elected Members	No
Residents	Yes
Local business community	No
Schools	No
Trade Unions	No
External Partners (if yes please specify below)	Yes
Age UK	
Other Council Departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

A wider offer of support for carers, adopting strength-based, digital and technological solutions in 'place' which reflect the #TeamOldham Priorities and reflect local and national agendas to meet assessed needs in more creative and innovative ways.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Carers will feel less valued by potentially receiving a lower carers personal budget than in previous years.	Clear communications with carers to explain reasons for the change in personal budget levels. Increased use of assistive technology, community assets and digital resources to improving the impact of the caring role.
Assessors fail to adopt new ways of working including strength-based, use of digital and technologies.	Training in use of strength-based assessments, full induction to the digital online support for carers and links to the service's developing Assistive Technology Strategy.
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
Develop new offer for carers based on outcome of consultation.	April 2021 to May 2021.
Develop the new resource allocation model based on offer for carers going forward.	May 2021 to September 2021.
Implementation of new carers offer.	September 2021.
N/a	N/a

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	09-Nov-2020	01-Feb-2021
Service User	23-Nov-2020	01-Feb-2021
Other	02-Nov-2020	28-Jan-2021

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	Yes
Particular Ethnic Groups	Yes
Men or women (including impacts due to pregnancy/maternity)	Yes
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	Yes
People in particular age groups	Yes
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	Yes

Section E

Finance Comments
This proposal will achieve savings of £100k. A new strength based approach to assessments should enable savings for the Locality. This will require a culture change as to how support is provided, as well as reduced amounts being provided in the resource allocation system.

Signed RO	04-Dec-2020

Signed Finance	07-Jan-2021

Cabinet Member Signature	
Page 228 Name and Date	Cllr Z Chauhan 18-Jan-2021

Additional Information (if required)

The numbers of carers being supported and also receiving a carers personal budget has increased by over 26% in the last two years and this trend is likely to continue. This will have a serious impact on the budget if the way we allocate carers personal budgets stays the same and we need to maximise the funds available whilst accessing more non-traditional forms of support for carers in acknowledgement of living in a Covid environment, providing opportunities to take a break in different ways and ensuring all carers have access to an equitable and fair offer.

The carer's assessment looks at the impact on areas of the carer's life including, the ability to maintain their own home, to be involved in community activities, to have a social life and contact with family.

Allowing for an increasing numbers of carers identified would need to be factored into the efficiencies proposal, as would increasing and improving methods of supporting carers to meet some of their needs in alternative ways. Also, some allowance would need to be made to accommodate carers assessments which identify exceptional circumstances where the awarding of a cash budget would make a significant improvement to a caring role and avoid the need for costly funded services. An example of this was £500 awarded to a carer for the purchase of a riser/recliner chair which meant that she did not need support from paid carers to help her husband to stand and the couple were able to remain in control of their own lives.

Use of strength-based approaches to assessments would be essential to meeting these efficiency targets as the needs of the carers identified as part of the carer's assessment would still need to be met. Resources to meet the carers needs would need to be both available, accessible and the costs of the resources would be recorded in the Carers support plan which is produced following a carers assessment. Resources would include:

- Social prescribing
- Access to Community Asset Directory
- Training courses for carers
- Digital resources
- Assistive technology
- Advice and information
- Emotional support

One resource which would provide access to many of the resources identified above but also to a wide range of services online is the Carers UK Digital Resource. The cost of the resource is £3,000 per year and would give the carers team and carers themselves access to online training courses which would meet some of the needs currently being met by a cash payment, access to an app specifically designed for carers, national information covering legal, financial and practical issues faced by carers. The resource would be accessible 24 hours a day meaning that carers can access training and advice at a time to suit them as their own time is limited and usually dictated by their caring role. Increased use of assistive technology will also be explored to help with the caring role, Just Checking and falls sensors, for example, could be used to remove some of the pressures on carers.

Following their first carers assessment, carers are contacted and offered a carers reassessment every twelve months. This helps to ensure that we can monitor the caring role and, provide carers ongoing support and prevent carer breakdown leading to costly care packages or residential care.

The support that the Council provides to carers is provided alongside care that is delivered directly to the cared for person to provide the carer with a break.

Use of strength-based assessments, access to support both digitally and in person and increased use of assistive technology alongside a realigned carers personal budget would provide a more holistic and rounded form of support, intervention and help to enable carers to continue caring.

	Reference:	CSA-BR1-426
Responsible Officer	Mark Warren	
Cabinet Member:	Cllr Z Chauhan	
Support Officer	Kirsty Littlewood	

Equality Impact Assessment Tool

Service Area:	Community Health and Social Care
Budget Reduction Title:	Carers Personal Budgets

Stage 1: Initial Assessment

1a	Which service does this project, policy or proposal relate to? This proposal relates to the provision of support to adult, unpaid carers within Adult Social Care. A carer is anyone who provides unpaid care for a friend or family member who due to illness, disability, a mental health problem or an addiction, cannot cope without their support.
1b	What is the project, policy or proposal? The proposal is to change the current method of assessing and meeting the needs of unpaid carers in community health and social care services. A carers assessment is offered to unpaid carers annually, it identifies the impact of the caring role on the unpaid carer and explores ways of meeting needs in order to reduce the impact. Outcomes of the assessment include advice, information, emotional support and a carers personal budget of between £50 and £350 per year. The current average budget is £150. The proposal is to reduce the levels of budget awarded and so reduce the average payment. In addition to setting out the national eligibility criteria for adult social care, The Care Act 2014 requires a person's own strengths and capabilities along with their wider support network to be considered in order to decide the best way to meet their needs. As such, nationally, regionally and locally there has been a move towards strength-based models of assessment utilising a collaborative process and allowing a person to be fully involved in the planning of their care and support; allowing them to have more control over the support that they receive and helping them to retain as much independence as possible for as long as possible, or to continue in their caring role, should they choose to. Employing a strengths-based approach allows a more creative approach to be taken to meeting a person's needs helping to reduce dependence on traditionally commissioned services and encouraging community participation through the access of support available within the local area and through social prescribing, thus linking with voluntary sector providers and the thriving communities agenda. There is a focus on providing support in the least restrictive way whilst improving the long-term outcomes and wellness of individuals. Alongside the changes to the carers personal budgets, a strength based approach to assessments will be adopted to ensure that the needs of carers are met.

	Resources such as the use of assistive technology and equipment, online and digital training, advice, information and social forums will be made available to support carers and lessen the impact of the caring role on their lives. The proposed changes to the Carers Personal Budgets will not have an impact on other services. Carers will be given opportunities and resources to alleviate the impact on their caring role which will not have a negative or cost implication in other areas.
1c	What are the main aims of the project, policy or proposal? To develop the use of strength-based assessments, to increase access to support both digitally and in person and to increase use of assistive technology alongside a realigned carers personal budget to provide a more holistic and rounded form of support, intervention and help to enable carers to continue caring. By offering different types of support to lessen the impact on the caring role, the reliance on carers personal budgets can be reduced and efficiencies can be realised. Additional resources to support carers will be identified that will have the potential of making a long term improvement to the lives of carers. Use of strength-based approaches to assessments would be essential to meeting these efficiency targets as the needs of the carers identified as part of the carer's assessment would still need to be met. Resources to meet the carers needs would need to be both available, accessible and the costs of the resources would be recorded in the Carers support plan which is produced following a carers assessment. Resources would include: • Social prescribing • Access to Community Asset Directory • Training courses for carers • Digital resources • Assistive technology • Advice and information • Emotional support One resource which would provide access to many of the resources identified above but also to a wide range of services online is the Carers UK Digital Resource. The cost of the resource is £3,000 per year and would give the carers team and carers themselves access to online training courses which would meet some of the needs currently being met by a cash payment, access to an app specifically designed for carers, national information covering legal, financial and practical issues faced by carers. The resource would be accessible 24 hours a day meaning that carers can access training and advice at a time to suit them as their own time is limited and usually dictated by their caring role. Increased use of assistive technology will also be explored to help with the caring role, Just Checking and falls sensors, for example, could be used to remove some of the pressures on carers. The use of community assets, social prescribing and assistive technology will be explored with each carer as part assessment to identify support to alleviate pressures on the carer. The use of carers personal budgets will still be appropriate to meet carers needs for example as a contribution towards a break or to purchase an item which would help in their caring role.

	The carers personal budget is also an important resource to provide the carer with acknowledgement and recognition of the valuable service they provide and the contribution their service makes to both the local and national economy. By providing other means of support however a significant efficiency can be made in the provision of carers personal budgets while still providing appropriate support to carers. Oldham currently provide a high level of numbers of carers who receive a personal budget through a direct payment and also the total amount spent on Carers Personal Budgets. (Comparative Data to follow).																		
1d	Who, potentially, could this project, policy or proposal either benefit or have a detrimental effect on, and how? The following groups of people could be affected by the proposal; • Disabled people – Changes to the way carers are supported could have an effect on the person they care for who may have a disability. Also, some unpaid carers have a disability of their own. Increased training and online support to carers will include condition specific information and advice which could improve the experience of the cared for person. • Particular ethnic groups – 13 % of carers in Oldham identify as Asian or Asian British. Increased use of digital resources may be less accessible for non-English speakers within that community. • Women – nearly 70% of carers in Oldham are female, so are more likely to be affected by any changes to carers services. • People on low incomes – many carers are financially disadvantaged by their caring role and could be affected by changes to the personal budget allocation. This group may see any reduction in personal budget as a negative development. The greater availability of advice including benefits advice and financial planning, however, could mitigate this affect as could an increased level of alternative support to carers enabling access to employment. Advice and signposting to resources such as Job Centre Plus and Get Oldham Working to support carers who may need help with access to ICT or travel costs will be given. If appropriate a carers personal budget could be allocated for this purpose. • People in particular age groups – over 30% of carers in Oldham are aged over 65, so may be more likely to be affected by any changes to carers services. • Carers – Carers may perceive that receiving a lower personal budgets as reflection of the value placed on the service they provide.																		
1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups? <table border="1"> <thead> <tr> <th></th><th>None</th><th>Positive</th><th>Negative</th><th>Not sure</th></tr> </thead> <tbody> <tr> <td>Disabled people</td><td>☐</td><td>☒</td><td>☒</td><td>☐</td></tr> <tr> <td>Particular ethnic groups</td><td>☐</td><td>☒</td><td>☒</td><td>☐</td></tr> </tbody> </table>					None	Positive	Negative	Not sure	Disabled people	☐	☒	☒	☐	Particular ethnic groups	☐	☒	☒	☐
	None	Positive	Negative	Not sure															
Disabled people	☐	☒	☒	☐															
Particular ethnic groups	☐	☒	☒	☐															

	Men or women (includes impacts due to pregnancy / maternity)	☐	☒	☒	☐
	People of particular sexual orientation/s	☒	☐	☐	☐
	People in a Marriage or Civil Partnership	☒	☐	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐
	People on low incomes	☐	☒	☒	☐
	People in particular age groups	☐	☒	☒	☐
	Groups with particular faiths or beliefs	☒	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
	Carers	☐	☒	☒	☐
		☐	☐	☐	☐
1f	What do you think the overall NEGATIVE impact on groups and communities will be?	None / Minimal		Significant	
		☒		☐	
1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes ☒			
		No ☐			
1h	How have you come to this decision?				
	Over 2,000 carers access support through a carers assessment and any impact from the changes needs to be clear, it is therefore in the interest of the service to complete an Equality Impact Assessment.				

Stage 2: What do you know?

What do you know already?
The numbers of carers being supported and also receiving a carers personal budget has increased by over 26% in the last two years and this trend is likely to continue. This will have a serious impact on the budget if the way we allocate carers personal budgets stays the same and we need to maximise the funds available whilst accessing more non-traditional forms of support for carers in acknowledgement of living in a Covid environment, providing opportunities to take a break in different ways and ensuring all carers have access to an equitable and fair offer.
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What don't you know?
We currently don't know the impact on individual carers of adopting a strength-based approach and whether this will change the way in which their eligible needs are met. We don't know the number of cases in which assistive technology could be considered as an alternative method of providing support and what the financial impact of this would be. We don't know what the effect of the current pandemic situation will be on the long-term availability and capacity of services within the community and how this will impact the implementation of a strength-based approach.
Further Data Collection

Summary (to be completed following analysis of the evidence above)

1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?	None	Positive	Negative	Not sure
	Disabled people	☐	☒	☐	☐
	Particular ethnic groups	☒	☐	☐	☐
	Men or women (includes impacts due to pregnancy / maternity)	☐	☒	☒	☐
	People of particular sexual orientation/s	☒	☐	☐	☐
	People in a Marriage or Civil Partnership	☒	☐	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐
	People on low incomes	☐	☒	☒	☐
	People in particular age groups	☐	☒	☒	☐
	Groups with particular faiths or beliefs	☒	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
	Unpaid Carers	☐	☒	☒	☐
		☐	☐	☐	☐

Stage 3: What do we think the potential impact might be?

3a	Who have you consulted with?
	Oldham Residents, Carers and partner organisations.
3b	How did you consult? (include meeting dates, activity undertaken & groups consulted)
	Public consultation online via Council website, 9 November 2020 to 1 February 2021. Carers and partner organisations via Carers Partnership Board 20 November 2020.

3c	What do you know?	
3d	What don't you know?	
3e	What might the potential impact on individuals or groups be?	
	Generic (impact across all groups)	
	Disabled people	The provision of alternative support to carers such as training on awareness of specific conditions, will benefit the person they care for.
	Particular ethnic groups	N/A
	Men or women (<i>include impacts due to pregnancy / maternity</i>)	70% of unpaid carers in Oldham are female, so are more likely to be affected by changes to the Carers Personal Budgets. While this reduction in the amount of cash awarded through a Carers Personal Budget may be seen as a negative impact, the mitigating actions will potentially have a longer term positive impact. For example, access to training and peer support could alleviate social isolation and develop skills in the use of ICT.
	People of particular sexual orientation/s	N/A
	People in a Marriage or Civic Partnership	N/A
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	N/A
	People on low incomes	Many unpaid carers are on low incomes due to not being able to access employment due to their caring role. This reduction in the amount of cash awarded through a Carers Personal Budget may be seen as a negative impact, the mitigating actions will potentially, however, have a longer term positive impact. By providing carers with the right information, signposting and advice to ensure they are accessing the benefits and rights they are entitled to, a longer term financial impact on carers on low incomes will be realised. Similarly supporting carers, who wish to, with help to access employment will have a positive financial impact.
	People in particular age groups	35% of unpaid carers are over 64 years old and so are more likely to be impacted by changes to the Carers Personal Budgets. These changes may be perceived as negative by carers who receive a reduced Carers Personal Budget. The impacts of the provision of strength based resources to older carers is already having a positive effect. In some cases, older carers have been supported to access digital resources to reduce social isolation and complete online shopping. This positive

		impact would be available to more carers through the use of the Carers Digital Resource.
	Groups with particular faiths and beliefs	N/A
	Other excluded individuals (e.g. vulnerable residents, individuals at risk of loneliness, carers or service and ex-serving members of the armed forces)	Unpaid Carers- Unpaid Carers across Oldham who have previously received a Carers Personal Budget, may perceive the proposal as a negative impact if they receive a lower level of payment than in previous years. This may deter some carers from accessing an annual carers reassessment. The proposed additional resources through the use of a strength based approach, however, will have the potential to make long term positive changes to lessen the impact of the caring role on their lives.

Stage 4: Reducing / Mitigating the Impact

4a	What can be done to reduce or mitigate the impact of the areas you have identified?	
	Impact 1	Proposal
	Carers will feel less valued and appreciated by potentially receiving a lower carers personal budget by direct payment than in previous years.	Clear communications will be put in place with carers to explain reasons for the change in personal budget levels. The ability to award carers personal budgets at a higher level in exceptional circumstances will still be available.
	Impact 2	Proposal
	Carers may see any change in the cash personal budget as a reduction in the support they receive. This could be regarded as having a negative impact on their lives and ability to continue in their caring role.	Increased use of assistive technology, community assets and digital resources will be accessed and provided. By commissioning the Carers UK Digital Resource, carers will be able to access: - advice and information, independent to that directly supplied by Oldham Cares. - Online training courses on a number of topics which are designed to give carers the tools to alleviate some of the impacts that caring may have on their lives. - An online forum where carers can chat, ask questions and share issues with other carers. - Access to a 24 hour helpline for carers. All of the above will, potentially, increase the long term support to carers and reduce the impact of the caring role by providing alternative and more appropriate resources.

	Impact 3	Proposal
	Carers may see the proposal as having a negative impact on their income and financial ability to continue with the caring role.	Providing advice and signposting to carers to ensure that they, and the person they care for are accessing appropriate benefits, will have a positive long term impact on finances. The Carers UK Digital Resource provides up to date information on carers rights, both regarding benefits and rights as a working carer. Tools to assist with accessing benefits advice, budgeting tips and getting into employment, where appropriate, are available 24 hours a day.

4b	Have you done, or will you do anything differently, as a result of the EIA?
	The focus of Carers support, including carers assessments, will be on giving carers access to resources which will enable them to achieve long term improvements in their caring role. Whilst carers will, where appropriate, still be able to access a carers personal budget through a direct payment, the emphasis will be on a strength based approach and less reliance on cash budgets.
4c	How will the impact of the project, policy or proposal and any changes made to reduce the impact be monitored?
	The carers budget will be monitored, and a review system will be put in place to contact carers to ascertain if they have accessed resources and to get feedback on how this has affected their caring role.

Conclusion

This section should record the overall impact, who will be impacted upon, and the steps being taken to reduce / mitigate the impact

The reduction in the overall budget available for carers personal budgets will impact all carers who currently, and in the future, access support by way of a carers assessment.

Reducing the amount of carers personal budget provided by a direct payment may give an initial short term negative financial impact to carers.

This short term negative impact can be reduced or mitigated by implementing a strength based approach, accessing community resources, increasing the use of assistive technology, digital resources, both locally and through Carers UK.

Appropriate use of these resources will have a positive long term effect for carers by giving them the tools to enable them to manage their caring role.

Stage 5: Signature

Role	Name	Date
Leade Officer	Kirsty Littlewood	15.12.20
Approver Signatures		

EIA Review Date:	TBC

DRAFT

Reference :	CSA-BR1-427
Responsible Officer :	Mark Warren
Cabinet Member :	Cllr Z Chauhan
Support Officer :	Karen Maders

BR1 - Section A

Service Area :	Adult Social Care Support
Budget Reduction Title :	Brokerage

Budget Reduction Proposal - Detail and Objectives :

Following a needs assessment, a direct payment (personal budget) maybe awarded and the recipient can choose to take this as a cash payment rather than having a package of support arranged for them.

The aim of a direct payment is to enable people to have more choice and control over the support they receive. Many people choose to employ Personal Assistants (PA) to meet their services needs and manage any employment related processes. The Council currently provides support to people to manage their Direct Payment by providing a support brokerage service, this service should be aimed at where the person has no third party to assist them or they are unable to do this themselves. Brokers work with the individual to support set up their care and support services. This could include finding out information about services, recruiting staff and setting up payments for wages and services.

The council's annual spend on brokerage services is in the region of £450,000 for Adult Social Care. Brokerage fees do not form part of the allocated direct payment budget, this is an additional cost that the council funds from the community care budget and service users do not contribute to this additional cost.

Year after year there has been a significant increase in brokerage costs. Oldham was a pilot for personalisation, and it seems brokerage is the 'go to' option when offering a direct payment from an Adult Social Care perspective, instead of reviewing alternative options available to support the person, i.e. support of next of kin.

(See additional information below)

2020/21 Service Budget and Establishment	£000
Employees	0
Other Operational Expenses	15,364
Income	(0)
Total	15,364

Current Forecast (under) / overspend	2,002

Number of posts (Full time equivalent)	0.00

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(250)	0	0
Proposed Staffing Reductions (FTE)	0.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
Not applicable
Service Delivery
Supporting service delivery, by providing members of the public and practitioner's with clear guidance on the use of direct payments and a broker. Opportunities to promote the 'Strength based' assessment model for alternative options to support the person, instead of a brokerage service as the 'go to' option.
Future expected outcomes
See additional information below.
Organisation
See additional information below.
Workforce
See additional information below.
Communities and Service Users
See additional information below.
Oldham Cares
See additional information below.
Other Partner Organisations
Not applicable

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	Yes
Local business community	Yes
Schools	No
Trade Unions	No
External Partners (if yes please specify below)	Yes
Brokerage providers	
Other Council Departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements
See additional information below.

Section C

Key Risks and Mitigations:

Risk	Mitigation
As a framework is being implemented with agreed associated costs, it may not be as feasible for providers, therefore may result in a reduction of brokers applying for the tender, and the council not having a varied list of approved brokers to use.	The specification includes a statement, to advise where local market cannot meet the demand, the council will be able to look wider within GM for the use of a brokerage service. (Continued in additional information below).
The proposed plan is to review the current packages with a broker, and where non- complex to source alternative support. This will reduce the use of a broker and may see some brokers withdrawing from the market due to lose of business.	The specification due to go to tender has been clear that all current packages will be reviewed and the future offer for the service will be aimed at complex care packages only. The specification will be advertised via the 'Procurement Chest' where all brokers can view / be clear on the new proposals before submitting a tender for the service.
When reviewing the current care and support packages, and changing the use of a broker, this may cause some uncertainty and anxiety for service users and may result in an increase in complaints /contact to the council.	Clear guidance re-issued to support practitioners in their conversations with service users, alongside support via the task & finish group and resource allocation panel. Complaints managed through the Council's complaints process, to be allocated to appropriate staff offering service users reassurance of still receiving their required care package.

Key Development and Delivery Milestones:

Milestone	Timeline
Staff comms re: new packages including, using a Broker (when to approach them), manager to scrutinise broker use/appropriateness before care package approved, income & payments to challenge broker requirement if not documented.	2021 (Easy Use Guide and flow chart to be sent with comms)
Review Direct Payment Policy/ Toolkit. Develop Direct Payment easy use guide for staff & process flow chart - example cases where use of a broker is appropriate. Guidance to include 'brokerage use decisions need to be evidence based'.	2021
Task & Finish Group-Monitor reviews of current packages with a broker. Ensure reviews are kept on track. Update sessions booked on regular basis. Oversight of the change in public expectations. Monitor reduction in costs.	2021 (Group to include Cluster Leads/Learning Disability, Mental Health managers)
Review all current packages with a broker. Report to be requested, split by category of packages, PSR and additional services. Agreed process to be confirmed as part of the task and finish group. Social Work teams to lead on reviews.	2021

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	09-Nov-2020	01-Feb-2021
Service User	23-Nov-2020	01-Feb-2021
Other	05-Nov-2020	28-Jan-2021

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	Yes
Particular Ethnic Groups	Yes
Men or women (including impacts due to pregnancy/maternity)	Yes
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	Yes
People in particular age groups	Yes
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	Yes

Section E

Finance Comments
This proposal will achieve a saving of £250k. This saving will be achieved by reducing a non-statutory element from non-complex cases. This will be underpinned by the introduction of the strength-based approach which will require a culture change in how services are provided.

Signed RO	04-Dec-2020

Signed Finance	07-Jan-2021

Cabinet Member Signature	
Page 242 Name and Date	Cllr Z Chauhan 18-Jan-2021

Additional Information (if required)

The funding of brokerage services is not a statutory requirement, as it isn't defined as an eligible social care need. However, the Council recognises the invaluable support which brokers can offer to vulnerable adults, enabling wider choice and control over the service but it must review the way in which brokerage services are currently used when offering a direct payment in order to reduce excessive spending on brokerage services, promote a more strength-based approach for the delivery of the person's care and by using alternate support for the person.

With finite resources, the service needs to target brokerage services at those with the most complex needs to ensure parity of access to direct payments.

There are currently 927 direct payment packages with a broker, total cost £450,526.

Brokerage Services	Number	Annual Cost
Invoice Only	303	£ 74,777
Payroll Only	21	£ 7,732
Full Brokerage package	603	£ 368,017
Total	927	£ 450,526

The budget reduction proposals in regard to brokerage services will be achieved by the completion of the following:

1. Implementation of a brokerage framework. There is currently no such framework in place, therefore no contracted fees for the use of a brokerage services. Brokers fees vary, and can increase at any time, therefore increasing the financial liability for the council. By the introduction of the framework there will be a set fee structure, to support the council to budget, provide market stability and be accountable for public funds.

2. A clear specification will be implemented as part of the framework and will clearly state that the use of a brokerage service will be for complex care packages only. Where packages are identified as non-complex, the practitioner will be expected to work with person and explore other options available to them.

3. A task and finish group will be established. This group will lead on reviewing all current direct payment packages with a broker. Packages (non-complex) with a broker will be reviewed by the practitioner, to source alternative support where deemed appropriate, therefore ceasing the requirement of a broker and reducing costs for the council.

4. There is a requirement to change the public's expectations in regard to direct payments and the use of a brokerage service. To support this the following actions will take place:

- Review of Direct Payment Policy
- Review of Direct Payment Toolkit.
- Development of a Direct Payment easy use guide for staff, to support them when discussing options with the person, this will also include the use of a broker.

5. Any new direct payment packages, where a broker is required will go through the resource allocation panel and will have to be signed off by the relevant Head of Service. This will support due-diligence on all packages and monitor the cost of brokerage services.

6. The direct payment policy review will also provide some guidance to staff in regard to the term complex and non-complex. Therefore, supporting them in their decision making when assessing a person's requirement for a direct payment and use of a brokerage service.

Additional Information (if required)

Future Expected Outcomes impact:

The reduction in the requirement of a broker for non-complex packages. Therefore, allowing the broker to focus on packages of care that are complex and require their full support. Brokers and service users will also be clear on what the services and expectations from a broker will be, therefore providing a coordinated support package for service users.

Organisational impact:

Organisational impact will be positive and negative. The proposed change in services to a person may initially lead to increases in complaints, as people will be used to the services they currently receive, and change can be sometimes unsettling for the person, this will be managed by the service to ensure the person feels fully supported.

From an organisational perspective, there will be clear guidance on the offer of a brokerage service, the organisation will be assured that there is accountability for public funds following the implementation of the brokerage framework and specification and all brokers will go through the correct procurement process and have a legal contract in place to adhere to.

Workforce impact:

Practitioner's will be provided with clear guidance on the use of direct payments and a broker, and will be supported by the use of a broker via the panel allocation approval step that will be implemented. The workforce will receive an approved list of brokers to use following the procurement tender process, so when allocating a broker to a direct payment package, there is a clear rationale and transparency.

Communities and service users impact:

Service users will benefit from the proposal massively as currently they are not clear what they should be receiving from a broker. As part of the specification for the brokerage framework, brokers will be asked to provide an information pack on the services that they are delivering, this will be provided to service users/next of kin to support them when choosing the correct broker for their care and support package and also ensure that they are receiving the correct care and support, as assessed by the practitioner.

Oldham Cares impact:

Services within Oldham Cares manage the direct payments/brokers; therefore, they will see a high/increased volume of activity when implementing the proposed changes. Services within Oldham Cares will take the lead on the current care reviews and also on the development of the direct payment guidance.

Impact on Oldham Cares will be both positive and negative. The proposed change in services to a person may initially lead to an increase in complaints, as people will be used to the services they currently receive, and change can be sometimes unsettling for the person, this will be managed by the service to ensure the person feels fully supported.

From an Oldham Cares perspective, there will be clear guidance of the offer of a brokerage service, and service users and staff will be assured that that the assessed care packages for service users will be fully implemented, following the implementation of the brokerage framework and specification and all brokers will go through the correct procurement process and have a legal contract in place to adhere to.

Organisational benefits:

There will be clear expectations and literature provided on the use of brokerage services and reduce the current position, where a broker is appointed for the majority of all direct payment packages. This will allow for staff and the person to be innovated with the way in which their package of care is delivered and promote a strength-based approach. The use of brokers will be aimed at more complex care packages, therefore reducing dependency on the use of a broker. Following the implementation of the framework there will also be clear fees set for brokerage services, therefore supporting this to be financially managed providing accountability for the use of public funds.

Additional Information (if required)

Risk 1 mitigation (cont):

The brokerage offer from providers is a small market, with a number of brokers offering their services primarily within the Oldham area. The costs being proposed for the specification are not that different to what brokers are currently charging, and an incentive has been added as 'set up costs' where the package is complex. This will hopefully attract brokers to apply for the new framework and also attract wider business to apply, therefore providing more choice to the council in brokers to use.

	Reference:	CSA-BR1-427
Responsible Officer	Kirsty Littlewood	
Cabinet Member:	Councillor Zahid Chauhan	
Support Officer	Alexis Holloran	

Equality Impact Assessment Tool

Service Area:	Community Health and Social Care
Budget Reduction Title:	Brokerage

Stage 1: Initial Assessment

1a	Which service does this project, policy or proposal relate to? This proposal relates to the change in the use of direct payment brokerage services. This sits primarily within Adult Social Care. Following a needs assessment, a personal budget maybe awarded, and the recipient can choose to take this as a direct payment (cash payment) rather than having a package of support arranged for them. The aim of a direct payment (DP) is to enable people to have more choice and control over the support they receive. Many DP recipients choose to employ Personal Assistants (PA) to meet their needs which means they become an employer and need to manage any employment related processes. The Council currently provides support to people to manage their DP by funding a support brokerage service, this service should be aimed at providing support where the person has no third party to assist them or they are unable to do this themselves. Brokers work with the individual to support them to set up and manage their care and support services including finding out information about services, recruiting staff and setting up payments for wages and services.
1b	What is the project, policy or proposal? The proposal is based around the need to reduce the use of brokerage services where a service user is in receipt of a direct payment. The council's annual spend on brokerage services is in the region of £450,000 for Adult Social Care. Brokerage fees do not form part of the allocated direct payment budget, this is an additional cost that the council funds from the community care budget and service users do not contribute to this additional cost. Year in year there has been a significant increase in brokerage costs. Oldham was a pilot for personalisation, and over recent years brokerage services have been used increasingly in the majority of cases as opposed to exploring alternative options available to support the person, i.e. support of next of kin. The funding of brokerage services is not a statutory requirement, as it is not defined as an eligible social care need. Whilst brokerage services are not a statutory requirement, the council recognises the invaluable support which brokers can offer to vulnerable adults, enabling wider choice and control over the service. However, we must review the way in which brokerage services are currently used when offering a direct payment in order to reduce excessive spending on brokerage services, promote a more strength-based approach for the delivery of the person's care and by utilising alternative avenues of support for the person.
1c	What are the main aims of the project, policy or proposal? The main aims of the proposal are to ensure an appropriate and consistent approach to brokerage through the implementation of a brokerage framework and guidance for practitioner's

to support them in their conversations with service users when discussing / reviewing the use of a brokerage service.

The budget reduction proposals in regard to brokerage services will be achieved by the completion of the following:

1. Implementation of a brokerage framework. There is currently no such framework in place, therefore no contracted fees in place for the use of a brokerage services. Brokers fees vary, and can increase at any time, therefore increasing the financial liability for the council. By the introduction of the framework there will be a set fee structure, to support the council to budget, provide market stability and be accountable for public funds.
2. A clear specification will be implemented as part of the framework and will clearly state that the use of a brokerage service will be for complex care packages only. Where packages are identified as non-complex, the practitioner will be expected to work with the person and explore other options available for them.
3. A task and finish group will be established from January 2021 until March 2022. The purpose of this group will be to lead on reviewing all current direct payment packages with a broker. Packages (non-complex) with a broker will be reviewed by the practitioner, to source alternative support where deemed appropriate, therefore ceasing the requirement of a broker and reducing costs for the council.
4. There is also a requirement to change the public's expectations in regard to direct payments and the use of a brokerage service. To support this the following actions will take place:
 - Review of Direct Payment Policy
 - Review of Direct Payment Toolkit.
 - Development of a Direct Payment easy use guide for staff, to support them when discussing options with the person, this will also include the use of a broker.
5. Any new direct payment packages, where a broker is required will go through the resource allocation panel and will be required to be signed off by the relevant Head of Service for the use of the broker. This will support due-diligence on all packages and monitor the cost of brokerage services.

The direct payment policy review will also provide guidance to staff in regard to the term complex and non-complex. Therefore, supporting them in their decision making when assessing a person's requirement for a direct payment and use of a brokerage service.

1d

Who, potentially, could this project, policy or proposal either benefit or have a detrimental effect on, and how?

People identified that will be affected by the implementation of the Brokerage Framework and changes with their direct payment are those that fall into the following groups:

- Disabled people
- People in particular age groups
- Vulnerable Adults
- People on low income

The above groups can be further identified further into the following categories:

Service users:

- If their current broker is not successful in the tendering process or their care package has been identified as non – complex, service users may not want to change brokers as they would have built a relationship with the existing one.

- If service users have to be transferred to a new broker, it may cause upset to them and delays with commence of new support identified.
- There will also be a positive effect to service users as the implementation of the new model would ensure that service users are receiving consistent support in accordance with legislation and in line with charging policies. It would also ensure that the service they receive is vetted and 'fit for purpose'. Service users would also be supported with exploring other avenues of support via the strength based model.

Service Providers –

- will be expected to meet set criteria to be awarded a contract and added the framework. This could impact business in relation to finances as where some may not be successful, the loss of business may mean the closure of their company.
- will be expected to enter into an agreed framework and adhere to the terms and conditions of that framework.
- will be expected to comply with the cost of brokerage services as implemented by the council, therefore could result in a loss of income.
- Following the implementation of the framework, the council will be able to obtain oversight of the market. This would lead to stability within the brokerage economy as there is currently only one of the seven providers still providing this service from the approved list from 2011.

General Public –

- The framework would ensure that public funds are safeguarded and that the council can be accountable.
- Protecting the council from litigation, ensuring compliance with legislation, ensuring service users are in receipt of their eligible needs and are charged only for their contribution towards the cost of care services.

1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☐	☐	☒	☐
	Particular ethnic groups	☒	☐	☐	☐
	Men or women (includes impacts due to pregnancy / maternity)	☒	☐	☐	☐
	People of particular sexual orientation/s	☒	☐	☐	☐
	People in a Marriage or Civil Partnership	☒	☐	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐
	People on low incomes	☐	☐	☒	☐
	People in particular age groups	☐	☒	☐	☐
	Groups with particular faiths or beliefs	☒	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				

	Vulnerable Service Users	☐	☐	☒	☐
		☐	☐	☐	☐

1f	What do you think the overall NEGATIVE impact on groups and communities will be?	None / Minimal	Significant
		☒	☐

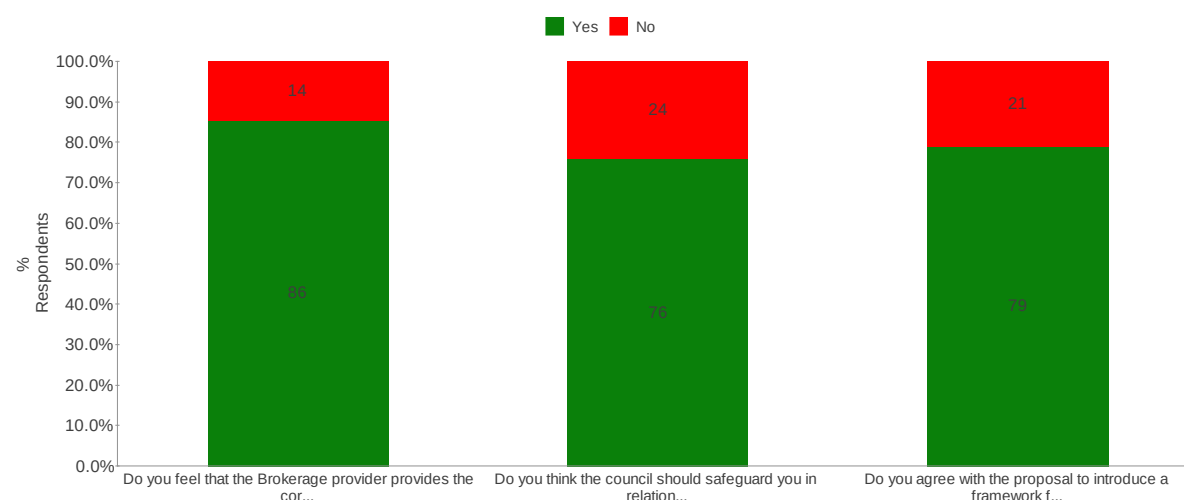
1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes ☒
		No ☐
1h	How have you come to this decision?	
	There are currently over 900 service users in receipt of a broker service and 5 providers of a brokerage service.	
	To ensure all options are captured and that impact on each group is made clear, it is in the interest of the service to complete a full Equality Impact Assessment.	

Stage 2: What do you know?

What do you know already?
Adult Social care currently spend over £450,000 on brokerage services annually. There are currently 5 brokers providing the brokerage service, where there is no accountability of public spend or service delivery. Within Adult Social Care there are currently 927 service users using a brokerage service to support them with the management of their direct payment. Year in year there has been a significant increase in brokerage costs. Oldham was a pilot for personalisation, and it seems brokerage is the 'go to' option when offering a direct payment from an Adult Social Care perspective, instead of reviewing alternative options available to support the person, i.e. support of next of kin. The funding of brokerage services is not a statutory requirement, as it is not defined as an eligible social care need. Whilst brokerage services are not a statutory requirement, the council recognises the invaluable support which brokers can offer to vulnerable adults, enabling wider choice and control over the service. However, must review the way in which brokerage services are currently used when offering a direct payment in order to reduce excessive spending on brokerage services, promote a more strength-based approach for the delivery of the person's care and by using alternate support for the person. Previous consultation has taken place with service users and providers in regard to the implementation of a brokerage framework; A survey was issued to service users, patients or their carers / representatives with various questions relating to their experience with brokers and to identify their views on the introduction of a framework. Over 1000 surveys were issued with a covering letter inviting people to a one to one focus group session to provide a Q&A session. Members of the public attended two focus groups, which took place on 4 June 2019 and 11 June 2019. Those invited to the focus groups were people directly receiving brokerage services, carers and family. Over 1000 service users or representatives were contacted, we received 155 completed surveys. In attendance at the focus groups, three carers attended the first session on 4 June 2019 and one carer attend the second session on 11 June 2019.

The outcome from the survey questions were as follows:

Brokerage Framework



q5.Q6.Q7

- 86% respondents felt their provider gave them the correct level of support.
- 76% respondents agreed that the council should safeguard in relation to the services they receive.
- 79% agreed with the proposal to introduce a framework for Brokerage Providers
- Further analysis found a strong correlation between those who agreed that the Council should safeguard clients and the introduction of a framework
- An equally strong correlation was found between the age of the respondent and agreement of the introduction of a brokerage framework

The outcome from the focus groups were as follows, attendees thought:

- There was lack of communication between the broker and service user.
- Regular statements should be issued to the service user on a monthly basis to ensure that they are aware of their balance.
- A fact sheet for families regarding brokers should be implemented by the council to explain what they should expect from a broker.
- Brokers should communicate with the council when a carer requires a break.
- The fee to a broker should be based on the work they do, i.e. processing invoices / payroll.
- A fact sheet should be provided to service users re: all brokers and what they offer.

As part of the consultation process two Q&A sessions took place for the providers, on 7 June 2019 and 10 June 2019. A market engagement event also took place on 19 June 2019 and 14 February 2020, to ensure a wider audience was captured. This was advertised via the council's procurement team on The Chest. This was an opportunity to explain the proposals of introducing a framework and provide updates. It was also an opportunity to obtain brokers' feedback directly on the proposals. During this meeting, information regarding the consultation period and cabinet process was also provided to brokers.

Brokers were informed of the results from the focus groups in relation to the service users. Feedback from the providers was as follows:

- Providers were happy and open to the idea of working with a framework
- Biggest Issue – Brokers having to collect client contribution
- If Brokers are invoice only – there are no contact details

- Families being able to “add on” different care needs and hours if they have money still in the personal budget, that this is currently not possible and would need to be assessed by a social worker beforehand
- Following the last consultation – providers felt they were not treated very well
- Lack of training for PA's
- Brokers requested that within the Framework clarity was provided on the different services and what the Local Authority expects. This will support both the individual and the broker in delivery what the individual needs. This will also support brokers with the differing terminology across different Local Authorities. This will also support the social workers.
- Another suggestion was to use quality questions as a Quality Assurance function. These could be completed every 6 or 12 months so that everybody is clear about what is or isn't happening.

What don't you know?

We do not know how many people who currently utilise a broker to support the management of their direct payment will be classed as complex and non-complex and how many will require ongoing brokerage support.

Although a previous consultation process has been completed, there was a low response rate of 15% in regard to the survey's sent to those in receipt of services. Therefore, the impact on service users can only be determined from the limited responses received and is not fully known.

As we do not know the number of people who will require brokerage support moving forward we do not know the impact that this will have on providers and the sustainability of this market.

Further Data Collection

Summary (to be completed following analysis of the evidence above)

1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☐	☐	☒	☐
	Particular ethnic groups	☒	☐	☐	☐
	Men or women (includes impacts due to pregnancy / maternity)	☒	☐	☐	☐
	People of particular sexual orientation/s	☒	☐	☐	☐
	People in a Marriage or Civil Partnership	☒	☐	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐
	People on low incomes	☐	☐	☒	☐
	People in particular age groups	☐	☒	☐	☐
	Groups with particular faiths or beliefs	☒	☐	☐	☐

	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?			
	Vulnerable Service Users	☐	☒	☐
		☐	☐	☐

Stage 3: What do we think the potential impact might be?

3a	Who have you consulted with?	
	Public consultation is being held between 9 November 2020 and 1 February 2021.	
3b	How did you consult? (include meeting dates, activity undertaken & groups consulted)	
3c	What do you know?	
3d	What don't you know?	
3e	What might the potential impact on individuals or groups be?	
	Generic (impact across all groups)	
	Disabled people	As those in receipt of a DP will have eligible needs this proposal will have a direct impact on this group. The way in which a person's DP is managed may change but support offered will be consistent and will be managed through a framework approach.
	Particular ethnic groups	No impact
	Men or women (<i>include impacts due to pregnancy / maternity</i>)	Whilst our approach does not positively or negatively impact either of these groups disproportionately it should be noted that in general, across health and social care, there are significantly higher levels of women receiving care and support than men. This is linked to demographics reflecting that generally women live longer than men and in turn need a high level of social care support. In turn this may mean that a greater number of women are affected.
	People of particular sexual orientation/s	No impact
	People in a Marriage or Civic Partnership	No impact
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	No impact
	People on low incomes	The framework for brokers will include the payment of client contributions which those on a low income may find more difficult to manage, through the provision of

		regular statements and account information this should be easier to monitor and manage.
	People in particular age groups	Further analysis is required to fully understand the impact on specific age groups.
	Groups with particular faiths and beliefs	No impact
	Other excluded individuals (e.g. <i>vulnerable residents, individuals at risk of loneliness, carers or service and ex-serving members of the armed forces</i>)	Vulnerable residents may be negatively impacted if brokerage support is not available to them.

Stage 4: Reducing / Mitigating the Impact

4a	What can be done to reduce or mitigate the impact of the areas you have identified?	
	Impact 1	Proposal
	Impact 2	Proposal
	Impact 3	Proposal

4b	Have you done, or will you do anything differently, as a result of the EIA?	
4c	How will the impact of the project, policy or proposal and any changes made to reduce the impact be monitored?	

Conclusion

This section should record the overall impact, who will be impacted upon, and the steps being taken to reduce / mitigate the impact

Stage 5: Signature

Role	Name	Date
Lead Officer	Kirsty Littlewood	15.12.20
Approver Signatures		

EIA Review Date:	TBC

BR1 - Section A

Reference :	CSA-BR1-429
Responsible Officer :	Mark Warren
Cabinet Member :	Cllr Z Chauhan
Support Officer :	Helen Ramsden

Service Area :	Adult Social Care Support
Budget Reduction Title :	KeyRing

Budget Reduction Proposal - Detail and Objectives :
The proposal is to reduce an existing commissioned service which is an essential part of our prevention agenda. These reductions are likely to impact on other parts of the council e.g. housing. The proposal is to remove spend from an element of the commissioned budget for the KeyRing service - by reducing the number of spaces for non-Care Act eligible individuals within the service. The proposed reduction is £70k: £50k in 2021/22 and £20k in 2022/23. This would be an ongoing reduction. To clarify, the budget in 2023/24 would be £70k less, a total of £177k pa. The service provided by Keyring in Oldham is funded via two elements: - a fixed, block funded element of £247,000 p.a. is paid from the commissioning budget to ensure that 130 spaces are available, and funds the time-limited Intensive Service consisting of 38 places, plus 36 of the 92 Network spaces. - a second element paid via Individual Budget's (community care budget) - therefore not a guaranteed/set amount of income for Keyring - funds the remaining 56 Network spaces. This element is not 'capped' so KeyRing can provide more spaces if additional staff time can be deployed. The total cost of the service in 2019/20 was £473,250. A saving of £70k represents circa 28% reduction from the commissioned budget of £247k. This proposal has dependencies with other Adult Social Care savings proposals: 'Person centred care and strength-based trajectories for reducing demand' and 'Direct Payments', as KeyRing also supports approximately 40 individuals with 1:1 support (separate provision from the commissioned service in question) and these proposals could also impact on the organisations service delivery in Oldham. In 2019/20 this direct payment provision cost £290,968.

2020/21 Service Budget and Establishment	£000
Employees	0
Other Operational Expenses	247
Income	(0)
Total	247

Current Forecast (under) / overspend	0

Number of posts (Full time equivalent)	0.00

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(50)	(20)	0
Proposed Staffing Reductions (FTE)	0.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
None identified.
Service Delivery
There would be a reduction in the number of (non-Care Act eligible) people who can be supported by the service, but the extent is difficult to estimate until consultation with the service provider (KeyRing) has taken place.
Future expected outcomes
Reduction in ASC commissioning budget.
Organisation
See Detail and Objectives.
Workforce
There is likely to be a significant impact on the KeyRing workforce – with potential redundancies of (mainly) Oldham residents. The impact is difficult to estimate until consultation with KeyRing has taken place.
Communities and Service Users
Service users, and potentially communities, will be impacted by the proposed changes and a full EIA will be completed to fully understand and consider the potential impact. The total number of people receiving support in 2019/20 was 236, living across Oldham. 66% of these were women, and 87% had a disability.
Oldham Cares
The total number of people who received support in 2019/20 was 236, living in every cluster across Oldham.
Other Partner Organisations
Housing Providers: Keyring service users live across Oldham in a range of tenures.

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	Yes
Local business community	No
Schools	No
Trade Unions	Yes
External Partners (if yes please specify below)	Yes
Housing providers and Health provision.	
Other Council Departments (if yes please specify below)	Yes
See additional information.	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

Savings to the ASC Commissioned budget.
Clarity on the service being focused on individuals with Care Act eligible needs.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Having the required resources in place to deliver the decommissioning/reduction of the non - care act eligible element of the service.	Time and resource to enable the change in commissioned service, savings are prioritised within the ASC Commissioning team workplan.
That the impact of removing the support from service users results in crises for the individuals and to costs elsewhere in the system.	Understanding of the needs of people currently receiving support with keyring, via the EIA process. To then focus social work resource where it is required as a priority.
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
Decommission the non-care act eligible element of the service, consultation with stakeholders including; Provider/its staff; Service users; Referral agencies; Housing providers.	September 2021 following consideration of contractual timeframes.
To understand/ consider, provider redundancy implications; the impact of removing funding for the provider (i.e. financial sustainability for their service /related service provision); the impact of removing the support on individuals and on wider partners.	September 2021 following consideration of contractual timeframes.
N/a	N/a
N/a	N/a

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	09-Nov-2020	01-Feb-2021
Service User	23-Nov-2020	01-Feb-2021
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	Yes
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	Yes
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	Yes
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	Yes

Section E

Finance Comments
This proposal will achieve savings of £70k, £50k in 21/22 and £20k in 22/23. This will be achieved through a contract reduction and a reduction in service.

Signed RO	04-Dec-2020

Signed Finance	07-Jan-2021

Cabinet Member Signature	
Page 258 Name and Date	Cllr Z Chauhan 18-Jan-2021

Additional Information (if required)

Details and Objectives (continued):

The Organisation

KeyRing is a registered charity and has been operating nationally since 1990 and in Oldham since 2001. KeyRing pays the Living Wage and circa 90% of staff and volunteers live in Oldham.

The service

KeyRing provides support to vulnerable adults in Oldham with a range of support needs, including people eligible for care and support under the Care Act, and to people who are not eligible under the Care Act, who would be at risk of crises / homelessness without the support.

Analysis of Keyring Members (service users) as at 06.08.20, shows that the service was supporting 140 people, of whom:

- 94 were Care Act eligible
- 46 were not Care Act eligible

The support enables people to live independently in their community: it is delivered flexibly and can be stepped up/down dependent on a person's needs. The service delivery model is based on fostering peer support within place-based 'Networks' and by taking a strength-based approach to support planning. The aim is to help people to achieve and maintain independent living through the development of skills and community links, and through assisting people to access universal services such as healthcare, education and employment.

The contract is for support to a minimum of 130 people across Oldham via 12 'Living Support Networks'. Some people cease to need support in any given year, therefore the total number of people who received support in 2019/20 was 236. Despite this, demand exceeds supply, and there is usually a waiting list for the service (44 people at 30/09/20, 8 assessed and 36 awaiting assessment).

Key features of the service model:

- Independent tenancies in the community: in a KeyRing Network, Members live within walking distance of each other and are encouraged to offer mutual support e.g. via 'skill swapping'. Living in independent tenancies means they don't need to move out of their home when they cease to need KeyRings support.
- Community focus: the organisational ethos is that KeyRing is not just 'in' the community but is part of it: there is therefore a strong focus on active community connections and on locally recruited support staff.
- Mutual and flexible support: there are usually a dozen people in each Network, who receive support from a Community Living Volunteer (CLV). The CLV also lives within the Network area, sometimes in housing bought by/provided by KeyRing, to offer flexible, (including out of hours) support. They also facilitate peer support and help Network Members to build links within the community: their available and local connections helps in identifying issues early and prevent problems from escalating.
- Additional staff provide intensive casework support and manage additional volunteers.

There are 2 'tiers' in the commissioned service:

- Intensive: short term (up to 12 months): 38 spaces
- Networks: flexible service, longer term: 92 spaces

Outcomes

The service has been very successful in achieving expected outcomes. In 2019/20:

- 99% of service users maintained their tenancies, and 27 'homelessness preventions' were achieved
- 11 people were supported to move out of social care eligibility

Additional Information (if required)

Stakeholders - other Council departments:

- Strategic Housing: the proposal is to reduce/remove provision for non-Care Act eligible people: this provision helps to prevent homelessness, and some service users are likely to be unable to maintain their tenancies and be owed a duty by the council under the Homelessness Reduction Act.
- Children's services, who refer to KeyRing where the adult(s) is struggling.
- MASH (Multi-agency Safeguarding Hub), who refer to KeyRing.

	Reference: CSA-BR1-429
Responsible Officer	Helen Ramsden
Cabinet Member:	Cllr Chauhan
Support Officer	Claire Hooley

Equality Impact Assessment Tool

Service Area:	Integrated Commissioning
Budget Reduction Title:	KeyRing

Stage 1: Initial Assessment

1a	Which service does this project, policy or proposal relate to? The proposal is to reduce an existing commissioned service which is an essential part of our prevention agenda. The proposal is to remove spend from an element of the commissioned budget for the KeyRing service - by reducing the number of spaces for non-Care Act eligible individuals within the service. The proposed reduction is £70k: £50k in 2021/22 and £20k in 2022/23. This would be an ongoing reduction. This EIA describes: - the service - the likely impact of progressing the savings option The Service model KeyRing is a registered charity and has been operating nationally since 1990 and in Oldham since 2001. KeyRing provides support to vulnerable adults with a range of support needs, including people eligible for care and support under the Care Act, and to people who would be at risk of crises/homelessness without their support. The support enables people to live independently in their community. The contract is for support to a minimum of 130 people across Oldham via 12 'Living Support Networks'. Some people cease to need support in any given year, therefore the total number of people who received support in 2019/20 was 236. Despite this, demand exceeds supply, and there is usually a waiting list for the service; 44 people at 30/09/20, 8 assessed and 36 awaiting assessment. The contract is funded via two elements: - a fixed, block funded element of £247,000 p.a. which guarantees that 130 spaces will always be available, and funds the time-limited Intensive Service consisting of 38 places, plus 36 of the 92 Network spaces. - a second element paid via Individual Budget's - therefore not a guaranteed/set amount of income for Keyring - funds the remaining 56 Network spaces and costs £163,072 p.a. (community care budget) if all spaces are full. However, this element is not capped so KeyRing can provide more spaces if additional staff time can be deployed. Nationally, KeyRing developed a unique service delivery model to support vulnerable individuals to access and to sustain independent tenancies in the community, based on fostering peer support within community-based 'Networks' and taking a strength-based approach to support planning. KeyRing were an early adopter of this asset-based approach. Locally, the service was collaboratively re-designed in March 2013 to provide a 2-tier model of support, by introducing a time-limited 'intensive support' element alongside the longer-term offer. This enables the service to work across a spectrum of support needs and people can 'step-down' support levels.

	The unique features of this service model are: • Independent tenancies in the community: in a KeyRing Network, Members live within walking distance of each other and are encouraged to offer mutual support e.g. via 'skill swapping'. Living in independent tenancies means they don't need to move out of their home when they cease to need KeyRings support • Community focus: the organisational ethos is that KeyRing is not just 'in' the community but is part of it: there is therefore a strong focus on active community connections and on locally recruited support staff • Mutual and flexible support: there are usually a dozen people in each Network, who receive support from a Community Living Volunteer (CLV). The CLV also lives within the Network area, sometimes in housing bought by/provided by KeyRing, to offer flexible, (including out of hours) support. They also facilitate peer support, and help Network Members to build links within the community: their available and local connections helps in identifying issues early and prevent problems from escalating • Additional staff provide intensive casework support and manage additional volunteers • A tiered model of support was developed in 2012/13 to meet Oldham's specific needs: this enabled KeyRing to work across the spectrum of need, from prevention to crisis intervention, to help people to access and retain tenancies in their communities. Dependencies: there are other impacts, eg other service provision that would be impacted by ceasing / reducing KeyRing provision. These are described in section 2.
1b	What is the project, policy or proposal? To reduce an existing commissioned service which is an essential part of our prevention agenda. The proposal is to remove spend from an element of the commissioned budget for the KeyRing service - by reducing the number of spaces for non-Care Act eligible individuals within the service. The proposed reduction is £70k: £50k in 2021/22 and £20k in 2022/23. This would be an ongoing reduction. Keyring have been consulted about the savings proposals in order to inform the potential impact on the service, the organisation and the borough. Further 'across the board' reductions were not deemed a viable option in terms of safe/effective service delivery and provider sustainability, given: - o previous reductions to the contract have already been made - o no inflation has been awarded since 2013: this represents a further 18.07% reduction based on Governments average inflation figure for the past 6 years. - o the service is already efficient/lean – nationally its corporate (operational) overheads are 14% (and are 10% in Oldham). Proposed actions to achieve the reduction are outlined below: A/ Reduction in number of people accessing preventative support To make £50,000 savings in 2021/22 and £20,000 savings in 2022/23, KeyRing would need to reduce the block places by 24 over two years, from 74 to 50: • In 2021/22 – 17 less places • In 2022/23 – 24 less places As KeyRing have a high rate of move on / throughput, the number of people affected / not able to access support would be higher than 24. Based on 2019/20 figures over the 2 years: • there would be 97 less people able to access KeyRing support. B/ Closure of a Community Living Network (Place Based Support) To accommodate the reduction of 24 places, KeyRing could need to close 1 Community Living Network. This would also impact on one Community Living Volunteer, and as KeyRing provide their accommodation as part of their role, that particular housing provision would no longer be available to the volunteer. The impacts of this are explored in more detail in sections below.
1c	What are the main aims of the project, policy or proposal? To achieve savings to the ASC Commissioned budget by removing spend from an element of the commissioned budget for the KeyRing service - by reducing the number of spaces for non-Care Act eligible individuals within the service.

1d	Who, potentially, could this project, policy or proposal either benefit or have a detrimental effect on, and how?				
	vulnerable people within Oldham would be affected. Likely detrimental effects are that: - Some of the 130+ vulnerable people (the service supported 236 people in 2019/20) would lose the support they need to access and maintain independent accommodation. This is estimated to be 97 fewer people able to access KeyRing support. - There could be an increase in numbers of safeguarding cases in the community, e.g. hate crime, financial abuse etc. as KeyRing intervenes early in these instances and liaises closely with the Council and other services to ensure that people are kept as safe as possible - Unmet need is likely to put additional demand pressures on other services such as ROH, Mental Health services etc. Service users who are on the edge of eligibility for care and support under the Care Act may become eligible: some others are likely to be unable to maintain their tenancies and be owed a duty of accommodation under the Homelessness Reduction Act, putting additional resource pressures on the council's statutory services.				
1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☐	☐	☒	☐
	Particular ethnic groups	☒	☐	☐	☐
	Men or women (includes impacts due to pregnancy / maternity)	☐	☐	☒	☐
	People of particular sexual orientation/s	☐	☐	☐	☒
	People in a Marriage or Civil Partnership	☐	☐	☐	☒
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☐	☐	☐	☒
	People on low incomes	☐	☐	☒	☐
	People in particular age groups	☐	☐	☒	☐
	Groups with particular faiths or beliefs	☐	☐	☐	☒
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
	People with mental health problems	☐	☐	☒	☐
	People with a learning disability or physical disability/health problems	☐	☐	☒	☐

1f	What do you think the overall NEGATIVE impact on groups and communities will be?	None / Minimal	Significant
		☐	☒

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes ☒
		No ☐

1h	How have you come to this decision?	
	The proposal would result in removal/reduction of provision for non-care act eligible people. If the council is unable to identify/fund other support in order to mitigate the impact, there would be significant negative effects on the groups identified. In addition, it is likely that some of Keyring staff will be at risk of redundancy given that some places would be lost from the block funded provision (by 24 places over two years, from 74 to	

50). It is estimated that circa 80 staffing hours per week could be lost (includes direct support hours and a small amount of management hours). This equates to 2 FTE, however, as several staff are on part time contracts, this could equate to 3-4 redundancies depending on the mix of actions taken by the Provider to manage the proposed reduction.

Stage 2: What do you know?

What do you know already?

The Service

- Promotes independence and saves money for the LA: e.g. 11 people were supported to move out of social care eligibility in 2019/20
- Prevents escalation into statutory services: 100% of service users maintained their tenancies – including 27 people at significant risk of homelessness - in 2019/20
- Is strengths-based and outcome-focused: supporting the borough's corporate approach by its ethos of social inclusion and peer support amongst service users (referred to as Members by KeyRing)
- Reduces the likelihood of crisis: when incidents (e.g. of suspected abuse) occur, Keyring supports people to report these and liaises with the Council and other agencies which can prevent or lessen the need for Adult Social Care involvement.

The service is asset-based and outcome-focused: this is evidenced by the submission of outcomes data as part of contract monitoring. The service uses the Outcomes Star to record and evidence outcomes for its members. The support has a positive impact on people's lives by helping them to address a variety of issues affecting their lives, to live with increased safety and independence, and to contribute positively to the wider community.

Feedback from care managers/other stakeholder agencies is very positive. Key stakeholders (eg social workers, health workers) were surveyed in 2018 and felt that Keyring's interventions with their clients had reduced the demands on their time and prevented the escalation of issues which may have led to using higher cost services. Stakeholders said their client's non-involvement with Keyring would affect their circumstances negatively in the following domains, by importance/impact: Housing, Independence/social isolation, Finances, Mental Health, Risk issues, Physical Health, Training and Employment. Stakeholder comments included: 'further risk of safeguarding concerns, financial abuse, drug use and homelessness and would have needed additional services in place and more input from social workers. 'With Keyring has improved quality of life and without them would have presented more often at A&E'.

Feedback from members (service users) is also very positive and satisfaction is usually in the high 90%.

The service has a positive impact on people who are at risk of social exclusion; particularly those with issues relating to disability, mental health, older people (over 50) and people on low incomes.

DATA re demographic/support needs 2019/20:

Information is completed for all new service users to give a picture of key characteristics of those supported. (Data is submitted by the service provider and a margin of error is likely).

Admissions

There were 80 admissions to the service in 2019/20

- The gender split was 66/34% female/male.
- 8% were under 25 and 30% were over 50.
- 91% were white British.
- 87% had a disability.

Support Needs

Data giving a 'primary client group' – i.e. main support need - of new service users shows that there are three main support needs:

- 65% have mental health problems
- 27% have a learning disability
- 4% have support needs linked to physical ill health or physical disabilities

Other dependencies:

The Ancora project:

- the links KeyRing have developed locally enabled them to lead a successful multi-agency bid to the Big Lottery Fund to provide the Ancora Project - to support people in crises from falling into further hardship. This brings £470k (plus £50k matched funding from KeyRing) into the borough over five years (01/08/16 - 31/07/21) and complements the commissioned KeyRing service offer so that more expensive interventions are delayed/prevented. - Ancora supported 1647 individuals over the last 3 years, supporting people in crisis to deal with issues around benefits (mostly Universal Credit), debt issues, food & fuel poverty, homelessness, poor mental health, etc. Social Value & community benefit: KeyRing supports its staff, volunteers and service users by its ethical employment practices and supports the borough's corporate approach / the wider community, for example, - Staff: 89% of staff and volunteers live in Oldham - pays the Foundation Living Wage - supports its Members to access training, volunteering and employment opportunities. - encourages service users to provide feedback of their lived experience, for example, inputting into the Learning Disability Plan, GM's Big Alcohol Conversation, Healthwatch consultations with Members who have a Learning Disability around better health support - facilitates 3 KeyRing community hubs within the Networks which are open to the wider community
What don't you know?
Data collated by the service does not currently include information on gender reassignment. Information on religion is not as reliable as the other indicators, as there are more instances where data is incomplete /unknown /refused. The data for the above period showed 31% were Christian, 64% said 'none' or 'not known' and 5% were Muslim.
Further Data Collection
N/A: see above

Summary (to be completed following analysis of the evidence above)

1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☐	☐	☒	☐
	Particular ethnic groups	☒	☐	☐	☐
	Men or women (includes impacts due to pregnancy / maternity)	☐	☐	☐	☒
	People of particular sexual orientation/s	☐	☐	☐	☒
	People in a Marriage or Civil Partnership	☐	☐	☐	☒
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☐	☐	☐	☒
	People on low incomes	☐	☐	☒	☐
	People in particular age groups	☐	☐	☒	☐
	Groups with particular faiths or beliefs	☐	☐	☐	☒
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
	People with mental health problems	☐	☐	☒	☐
	Page 265				

People with a learning disability	☐	☐	☒	☐
People with physical health problems	☐	☐	☒	☒
Homeless people	☐	☐	☒	☐

Stage 3: What do we think the potential impact might be?

3a	Who have you consulted with?	
	Consultation by council officers with KeyRing Members (service users) about proposed savings has not taken place due to timescales. Consultation with current service users about the proposals will be conducted by the provider.	
3b	How did you consult? (include meeting dates, activity undertaken & groups consulted)	
	Consultation by council officers with service users about potential savings has not taken place due to timescales. This will be undertaken by the provider. Feedback from stakeholders (eg strategic housing) and service users about the quality and effectiveness of the service has previously been provided and was very positive.	
3c	What do you know?	
	The impact of losing this element of the service would be considerable. The support needs of those impacted if the service was reduced/no longer provided would have to be fully considered and planned for. This is likely to have a significant impact on Council and other services, both for current service users and with regards to the effects of unmet need in future years.	
3d	What don't you know?	
	As reflected at Stage 2, and what the medium/long term outcomes will be on individuals/their communities if funding reduces and provision is lost. Also, how landlords will react to the reduction/removal of funding which supports independence of some of their tenants.	
3e	What might the potential impact on individuals or groups be?	
	Generic (impact across all groups)	The impact across all groups using the service would be considerable as currently there seems to be no other service to meet their needs
	Disabled people	Given the high percentage of people with a disability who enter the service (87%) the effects of reducing / withdrawing the service would have a disproportionate effect on disabled people, as • 27% had a learning disability • 4% had a physical disability (plus 65% had a mental health / hidden disability)
	Particular ethnic groups	
	Men or women (<i>include impacts due to pregnancy / maternity</i>)	Given the high percentage of women who enter the service the effects of reducing/withdrawing the service would have a disproportionate effect on women.
	People of particular sexual orientation/s	
	People in a Marriage or Civic Partnership	
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	
	People on low incomes	As most people accessing the service are on low incomes the reduction/withdrawal of the service would

		have a disproportionate effect on people on low incomes.
	People in particular age groups	As 30% of people who access the service are over 50, the effects of reducing/withdrawing the service would have a disproportionate effect on older people.
	Groups with particular faiths and beliefs	
	People with mental health problems	Given the very high percentage of people with mental health problems (65%) who access the service, the effects of reducing/withdrawing the service would have a disproportionate effect on people with mental health problems.

Stage 4: Reducing / Mitigating the Impact

4a	What can be done to reduce or mitigate the impact of the areas you have identified?	
	Impact 1	Proposal
	Vulnerable service users with disabilities will experience a loss of support	If the service is reduced/ceases, other council (and partner) services would need to be sufficiently prepared / resourced to deal with additional demand. Older people, people on low incomes, people with a learning or physical disability or a mental health problem could present in crisis to statutory agencies, including Adult Social Care and the councils Housing Options service.
	Impact 2	Proposal
	Vulnerable service users with mental health problems will experience a loss of support	As above
	Impact 3	Proposal
	Vulnerable service users on low income will experience a loss of support	As above
	Impact 4	Proposal
	Older vulnerable service users will experience a loss of support including those at risk of homelessness	As above
	Impact 5	Proposal
	People with support needs linked to physical health will experience a loss of support	As above

4b	Have you done, or will you do anything differently, as a result of the EIA?	
	The EIA highlights the potential adverse impacts from applying further savings to the provision.	
4c	How will the impact of the project, policy or proposal and any changes made to reduce the impact be monitored?	
	If the service ceases/reduces, council officers would need to monitor the impact of the decision including the potential negative consequences for individuals, and in some cases for the wider community, as a result of unmet support needs.	

Conclusion

This section should record the overall impact, who will be impacted upon, and the steps being taken to reduce / mitigate the impact

If the service ceases/reduces, Council and partner services would need to be sufficiently prepared / resourced to deal with the likely additional demand from people who could present in crisis to statutory agencies, including Adult Social Care, health and the councils Housing Options Service.

The impact is particularly on women, older people, people on low incomes, people with a learning disability or mental health problem and people with support needs linked to drug/alcohol misuse.

Stage 5: Signature

Role	Name	Date
Lead Officer	Lynda Megram	November 2020
Approver Signatures		

EIA Review Date:	TBC

Reference :	CSA-BR1-430
Responsible Officer :	Mark Warren
Cabinet Member :	Cllr Z Chauhan
Support Officer :	Jayne Ratcliffe

BR1 - Section A

Service Area :	Adult Social Care Support
Budget Reduction Title :	Achieving Better Outcomes: Supported Living & Learning Disabilities

Budget Reduction Proposal - Detail and Objectives :

Oldham's Learning Disability & Autism Strategies hold positive outcomes and an ability for the person to live their best life at the centre of its purpose and intentions. The programme of work that will realise the savings will enable the different service areas across the health and social care system, and the organisations therein, to further improve the outcomes, opportunities and choices for adults with learning disability and/or autism living in Oldham.

The Learning Disability Service are currently trying to effectively manage the current financial pressures in relation to the care costs, both in terms of client numbers and to a greater extent the complexity of care. The Transforming Care Programme continues to present considerable financial challenge and in the absence of adequate patient funding when discharged to the community, will persist to burden the Oldham Cares economy.

The Direct Payment / Supported Living care markets are key areas that require review. Supported Living alone has seen costs triple in the last 5 years whilst client numbers have broadly remained unchanged.

The COVID-19 pandemic has stalled progress on Holly Bank admissions and will therefore defer any potential reductions in high cost care packages until later in the year. Optimistically, applying the admission criteria effectively will reduce expensive out of borough placements and provide better value for money for the Council and a better quality of life for residents. Conversely, this could have an unfavourable impact on budgetary resource if the service is utilised by people with a low to moderate level of care needs or if apartments remain vacant. Finance will carefully monitor the implications as the year unfolds. (Continued in additional information)

2020/21 Service Budget and Establishment	£000
Employees	829
Other Operational Expenses	16,503
Income	(5,182)
Total	12,150

Current Forecast (under) / overspend	2,410

Number of posts (Full time equivalent)	20.00

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(288)	(500)	0
Proposed Staffing Reductions (FTE)	0.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
See additional information.
Service Delivery
See additional information.
Future expected outcomes
See additional information.
Organisation
See additional information.
Workforce
See additional information.
Communities and Service Users
Reliance on redesign of Early Help & Adults Preventative Model to ensure early intervention, reducing longer-term reliance on statutory services. Reliance on an improved approach to co-production and co-design service activity, that directly affects the care/ support to service users, their carers & families.
Oldham Cares
This proposal is in line with the Oldham LD strategy and workstream for COVID-19 recovery. It aligns to the GM LD & Autism Strategy. It contributes to the overall aims of the Locality Plan. It aligns with the ASC Commissioning and Quality work programme.
Other Partner Organisations
Noted above in the organisation section, due to the integrated nature of the commissioning and provision of the service.

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	Yes
Local business community	Yes
Schools	Yes
Trade Unions	Yes
External Partners (if yes please specify below)	Yes
See 'impact on organisation' section.	
Other Council Departments (if yes please specify below)	Yes
See 'impact on organisation' section.	
Other (if yes please specify below)	Yes
PCFT/Oldham Council. LD Partnership Board. Autism Way Forward (partnership board).	

Benefits to the organisation/staff/customers including performance improvements
See additional information.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Projected £3.2m overspend and the impact of delivering this on top of the savings identified.	Project Brief and plan produced to direct the approach to delivering staggered improvements to outcomes and savings, over the MTFS period.
Capacity of workforce to engage in the co-design of the service and embed, whilst prioritising and balancing statutory services for vulnerable/complex adults.	See additional information.
There's a reliance on the redesign of the Early Help and Adults Preventative Model to ensure early intervention, reducing longer-term reliance on statutory services. The Adult preventative offer has not yet been defined.	Member of LD & Autism service to join the groups who are leading on the redesign of both services, to ensure redesigned services will be suitable to meet lower level needs of vulnerable adults.

Key Development and Delivery Milestones:

Milestone	Timeline
Agreed customer data set, understanding current budget and existing/ potential funding options, detailed analysis of past/ current customer base, with option to model future demand based on trend history, detailed current provider market mapping.	30/10/20
Detailed mapping and modelling of current availability / capacity (using approach as defined by proof of concept in CHASC Capacity and Demand Project), Detailed mapping of current workforce, pathways, systems, processes including panels.	15/11/20
Customer defined requirements. Define options for redesigned service. Create findings/ recommendations report, confirm financial position/ benefits re preferred option, amended implementation plan to reflect this option.	31/11/20 15/12/20 (within financial envelope) 30/12/20
Workforce / OD plan Performance/financial management framework Implement preferred option Year 1 & 2 benefits/ savings realisation Project closure, lessons, evaluation & benefits.	15/01/21 31/01/21 TBC 27/03/22, 31/03/23 31/05/23

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	09-Nov-2020	01-Feb-2021
Service User	23-Nov-2020	01-Feb-2021
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	Yes
Particular Ethnic Groups	Yes
Men or women (including impacts due to pregnancy/maternity)	Yes
People who are married or in a civil partnership	Yes
People of particular sexual orientation	Yes
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	Yes
People on low incomes	Yes
People in particular age groups	Yes
Groups with particular faiths and beliefs	Yes

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	Yes

Section E

Finance Comments
In view of a current anticipated overspend it is an ambitious target. It is nonetheless achievable following the key development and delivery milestones, consultation and mitigation of risks outlined in this BR1.

Signed RO	15-Dec-2020

Signed Finance	06-Jan-2021

Cabinet Member Signature	
Page 272 Name and Date	Cllr Z Chauhan 18-Jan-2021

Additional Information (if required)

Detail / objectives (continued):

The Achieving Better Outcomes project has the following objectives:

To understand the demand requirements for LD services and how this has changed over time
To understand how the provider market needs to be shaped to meet the existing and forecasted/modelled demand, including timely transitions between adults and children's services
To identify and understand areas of increased costs not attributed to increase numbers/demand
Ensure care and support for individuals in the LD & autism service is outcomes-focussed, place-based and uses strengths-based approaches to determine the care and support plan (whilst remaining Care Act compliant)
Deliver services within the financial envelope for the service(s)
A suitable provider market to meet the needs of existing and forecasted service users/individuals
The Workforce has the skills, systems and processes to ensure delivery of an efficient and effective service/s
That decisions are based on accurate and appropriate performance and financial management information
By default, a shared development between commissioners, providers and partners in Oldham
Develop a local strategy, dovetailed with GM LD & Autism Strategies

Property impact:

None anticipated to Council-owned property.
Supported Living will be reviewed as part of the proposal. Appropriate levels of care / support will be at the outset of all service design and will drive all changes/decisions.
Possibility that some existing providers could be de-commissioned as a result of this proposal following the supported living accommodation review.
We anticipate that there may be some complaints from existing service users when we propose changing their existing support plan.

Service delivery impact:

Realignment of the service to ensure service user needs and outcomes are met to improve relationships (e.g. with PCNs/integrated networked neighbourhoods) and interdisciplinary approaches to finding appropriate solutions for complex individuals, outcomes for service users, efficiencies in processes etc.
Challenge existing cultures and processes for commissioning care and support for individuals, ensuring a strengths-based and person-centred approach.
There is a need to consider other commissioned services which fall outside the scope of this proposal, but forms part of the overall savings programmes, such as proposals on Keyring and Direct Payments.
The development of a policy for services provided in borough, as opposed to high cost out of borough placements (linked to market shaping).
Further understanding is required with regards to learning difficulties as opposed to learning disabilities and how supporting the former can be managed efficiently and effectively, to help manage demand.
Consider a review of the current Agreements in place with supported living housing providers, to include revising the terms and conditions of voids payments.
Taking a whole system approach to supporting people with learning disability and autism and Care Act eligible needs.
Proactive and engaged transition from Children's to Adults services (linked to SEND preparation to adulthood).
Achieve better outcomes for adults whilst ensuring quality and value for money and delivers Care Act needs (as opposed to wants) of the population.
Seek opportunities to maximise opportunities for seeking employment for LD service users.
Deliver service within existing, and in the future, revised financial envelope

Additional Information (if required)

Organisational impact:

Community enablement for consideration of rehabilitation at home to understand levels of capabilities (will require input from Therapy Services, CHASC/SRFT).

Early Help – redesign of the service provides opportunities to ensure that it is appropriate for those lower-level requirements which often are referred into LD.

Adults Preventative Model

Children's Services in terms of Transitions (linked to SEND)

Community Business Services who provide business support, Carer, Client Finance and Income and Payments, systems compliance and design – delivered by CHASC across all organisations

Providers/the market – reliant on the market having the capacity and provision to be able to meet the needs of Oldham's population, to reduce the number of out of borough placement and improve those in borough which are not cost effective and/or of the required standard

Commissioning: ASC and CCG

PCFT

Holly Bank, as an existing supported living property, and is Oldham Council owned and MioCare delivered

Primary Care – linked to the role of PCNs and place-based integration clusters/neighbourhoods and geographical alignment

Housing – improving access to flexible housing fund and maximising opportunities to utilise this fund to support delivery and achieve outcomes such as improved accommodation options

Housing strategy - to support bringing more people back in borough and to ensure stock is suitable to meet future demand for our changing population (linked to the above)

Legal framework - for shared risks across organisations on the risk on restrictions of liberty deprivation requirements, predominantly across Oldham Council and MioCare

Involvement and advice from Legal - to support the service to take positive and appropriate risks

Enablers to provide capacity corporately to support – Mosaic Systems Team, BI, Finance, IG, T&R

Development of the integrated CHASC performance dashboard

Get Oldham Working and other employment providers to support on maximising employment opportunities

Workforce impact:

Dependence on continuing agreement with PCFT to realign to new ways of working, including embedding culture of strengths-based within the teams.

Risk of impact on existing workforce when designing and implementing the required changes, to engage with this change whilst meeting the current demand, which is increasing.

Safeguarding must remain the number one priority

Interdependency with delivery and embedding of strengths-based approaches, being delivered through the Workforce Strategy/transformation programme.

The review of the Supported Living commissioned service is reliant on social workers undertaking the reviews.

Organisational benefits:

Delivering a balanced budget in LD services, within ASC (current overspend at £3.2m)

Savings realised to contribute to the organisations budget reduction requirements (£788k)

Improved outcomes for individuals

Appropriate referrals into statutory services, by ensuring customer journeys are designed to refer people into universal/low-level intervention, reducing referrals into LD

Care delivered closer to home, by reducing the number of people in out of borough placements

Initial dis-benefit to individuals whose care and support will change, but in the longer term they will be more satisfied overall as the longer-term benefits of the revised plan delivers their needs, based on it being more person-centred

More individuals with LD & Autism in paid employment.

Additional Information (if required)

Risk 2 mitigation:

Vacancies in the service are being recruited to, but timelines to do so are restricted within the current process for delaying recruitment to support savings agenda. This is having an impact on the existing workforce who are having to manage those gaps, increasing workloads. Demand is being modelled as part of this project to support a realigned workforce, to deliver the model. Performance management of workforce is actively being managed (e.g. sick leave process). Above are being fed into a service-wide risk assessment – stabilise service

Risk 4:

There's a reliance on strengths-based approaches, and positive risk taking. Staff have received some training in this area and further consideration is needed on how to embed this into the culture and processes of the service.

Risk 4 mitigation:

Some training was delivered in early November 2020 and more will take place in 2021, with a priority being given to CHASC workforce.

	Reference:	CSA-BR1-430
Responsible Officer	Jayne Ratcliffe	
Cabinet Member:	Cllr Chauhan	
Support Officer	Sarah E Bell/Debra Ward	

Equality Impact Assessment Tool

Service Area:	Adult Social Care (CHASC)
Budget Reduction Title:	Achieving Better Outcomes: Supported Housing and Learning Disabilities

Stage 1: Initial Assessment

1a	Which service does this project, policy or proposal relate to? Adults with Learning Disability &/or Autism Service
1b	What is the project, policy or proposal? Oldham's Learning Disability & Autism Strategies hold positive outcomes and an ability for the person to live their Best Life at the centre of its purpose and intentions. The programme of work that will realise the savings will enable the different service areas across the health and social care system, and the organisations therein, to improve the outcomes, opportunities and choices for adults with learning disability and/or autism living in Oldham. Learning Disability is forecasting an overspend of £3m at month 4 20/21 related entirely to increases in care costs, both in terms of client numbers and to a greater extent the complexity of care. The Transforming Care Programme continues to present considerable financial challenge and in the absence of adequate patient funding when discharged to the community, will persist to burden the Oldham Cares economy. The cost to provide care for people already discharged back into Oldham is almost £1m for 2020/21 and could potentially double if the prospective number of patients currently awaiting discharge materialises. The Direct Payment and Supported Living care markets are key areas that require review. Supported Living alone has seen costs triple over the last 5 years where client numbers have broadly remained unchanged. The service is working with finance and other partners to look at ways of optimising the care provision available to ensure needs, quality and value are considered in proportionate measure. The COVID-19 pandemic has stalled progress on Holly Bank admissions and will therefore defer any potential reductions in high cost care packages until later in the year. Optimistically, applying the admission criteria effectively will reduce expensive out of borough placements and provide better value for money for the Council and a better quality of life for residents. Conversely, this could have an unfavourable impact on budgetary resource if the service is utilised by people with a low to moderate level of care needs or if apartments remain vacant. Finance will carefully monitor the implications as the year unfolds. The Achieving Better Outcomes project has the following objectives: - To understand the demand requirements for LD services and how this has changed over time (to understand why the costs have risen when the demand appears to be similar) - To understand how the market needs to be shaped to meet the existing and forecasted/modelled demand, including timely transitions - To identify and understand areas of increased costs not attributed to increase numbers/demand - Ensure that care and support for individuals in the LD & autism service is outcomes-focussed, place-based and uses strengths-based approaches to determine the care and support plan (whilst remaining Care Act compliant)

	• Deliver services within the financial envelope for the service(s) • A suitable provider market to meet the needs of existing and forecasted service users/individuals (including review of requirements/outcomes not being met through pausing of day services and restrictions relating to COVID-19 on amending current specification/contract) • The Workforce has the skills, systems and processes to ensure delivery of an efficient and effective service/s • That decisions are based on accurate and appropriate performance and financial management information • Review People too recommendations in light of the scope of the project • A shared development between commissioners, providers and partners in Oldham • Develop a local strategy, dovetailed with GM LD & Autism Strategies • Achieve improved outcomes for people accessing LD & Autism services																																																		
1c	What are the main aims of the project, policy or proposal? • Taking a holistic and whole system approach to supporting people with learning disability and autism Care Act needs. Therefore, we will be enabling everyone to work more closely together, breaking down organisational barriers, improving pathways, ensuring service users and families are listened to and supported to achieve improved person centred outcomes. • Proactive and engaged transition from Children's to Adults services (linked to SEND preparation to adulthood). • Achieve better outcomes for adults whilst ensuring quality and value for money and delivers Care Act needs (as opposed to wants) of the population. • Seek opportunities to maximise opportunities for seeking employment for LD service users.																																																		
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	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
		☐	☐	☐	☒
		☐	☐	☐	☒
1f	What do you think the overall NEGATIVE impact on groups and communities will be?	None / Minimal	Significant		
		☒	☐		
1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes ☐			
		No ☐			
1h	How have you come to this decision?				

Stage 2: What do you know?

What do you know already?					
- No of LD service users: Annual LD service users 2019/20 = 976 (64301 LD Team finance code service users 835) - No's in receipt of DP's and in supported living DPs: 484, Supported living 129 - No of out of borough placements: 32 OOB - No of people already discharged back to Oldham as part of the Transforming Care Programme = 5 - Holly Bank: Current tenancies & moved in = 8; Planned admissions in progress = 3. 9 voids: specific programme of work to identify and progress suitable tenants ongoing at present. Position statement for next DMT (aligns with accommodation panel process and wider review of supported living)					
What don't you know?					
- Future No of Transforming Care patients and the financial impact of this- whilst we know there are 7 cases with future discharge plans, the financial impact of these is unknown at this point. - How long the pandemic will continue to impact Holly Bank admissions - How the provider market will look moving forward - The impact on individuals from changes to assessment approach/service provision					
Further Data Collection					
Data analysis ongoing within the Achieving Better Outcomes programme of work					

Summary (to be completed following analysis of the evidence above)

1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☐	☒	☐	☐
	Particular ethnic groups	☒	☐	☐	☐

Men or women (includes impacts due to pregnancy / maternity)	☒	☐	☐	☐
People of particular sexual orientation/s	☒	☐	☐	☐
People in a Marriage or Civil Partnership	☒	☐	☐	☐
People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐
People on low incomes	☐	☒	☐	☐
People in particular age groups	☒	☐	☐	☐
Groups with particular faiths or beliefs	☒	☐	☐	☐
Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
Carers	☐	☒	☐	☐
	☐	☐	☐	☐

Stage 3: What do we think the potential impact might be?

3a	Who have you consulted with?
	System partners: Oldham Council, PCFT, CCG, SEND & Children's Social Care Learning Disability & Autism Partnership Boards – this includes service users, carers, OPAL advocacy service and elected members.
3b	How did you consult? (include meeting dates, activity undertaken & groups consulted)
	Learning Disability Partnership Board (LDPB) – 24 th Sept 2020, meetings via Teams Autism Way Forward (AWF) Partnership Board – 8 th Oct 2020, meeting via Teams Achieving Better Outcomes Programme Board meeting 18 th Sept
3c	What do you know?
	Specific dataset being analysed via the project sub-groups, including cross reference of co-dependencies
3d	What don't you know?
	Possible further data resultant from the ongoing analysis Impact of Covid pandemic and system recovery on the project's delivery in terms of: ➤ Impact on workforce and capacity to complete within timeframes ➤ Impact on provider market ➤ Impact on individuals: need, risks, families and carers ➤ Impact of wider capacity in related Council services e.g. Legal and Housing* ➤ Timeframes for Court processes and legislative framework requirements* *business as usual/ demand pre-covid impact in addition.

3e	What might the potential impact on individuals or groups be?	
	Generic (impact across all groups)	Improved outcomes, commissioning arrangements that support choice and control whilst being value for money.
	Disabled people	Improved outcomes, commissioning arrangements that support choice and control whilst being value for money- specific focus for adults with learning disabilities/ autism
	Particular ethnic groups	none
	Men or women (<i>include impacts due to pregnancy / maternity</i>)	Bespoke commissioned services for single sex provisions dependent on specific needs and risks
	People of particular sexual orientation/s	none
	People in a Marriage or Civic Partnership	none
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	none
	People on low incomes	Improved value for money, choice and control/ better use of resources
	People in particular age groups	None
	Groups with particular faiths and beliefs	None
	Other excluded individuals (<i>e.g. vulnerable residents, individuals at risk of loneliness, carers or service and ex-serving members of the armed forces</i>)	Carers- robust planning and support for replacement care services/ life stage planning

Stage 4: Reducing / Mitigating the Impact

4a	What can be done to reduce or mitigate the impact of the areas you have identified?	
	Impact 1	Proposal
	Risk of increased complaints	To mitigate the impact, careful communication working in partnership and a co-produced approach to change and culture. Clear listening culture
	Impact 2	Proposal
	Impact 3	Proposal

4b	Have you done, or will you do anything differently, as a result of the EIA?
	Ensure concerted effort to include individuals in a meaningful way with project groups and activity.
4c	How will the impact of the project, policy or proposal and any changes made to reduce the impact be monitored?
	Monitored via subgroups reporting to the project board. In turn the Board reports to Community Health And Social Care (CHASC) DMT

Conclusion

This section should record the overall impact, who will be impacted upon, and the steps being taken to reduce / mitigate the impact

In summary, the overall impact of this proposal will be positive in the majority, with mitigation included for any adverse impact.

Stage 5: Signature

Role	Name	Date
Lead Officer	Jayne Radcliffe	16/12/20
Approver Signatures		

EIA Review Date:	TBC

Reference :	CSA-BR1-431
Responsible Officer :	Mark Warren
Cabinet Member :	Cllr Z Chauhan
Support Officer :	Jo Charlan

BR1 - Section A

Service Area :	Adult Social Care Support
Budget Reduction Title :	Wellbeing Service

Budget Reduction Proposal - Detail and Objectives :

To cease the commissioning of day service at Grassroots, for people with learning disabilities & autism. This service is provided by MioCare and forms part of the SLA for which a management fee is paid. The current services are dispersed between two sites, Grassroots, which provides services to 15 individuals and Chadderton Park which provides support to 23 individuals. It is proposed that individuals from Grassroots should attend the other services where there is capacity to support them.

The service delivers activities at community locations offering individuals opportunities to move away from a traditional day care and experience working environments by providing opportunities to learn teamwork skills and learn about workplace cultures and behaviours, the service enables individuals to develop interpersonal and independence skills.

The current facilities are well-presented and provide various activities to promote engagement. The therapeutic and emotional wellbeing benefits derived from this service are undeniable and can be regarded as a preventative measure to reduce longer term social care costs to the system however currently the service user numbers involved do not equate to a viable financial option with regards to keeping two sites open.

For service users (and families) supported, the loss of this support network would have a huge detrimental effect upon those involved. Financially whilst the dis-establishment of the service would seemingly reduce the management fee it would be cost neutral and would also have little if any cost saving advantage to the council as alternative day support options are likely to be required to be sourced in most cases. Indeed, choosing this option could result in an increase cost to the council due to the need to access higher charging private facilities, and this is yet unknown.

2020/21 Service Budget and Establishment	£000
Employees	0
Other Operational Expenses	11,696
Income	(645)
Total	11,051

Current Forecast (under) / overspend	79

Number of posts (Full time equivalent)	0.00

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(70)	0	0
Proposed Staffing Reductions (FTE)	3.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
No impact to property (e.g. no loss of rental income). Some impact will be expected in the short term following vacation of the site or prior to handover to a new provider. The space may become overgrown and subject to vandalism. Measures will need to be taken to keep the portacabin secure.
Service Delivery
See additional information.
Future expected outcomes
Potential for service users currently accessing the wellbeing services may require alternative provision therefore social work assessments will be required.
Organisation
Miocare Oldham Council
Workforce
No update provided
Communities and Service Users
See additional information.
Oldham Cares
This proposal contributes to the overall aims of the Locality Plan. It aligns with the ASC Commissioning and Quality work programme.
Other Partner Organisations
Should there be the opportunity to transfer the space for use by a different organisation from the third sector, they should be considered early in the process and supported to do so.

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	Yes
Local business community	No
Schools	No
Trade Unions	Yes
External Partners (if yes please specify below)	No
N/a	
Other Council Departments (if yes please specify below)	Yes
Adult Social Care – social work clusters and specialist teams.	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements
Proposal contributes to reducing Council budget reduction requirement. Aligned offer for day services for adults with additional needs.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Having the required resources in place to deliver the decommissioning of the wellbeing services.	Develop a clear plan deploying relevant resources, including required social work to undertake assessments.
Impact on client anxiety if changing service.	Undertake a period of transition into the new service, in accordance with the client review and needs.
When assessments have been undertaken, identifying a higher than anticipated number of individuals meeting care act eligibility therefore requiring a package of care and support via ASC services.	Understanding cohort of current residents would indicate this is a moderate risk.

Key Development and Delivery Milestones:

Milestone	Timeline
Identify a project team to manage the work programme for decommissioning the service, potential to require additional, temporary arrangements given current resources.	April 2021.
Consultation to commence with stakeholders including, provider; service users & families; staff; provider agencies.	April 2021 to May 2021.
Notice to be provided on the current contractual arrangements, to include, an understanding of any provider redundancy implications; an understanding of impact of removing provider funding (financial sustainability for their service).	April 2021 to May 2021.
To consider and assess the potential impact on clients and staff of removing the service to; Social worker reviews; any changes in personal budgets as a result of reviews; impact on staff of removing or changing client numbers.	September 2021.

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	04-Jan-2021	18-Feb-2021
Trade Union	04-Jan-2021	18-Feb-2021
Public	09-Nov-2020	01-Feb-2021
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	Yes
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	Yes
People in particular age groups	Yes
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	Yes

Section E

Finance Comments
This proposal will achieve savings of £70k, realised by reducing the management fee paid to MioCare in return for a reduction in service.

Signed RO	04-Dec-2020

Signed Finance	07-Jan-2021

Cabinet Member Signature	
Name and Date	Cllr Z Chauhan 18-Jan-2021

Additional Information (if required)

Impact on service delivery:

Members will need to consider the implications of leaving the Grassroots site empty due to this provision no longer being provided.

Redundancies of (3FTE) OCS staff and necessary consultation period (some mitigated by the potential opportunities in other areas of the business in MioCare).

The impacts and risks will be particular to each person (and their family) currently using the service and will depend on the level of support needed and any other day time opportunities available to them, therefore individual assessments will be required (undertaken by social work teams).

Impact on communities and service users:

The impact on service users will be minimal as it has been identified that they will be able to access other such as Miles and Chadderton Park, or an alternative provision of their choice.

The impact on the community will be that giving up the project will potentially provide the allotment back to the community or there would be an opportunity to repurpose the land.

There is potential for another organisation to take over the land/project on a lease basis.

Risk 4:

There's a reliance on strengths-based approaches, and positive risk taking. Staff have received some training in this area and further consideration is needed on how to embed this into the culture and processes of the service.

Risk 4 mitigation:

Some training was delivered in early November 2020 and more will take place in 2021, with a priority being given to CHASC workforce.

A group has been formed to consider what further activity is required to ensure strengths-based approach is embedded as default in practice.

	Reference:	CSA-BR1-431
Responsible Officer	Helen Ramsden	
Cabinet Member:	Cllr Z Chauhan	
Support Officer	Joe Charlan	

Equality Impact Assessment Tool

Service Area:	CHASC Commissioning
Budget Reduction Title:	To cease the funding of Wellbeing Service (Specifically the Grassroots site)

Stage 1: Initial Assessment

1a	Which service does this project, policy or proposal relate to?				
	Wellbeing Service (MioCare)				
1b	What is the project, policy or proposal?				
	To cease current funding.				
1c	What are the main aims of the project, policy or proposal?				
	Not to renew current funding.				
1d	Who, potentially, could this project, policy or proposal either benefit or have a detrimental effect on, and how?				
	This would have a detrimental effect on the users of day services as it is likely that the services would cease to be provided if funding was not available.				
1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☐	☐	☒	☐
	Particular ethnic groups	☐	☐	☐	☒
	Men or women (includes impacts due to pregnancy / maternity)	☒	☐	☐	☐
	People of particular sexual orientation/s	☒	☐	☐	☐
	People in a Marriage or Civil Partnership	☒	☐	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐
	People on low incomes	☒	☐	☐	☐
	People in particular age groups	☒	☐	☐	☐
	Groups with particular faiths or beliefs	☒	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
		☐	☐	☐	☐
		☐	☐	☐	☐

1f	What do you think the overall NEGATIVE impact on groups and communities will be?	None / Minimal	Significant
		☒	☒

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes ☒
		No ☐

1h	How have you come to this decision?
	It has been identified that the decision to remove funding will have a negative impact on a specific group of people.

Stage 2: What do you know?

What do you know already?
<u>Grassroots service overview</u> The Grassroots project is a day service for people with learning disabilities and Autism. It is provided by MioCare and forms part of the SLA for which a management fee is paid. The current services are dispersed between two sites, Grassroots, which provides services to 15 individuals and Chadderton Park which provides support to 23 individuals. It is proposed that individuals from Grassroots should attend the other services where there is capacity to support them. The service delivers activities at community locations offering individuals opportunities to move away from a traditional day care and experience working environments by providing opportunities to learn teamwork skills and learn about workplace cultures and behaviours, the service enables individuals to develop interpersonal and independence skills. The current facilities are well-presented and provide various activities to promote engagement. The therapeutic and emotional wellbeing benefits derived from this service is undeniable and can be regarded as preventative measure to reduce longer term social care costs to the system however currently the service user numbers involved do not equate to a viable financial option with regards to keeping two sites open. For service users (and families) supported, the loss of this support network would have a huge detrimental effect upon those involved. Financially whilst the dis-establishment of the service would seemingly reduce the management fee it would be cost neutral and would also have little if any cost saving advantage to the council as alternative day support options are likely to be required to be sourced in most cases. Indeed, choosing this option could result in an increase cost to the council due to the need to access higher charging private facilities, and this is yet unknown. During the Covid 19 pandemic, work has been undertaken at a GM level to address the issues relating to contact based day services for people with learning disabilities. As a result of the pandemic and the increasing need for services (and respite) for individuals, there has been a creative shift in the way services operate. This includes: • Rota based sessions • Online sessions aligned with group sessions

- Changes in place based activities such as outdoor sessions for exercise

Grassroots operates from an allotment site with a portacabin. The land is owned by the Council and would be handed back in the event that the project ends. There would be options for utilising the land should the project close.

It should be noted that there have been no referrals to the Grassroots service for some time which suggests that this is not as appealing to customers as other services. The service operates for a small number of people who could be offered day service support via an alternative MioCare support, or other days services available if they choose.

The development of the service at Chadderton Park will enhance the day service offer for individuals. Furthermore the offer will support the Council's aim to increase the employment rate of people with learning disabilities.

What don't you know?

As mentioned above, Covid 19 has enabled the Council to examine traditional methods of day services delivery. Therefore in the coming 12 months we do not know what day services will look like, or what demand will be.

Further Data Collection

Qualitative data will be collated when undertaking consultation with customers and staff involved in the service.

Summary (to be completed following analysis of the evidence above)

1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☐	☐	☒	☐
	Particular ethnic groups	☐	☐	☐	☒
	Men or women (includes impacts due to pregnancy / maternity)	☒	☐	☐	☐
	People of particular sexual orientation/s	☒	☐	☐	☐
	People in a Marriage or Civil Partnership	☒	☐	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐
	People on low incomes	☒	☐	☐	☐
	People in particular age groups	☒	☐	☐	☐
	Groups with particular faiths or beliefs	☒	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
	Older People	☒	☐	☐	☐
	Men over 50	☒	☐	☐	☐

Stage 3: What do we think the potential impact might be?

3a	Who have you consulted with?	
	Consultation has not yet taken place with service users given the information above.	
3b	How did you consult? (include meeting dates, activity undertaken & groups consulted)	
	In the event that this proposal is taken forward, a consultation with users of the services would need to be undertaken. The consultation would include discussion with the people and organisations affected if the decision was taken not to continue with the funding. MioCare and the Council's Adult Social Care team would undertake this consultation. Staff for the service will be consulted upon with regard to the Council's redeployment and redundancy procedures.	
3c	What do you know?	
3d	What don't you know?	
3e	What might the potential impact on individuals or groups be?	
	Generic (impact across all groups)	
	Disabled people	People with disabilities would be affected by this decision
	Particular ethnic groups	
	Men or women (<i>include impacts due to pregnancy / maternity</i>)	
	People of particular sexual orientation/s	
	People in a Marriage or Civic Partnership	
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	
	People on low incomes	
	People in particular age groups	
	Groups with particular faiths and beliefs	
	Other excluded individuals (<i>e.g. vulnerable residents, individuals at risk of loneliness, carers or service and ex-serving members of the armed forces</i>)	

Stage 4: Reducing / Mitigating the Impact

4a	What can be done to reduce or mitigate the impact of the areas you have identified?	
	Impact 1	Proposal
	Removal of a service for individuals with learning disabilities	Individuals will be offered the opportunity to attend alternative MioCare day services such as Chadderton Park or the Miles service.
	Impact 2	Proposal
	Staff at risk of redundancy	Staff will be supported through the redeployment process or through redundancy as appropriate.
	Impact 3	Proposal
	The land/facilities will sit unused	It is proposed that as part of the consultation process, use of the land is taken into consideration e.g via reallocation to a community group

4b	Have you done, or will you do anything differently, as a result of the EIA?
	Not at this stage but the consultation phase may establish alternative views.
4c	How will the impact of the project, policy or proposal and any changes made to reduce the impact be monitored?
	Through working with customers, their families and staff working on the Miles project and Chadderton Park.

Conclusion
<i>This section should record the overall impact, who will be impacted upon, and the steps being taken to reduce / mitigate the impact</i>
The impact of closing the Grassroots project will be on 15 customers and 3 members of staff. The impact will specifically affect people with learning disabilities. There may also be impact on the land and facilities associated with the project which will need to be repurposed. Alternative day service options will be considered for those individuals affected as part of the work to mitigate the impacts. They will be supported to access other MioCare day services, or something in the wider day service offers available.

Stage 5: Signature

Role	Name	Date
Lead Officer	Joe Charlan	16.12.20
Approver Signatures		

EIA Review Date:	TBC

BR1 - Section A

Service Area :	Adult Social Care Support
Budget Reduction Title :	Adult Social Care Sheltered Housing

Budget Reduction Proposal - Detail and Objectives :

Adult Social Care (ASC) has been funding Sheltered Housing (SH) since the Supporting People programme in 2003. Currently, in total we pay £183k per annum for SH provision for over 1,000 older people in 887 properties. In addition, the Housing Revenue Account (HRA) pays for SH support for 1,429 Council owned properties supporting a total of 1,470 people through their PFI contract. Although the need for equity among Oldham residents is recognised, this report focuses of the funding to external SH provision paid for by ASC.

The ASC funding pays for a support worker, traditionally this was an on-site scheme manager working officer hours within schemes. However, it can also be a mobile worker who moves between sheltered properties/schemes. The funding also pays for the call monitoring and/or the cost of a mobile alarm response service.

The amount of funding was originally based on the number of people in receipt of housing benefit within each scheme – block subsidy, and the proportion of the service considered to be support as oppose to housing management (which is funded through Housing Benefit (HB) as Intensive Housing Management). During subsequent reviews of SH provision, the subsidy was amended to be a block gross contract which identified an average level of people on housing benefit (approx. 65%) and paid as a standard amount.

ASC's Sheltered Housing was last reviewed in 2014, the result of which capped payments to providers. An upper limit of £7.67 per unit/week was set for Cat 2 and £2.40 for Cat 1 (alarm) services: where scheme manager and alarm are provided together this figure was £10.07.

2020/21 Service Budget and Establishment	£000
Employees	0
Other Operational Expenses	183
Income	(0)
Total	183

Current Forecast (under) / overspend	0

Number of posts (Full time equivalent)	0.00

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(100)	0	0
Proposed Staffing Reductions (FTE)	0.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
Circa 1,000 people in 887 properties owned by housing providers - Anchor/Hanover, For Housing, Guinness, HC21 (non PFI), Places for People, Onward Housing, Riverside.
Service Delivery
See additional information.
Future expected outcomes
Adult Social Care will no longer fund sheltered accommodation. Potential for residents in this sheltered accommodation to require additional support via being assessed as Care Act eligible, therefore a Direct Payment package may be required.
Organisation
Organisations, as listed above, are, Anchor/Hanover, For Housing, Guinness, HC21 (non PFI), Places for People, Onward Housing, Riverside.
Workforce
It is currently unknown the workforce directly employed as part of the organisations listed above for the sheltered housing provision, this will feature in the decommissioning plan should the proposal be approved.
Communities and Service Users
See additional information.
Oldham Cares
This proposal contributes to the overall aims of the Locality Plan. It aligns with the ASC Commissioning and Quality work programme.
Other Partner Organisations
Housing providers (listed above). Strategic Housing.

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	Yes
Local business community	No
Schools	No
Trade Unions	Yes
External Partners (if yes please specify below)	Yes
Anchor/Hanover, For Housing, Guinness, HC21, Places for People, Onward Housing, Riverside	
Other Council Departments (if yes please specify below)	Yes
Strategic Housing, MASH (Multi-agency Safeguarding Hub), Revenue and Benefits (Unity)	
Other (if yes please specify below)	Yes
Strategic Housing Partnership (via Housing Strategy)	

Benefits to the organisation/staff/customers including performance improvements
Proposal contributes to reducing Council budget reduction requirement. Aligned offer for sheltered housing (private and council owned)

Section C

Key Risks and Mitigations:

Risk	Mitigation
Having the required resources in place to deliver the decommissioning of the sheltered housing services.	Develop a clear plan deploying relevant resources, including required social work to undertake assessments.
When assessments have been undertaken, identifying a higher than anticipated number of individuals meeting care act eligibility therefore requiring a package of care and support via ASC services.	Understanding cohort of current residents would indicate this is a moderate risk.
There's a reliance on strengths-based approaches, and positive risk taking. Staff have received some training in this area and further consideration is needed on how to embed this into the culture and processes of the service.	Some training was delivered in early November 2020 and more will take place in 2021, with a priority being given to CHASC workforce. A group has been formed to consider what further activity is required to ensure strengths-based approach is embedded as default in practice.

Key Development and Delivery Milestones:

Milestone	Timeline
Identify a project team to manage the work programme for decommissioning the service, potential to require additional, temporary arrangements given current resources.	April 2021.
Consultation to commence with stakeholders including: Provider; Service users and families; Staff; Provider agencies.	April 2021 to May 2021.
Notice to be provided on the current contractual arrangements, to include: An understanding of any provider redundancy implications; Impact of removing provider funding (i.e. financial sustainability for their service).	April 2021 to May 2021.
Consider/assess the potential impact of removing support to its residents the sheltered housing providers deliver: Social worker reviews; Consider the shift from SH provider support to potential direct payment/ other support and costing this.	September 2021.

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	09-Nov-2020	01-Feb-2021
Service User	23-Nov-2020	01-Feb-2021
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	Yes
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	Yes
People in particular age groups	Yes
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	Yes

Section E

Finance Comments
This proposal will achieve a saving of £100k. This saving will be achieved by not renewing a contract. It will be offset in part by additional alternative provision to some of the clients based on assessed needs.

Signed RO	04-Dec-2020

Signed Finance	07-Jan-2021

Cabinet Member Signature	
Name and Date	Cllr Z Chauhan 18-Jan-2021

Additional Information (if required)

Impact on service delivery:

If the proposal is accepted to cease the funding of ASC Sheltered Housing a decommissioning plan will be prepared. This will include engagement with the commissioned providers listed above, as well as communications with the service users (residents) in the Sheltered Accommodation. When communicating this with the providers, the commissioners will need to ascertain the financial viability of the scheme and their intentions for providing the support offer going forward; ASC Commissioners will do this in conjunction with colleagues in Housing Strategy, using the opportunity for a comparable service offer as the Sheltered Housing commissioned via the PFI contract.

As it is currently unknown whether the residents are Care Act eligible, and therefore already in receipt of a care and support package this work will need to be undertaken by a qualified social worker ensuring that needs are assessed appropriately.

Impact on communities and service users:

Over 1,000 people in 887 properties. It is reported that there is an even 50:50 split between male and female residents in sheltered housing. The age profile is:

Age Range	%
Under 60	10%
60-74	47%
75-89	34%
90+	5%
Unknown	4%

Sixty-five per cent of people overall are in receipt of housing benefit. However, this varies across providers with Anchor having the lowest percentage (51%) and Guinness and For Housing having over 70%.

Housing providers have indicated that 89% of service users across 17 sheltered schemes in Oldham are living independently with no care and support provided. Eleven per cent therefore are reported to have care needs. However, data from the online digital case management system (Mosaic) suggest that 134 people (6%) as a whole (including PFI Sheltered Housing) are in receipt of a package of care and support tend to have higher packages than those in the general over 55 population:

In receipt of packages of Care	Average no of care hours per week
Over 55s in Community (excl ECH)	7.6
Over 55s in Sheltered Housing	9.32

The difference in accounting for care need, may be a result of family and friends picking up care needs, or care being provided privately (self-funded) and therefore not assessed and inputted onto Council systems.

Sheltered Housing providers have reported an increase in support needs from vulnerable and complex individuals with mental health and substance misuse issues in certain schemes.

	Reference: CSA-BR1-433
Responsible Officer	Vicky Walker
Cabinet Member:	Cllr Chauhan
Support Officer	

Equality Impact Assessment Tool

Service Area:	ASC Commissioning
Budget Reduction Title:	ASC Sheltered Housing

Stage 1: Initial Assessment

1a

Which service does this project, policy or proposal relate to?

Sheltered Housing consists of two sorts of support: a) Community alarm only and b) Community alarm plus support

The table below indicates the type of service within the sheltered flats. The majority of schemes have a hardwired 24 hour community alarm as standard within the flat and are supported with a scheme manager on site working office hours Monday – Friday (4 providers – Anchor/Hanover, H21, Places for People, Riverside) or separate support worker (2 providers - Guinness and For Housing).

Alarm services are provided through different provider call centres. Both H21 and the Villages currently use MioCare's Helpline Silver Service which is call monitoring plus mobile response if required.

Housing Provider	Support + Alarm (Cat 2 type)	Alarm (Cat 1 type)	Total flats	Annual Funding
Anchor/Hanover	304		304	£46,160
ForHousing	121		121	£40,720
Guinness	271		271	£46,188
HC21 (non PFI)	35		35	£4,320
Places for People	58		58	£28,750
Onward Housing		124	124	£8,280
Riverside	23		23	£9,410
Total	812	124	936	£183,828

Although most flats are single occupancy, the number of people supported by the service will be greater as a result of cases where more than one person lives in the property.

The funding for the 936+ tenants living in sheltered properties has historically funded by Adult Social Care (as a result of the Supporting People programme). It provides support to those who can not afford to pay for support themselves (approx. 65% of the cohort) at a total cost of £184K to ASC. This works out as an average of £302 per person per year or £5.81 per week.

Note: The funding for the Council owned stock managed by H21 are funded through the HRA and are not being considered as part of this proposal, as this element is subject to the 30 year PFI contract.

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	The types of activity provided through the support include: maximising income, facilitating adaptations, referring to other services, supporting tenants with letters and tasks, holding and facilitating activities within schemes. Key outcomes from the support are maintaining independence, the prevention of loneliness and isolation and access to other services.				
1b	What is the project, policy or proposal?				
	Review the impacts and outcomes of sheltered housing and the impact or reducing or removing funding for external sheltered housing.				
1c	What are the main aims of the project, policy or proposal?				
	- To review the funding input into sheltered housing – the amounts are not standard as a result of the historic differences in the way services were split into housing related support and housing management during the Supporting People era. However, they were capped in 2014 and no uplift has been since then. - To be clear on what the funding pays for/should pay for. - To understand the level of need of tenants within schemes and consequent affects - To look at the costs/benefits of the service and the impact of a loss/reduction of such a service on individuals and the health/social care system				
	Who, potentially, could this project, policy or proposal either benefit or have a detrimental effect on, and how?				
	- Older people, over 55 - People with support and care needs - Staff working across the 20+ schemes - Other services – helpline, community care services, hospital				
	The removal of support funding would mean that those working in sheltered would concentrate on providing housing management rather than support, and may result in a reduction in hours of time scheme managers have in schemes or the removal of non-scheme based support workers.				
	The data collected in 2019 as part of the review of sheltered suggests that there has been an increase in need over the last ten years, particularly around managing mental health, substance abuse, relationship breakdown (from younger older people 55-74) and disability, dementia and frailty (within the older population). See statistics in section on what we know.				
	Without support, this client group would be looking elsewhere for support – particularly through GPs, Ambulance call out/A&E and Adult Social Care. There may also be an impact on housing services, if there is tenancy breakdown as a result of mental health and substance abuse conditions and Anti Social Behaviours.				
	There may also be a higher demand for ECH and residential care. Sheltered does play a part in reducing or delaying the need for higher forms of care.				
1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☐	☐	☒	☐
	Particular ethnic groups	☒	☐	☐	☐
	Men or women	☒	☐	☐	☐

	(includes impacts due to pregnancy / maternity)				
	People of particular sexual orientation/s	☒	☐	☐	☐
	People in a Marriage or Civil Partnership	☒	☐	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐
	People on low incomes	☐	☐	☒	☐
	People in particular age groups	☐	☐	☒	☐
	Groups with particular faiths or beliefs	☒	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
	People with particular LTC, frailty and mental health issues	☐	☐	☒	☐
		☐	☐	☐	☐

1f	What do you think the overall NEGATIVE impact on groups and communities will be?	None / Minimal	Significant
		☐	☒

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes ☒
		No ☐

1h	How have you come to this decision?
	If the proposals lead to the removal of support staff from sheltered housing this will impact directly on all tenants living in these environments. Potentially it could lead to the closure of sheltered housing schemes or the retention of the housing without the sheltered service i.e. becomes another block of flats which will remove the ability to support vulnerable people to maximise independence, keep people safe and improve their general wellbeing. See data below re potential impacts

Stage 2: What do you know?

What do you know already?																			
- We know the numbers of people living in sheltered schemes overall (2190) and that any change will affect over 936 older people in Oldham who live in properties external to the Council owned PFI scheme. Out of these, we support approximately 600 people on low incomes. - Interim findings suggest the following make up of the sheltered population:																			
<table border="1"> <thead> <tr> <th colspan="5">Age</th></tr> <tr> <th>No's Under 60</th><th>No's aged 60 - 74</th><th>No's aged 75 - 89</th><th>No's 90+</th><th>Age N/K</th></tr> </thead> <tbody> <tr> <td>9.1%</td><td>48.6%</td><td>34.6%</td><td>4.9%</td><td>2.7%</td></tr> </tbody> </table>					Age					No's Under 60	No's aged 60 - 74	No's aged 75 - 89	No's 90+	Age N/K	9.1%	48.6%	34.6%	4.9%	2.7%
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Gender	Page 299 Ethnicity																		

Male	Female	White British	White Other	Asian/Asian British	Black/Black British	Ethnicity N/K
48.8%	51.1%	86.2%	3.0%	0.54%	0.36%	9.8%

- 8.9% of people in sheltered are currently in receipt of care services
- 65% are on housing benefit
- Sheltered provision is a key part of the assets within a neighbourhood and could potentially affect the local community if removed, in terms of supporting older people, keeping them safe, ensuring wellbeing
- That similar provision is available in the Council owned PFI schemes which is half way through a 30 year contract so any changes to external provision, rather than PFI, will cause inequity across similar provisions.
- That there may be options regarding a change in Intensive Housing Management and support which could help ameliorate any reduction in support funding
- Any increased costs as a result of the proposal to reduce council funding may be transferred to approx. 600 individuals and will raise issues of affordability.
- The support may reduce or be removed entirely as a result of funding removal.
- That the level of need has changed in sheltered in the last 10 years to include more single men, more vulnerable and complex people, including those with mental health, substance misuse.
- The cost of care may well increase as a result of removing preventative low level support, and a subsequent increase in crisis situations.
- That national potential savings to health from sheltered provision have been calculated based on a Demos review (2017) of 52 academic papers and policy reports related to the social value of sheltered housing. By applying this model to Oldham we can identify the following savings:

Area of saving based on national data and the number of sheltered places in Oldham	Estimates cost saving nationally	No of people in sheltered nationally	Unit cost saving	Cost for 900 external sheltered units	Cost for all of 2109 sheltered units in Oldham inc PFI, excl ECH
Reducing general in patient stays from 17 days to 7.4 days	£300,000,000	485,575	£618	£556,042	£1,302,991
Averting falls – savings to ambulance call outs and A&E/admissions	£12,700,000	485,575	£26	£23,539	£55,160
Averting falls – savings to hospital care for hip fractures as a result of fall (17%)	£156,300,000	485,575	£322	£289,698	£678,858
Reducing loneliness – reduced health service use - GP/A&E etc	£17,800,000	485,575	£37	£32,992	£77,311
Total savings	£486,800,000		£1,003	£902,271	£2,114,321
Cost of contribution from ASC for support services				£184,000	£1,184,000
<i>Difference between estimated saving and cost</i>				£718,271	£930,321

The National Housing Federation suggest that the value of sheltered housing and extra care housing can be found in benefits to the individual, the community and the tax payer, mostly as 'preventative' services (preventing the need for more costly interventions). Areas where schemes deliver value: provide peace of mind, safety and security for vulnerable older people.

In addition to the prevention of ill health and associated costs discussed in the Demos review, Berrington 2017* indicates there are savings to Adult Social Care and the wider community

- support and maintain independence
- better individual physical and mental health
- delay and reduce the need for primary care and social care interventions including
- lower care costs and more rapid recovery following a stay in hospital
- maintain and develop links with the community
- free up family housing for the wider community
- maximise incomes of older people and reduce fuel poverty

*(Source: The Value of Sheltered Housing. National Housing Federation (Berrington) January 2017)

What don't you know?

- The exact impact of removing funding on people, the care economy etc.
- Which sheltered schemes will continue and which could close as a result of change

Further Data Collection

We have undertaken a survey of sheltered schemes and collected data on provision and vulnerabilities, which requires detailed analysis
Following this and any decisions re S&E we need to consult providers

Summary (to be completed following analysis of the evidence above)

1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☐	☐	☒	☐
	Particular ethnic groups	☐	☐	☐	☐
	Men or women (includes impacts due to pregnancy / maternity)	☐	☐	☐	☐
	People of particular sexual orientation/s	☐	☐	☐	☐
	People in a Marriage or Civil Partnership	☐	☐	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☐	☐	☐	☐
	People on low incomes	☐	☐	☒	☐
	People in particular age groups	☐	☐	☒	☐
	Groups with particular faiths or beliefs	☐	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
	Those with vulnerabilities associated with mental health, dementia or with substance abuse issues	☐	☐	☒	☐
		☐	☐	☐	☐

Stage 3: What do we think the potential impact might be?

3a	Who have you consulted with?	
	Scheme managers, and regional managers	
3b	How did you consult? (include meeting dates, activity undertaken & groups consulted)	
	Survey and face to face, but we would like to understand more once more detailed proposals re S&E agreed	
3c	What do you know?	
	We know that there will be a greater impact on some of the sheltered housing providers as a result of the reliance on Council funding.	
	That different schemes in different locations have different needs. Around two fifths of those living in sheltered require minimum support, but three fifths need more support relating to personal care, accessing activities, looking after their home, managing shopping and money and getting out and about.	
	Some schemes have significant numbers of people with dementia. Overall the highest needs in sheltered relate to mobility, hearing loss, diabetes and mental health and depression.	
	Outcomes re prevention and independence can be met by continuing to signpost, provide advice and support, monitor wellbeing, and promote activities within sheltered housing	
3d	What don't you know?	
	How exactly providers will react to the removal/reduction of funding in terms of reducing services, and engaging in meaningful partnerships/initiatives which support independence and prevention.	
3e	What might the potential impact on individuals or groups be?	
	Generic (impact across all groups)	Increase in GP visits Increase in Care at Home services
	Disabled people	There are a significant number of people in sheltered housing with mobility issues, hearing loss or visual impairments. Many have long term health conditions.
	Particular ethnic groups	
	Men or women (<i>include impacts due to pregnancy / maternity</i>)	
	People of particular sexual orientation/s	

	People in a Marriage or Civic Partnership	
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	
	People on low incomes	Approx. 600 of the people affected are on benefits. If the outcome of removal of funding is to ask individuals to contribute more to support this will impact on their disposable income. Some people may refuse the support as a result, and therefore will lose access to support when required.
	People in particular age groups	Over 55s
	Groups with particular faiths and beliefs	
	Other excluded individuals (e.g. <i>vulnerable residents, individuals at risk of loneliness, carers or service and ex-serving members of the armed forces</i>)	Removal of support for vulnerable individuals, particularly those who are lonely and those with specific problems relating to mental health, dementia and substance abuse, and the requirement for higher level/specialist services.

Stage 4: Reducing / Mitigating the Impact

4a	What can be done to reduce or mitigate the impact of the areas you have identified?	
	Impact 1	Proposal
	Reduction or removal of support or increase in cost for individuals	Work with HB and providers to see if we can change the way services are funded. Look at options for self funding. (Note - check policy of DRE when includes costs relating to support)
	Impact 2	Proposal
	Removal of community asset	Ensure health funding or thriving communities support older people in communities to prevent/reduce or delay use more intensive, crisis, or higher cost services.
	Impact 3	Proposal
	Increase in demand for care at home, extra care or other specialist services	To ring fence the reduced funding for sheltered to support new ECH schemes and/or specialist support for people with mental health and substance abuse.

4b	Have you done, or will you do anything differently, as a result of the EIA?	
	Look at modelling options for reducing funding, or how we can apply the funding in a different way which maximises the benefits to the community.	
4c	How will the impact of the project, policy or proposal and any changes made to reduce the impact be monitored?	
	If the funding is removed, the impact could be monitored to understand the impact on extra care housing, care at home, and residential care, but if the decision is irreversible then monitoring would feel like a redundant activity.	

Conclusion

This section should record the overall impact, who will be impacted upon, and the steps being taken to reduce / mitigate the impact

Sheltered Housing provides a valuable service in terms of supporting independence, and reducing delaying, preventing the need for higher costs services. Some of the benefits relate to the housing environment – the accessibility, safety and decent standards of the buildings, the heating systems and the availability of communal space. However, other benefits relate to having staff on site to support and keeping an overview of individuals, identifying deterioration etc., the management of relationships and activities, preventing isolation and the maximisation of income.

The current cost of the sheltered service to Adult Social care is £184K per year. The service is generally cross subsidised by housing management charges and it is difficult to disentangle costs.

The current service is probably not sustainable as a result of no inflation increases over the last 5 years and different models would need to be applied in the future.

There will be an impact on individuals living in sheltered services and on the health and social care system if the funding is removed or reduced. The extent of the impact can only be estimated from national studies and further investigation of how providers will react to change. We know that previous reduction in funding has reduced the service in terms of time and scope.

Potential outcomes for service provision:

- Providers close down some sheltered provision – in terms of decommissioning the housing (accessible housing for older people) at a time when we need more accessible housing not less
- Providers remove some or all of the support service (this will reduce the prevention of need for higher level services, reduces independence, which supports reduce and delay need for social care, increase isolation). This at a time when needs are increasing – particularly more complex needs involving mental wellbeing, dementia and substance abuse.

Outcomes for individuals:

- There is an increased cost to sheltered tenants as providers pass costs onto individual who can not afford it and refuse support as a result
- Individual's wellbeing decreases as a result of no-one checking on them, providing interaction and activities, and supporting them to access other services)
- Lack of support leads to tenancy breakdown

Some of the impacts could be ameliorated by:

- Individuals paying more towards support cost
- Additional wellbeing and specialist support services being provided elsewhere
- Working with providers to maximise options relating to Housing benefit/support split and introducing different models of working.
- Different ways of funding applied to reflect needs and a different model of support
- Funding being found from elsewhere (health? Transforming Care/integration/Locality/public Health) to support services and support the integration with other health and community/neighbourhood provision.

The preferred option would be to work in partnership with providers to identify a model which that targets the preventative aspects of sheltered housing, and support is maintained, with the services continuing to promote wellbeing and reducing the need for health and social care.

Stage 5: Signature

Role	Name	Date
Lead Officer	Claire Hooley	9/10/2020
Approver Signatures		

EIA Review Date:	TBC

DRAFT

BR1 - Section A

	Reference :	CSA-BR1-434
Responsible Officer :	Mark Warren	
Cabinet Member :	Cllr Z Chauhan	
Support Officer :	Angela Barnes	

Service Area :	Adult Social Care Support
Budget Reduction Title :	Adult Social Care Prevention and Early Intervention Service

Budget Reduction Proposal - Detail and Objectives :
This proposal relates to a revised service offer that forms part of a current programme of work being undertaken in relation to the development of a targeted Adult Social Care Prevention and Early Intervention Service. Support for adults with high level complex support needs has been delivered through an in-house council service, as part of an all age service also providing support to children and families. In addition, an external service provided by Positive Steps worked with adults with less complex issues and low and medium levels of support. Following a review of the service, carried out during 2018-19, it was recommended that the existing service would focus on the provision of support for children and families and no longer support individual adults. This presented an opportunity for CHASC to revisit the high-level individual adult targeted prevention and early intervention offer by expanding support to a wider group of hard to reach isolated adults not previously supported. As part of this change an agreement was made to allocate £350,000 to CHASC recurrently to support this work with adults requiring high level support. The low and medium support project provided by Positive Steps is currently undergoing a tender process and the successful bidder will retain responsibility for individual adults with low and medium level support requirements. (Continued in additional information)

2020/21 Service Budget and Establishment	£000
Employees	0
Other Operational Expenses	350
Income	(0)
Total	350

Current Forecast (under) / overspend	0

Number of posts (Full time equivalent)	0.00

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(200)	0	0
Proposed Staffing Reductions (FTE)	0.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
N/A
Service Delivery
Reduced early help and prevention service provision for people with high level complex support needs.
Future expected outcomes
A reduction in positive outcomes for individual people. Increase in the number of people with high level complex support needs requiring statutory services.
Organisation
Increased pressure on other services within Oldham and across Greater Manchester providing support to people with high level complex support needs, for example social prescribing, focus care, health services, adult social care and mental health support.
Workforce
N/A
Communities and Service Users
Service users and communities will be impacted by the proposed changes and a full EIA will be completed to fully understand and consider the potential impact.
Oldham Cares
N/A
Other Partner Organisations
The proposals will impact on partners across the health and social care economy, other council-based services and the voluntary and community sector.

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	Yes
Local business community	No
Schools	No
Trade Unions	Yes
External Partners (if yes please specify below)	Yes
See additional information.	
Other Council Departments (if yes please specify below)	Yes
Reform, Welfare Rights Service, Children's Social Care, District Offices,	
Other (if yes please specify below)	Yes
GMP	

Benefits to the organisation/staff/customers including performance improvements
A £0.200m contribution to the 2021/22 budget reduction requirement.

Section C

Key Risks and Mitigations:

Risk	Mitigation
The adopted service delivery model fails to meet demand or deliver positive outcomes for targeted cohort.	Clear communications with service users and partner organisations on the capacity and purpose of the service model.
Partner organisations and target service users fail to engage with the proposed service model.	Establish relevant governance and operational infrastructure to involve partners. Implement Oldham coproduction values in project planning and ongoing development.
Increased demand on statutory and other services.	Clear communications and involvement in project management of service users and partners.

Key Development and Delivery Milestones:

Milestone	Timeline
Options appraisal and preferred delivery model agreed.	November 2020
Project development and implementation plan.	December 2020 – March 2021.
Project start date.	April 2021.
Project initial review.	November 2021.

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	09-Nov-2020	01-Feb-2021
Service User	23-Nov-2020	01-Feb-2021
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	Yes
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	Yes

Section E

Finance Comments
This proposal will achieve a saving of £200k. This saving will be achieved by designing a new service within a reduced financial envelope.

Signed RO	16-Dec-2020

Signed Finance	07-Jan-2021

Cabinet Member Signature	
Name and Date	Cllr Z Chauhan 18-Jan-2021

Additional Information (if required)

Detail and Objectives (continued):

Work is being undertaken to identify a new model of delivery for those adults who may have a traumatic history alongside a history of resistant families and non-engagement with services or inappropriate engagement with multiple services. These individuals are often facing multiple disadvantage, which includes homelessness, poverty, mental ill health, substance misuse or contact with the criminal justice system.

These individuals often require high levels of support but are not eligible for statutory social care services or have a health issue that could be supported by community health services. Under the Care Act, the council has a statutory duty to promote wellbeing and prevent, reduce or delay needs for social care support. It also has a responsibility to continually try to engage individuals.

As a result, we are looking to identify how the necessary support can be provided for this group of people across the five local care networks, working with community health, social care, primary care and voluntary, community, faith and social enterprise organisations and others. Although work is still being undertaken to finalise the options appraisal the model will focus on enabling individuals to engage in preventative interventions, that focuses on SMART outcomes to build independence and reduce dependencies. Part of the model will support in relationship building to prevent long term needs from developing & supporting engagement with the voluntary, community, faith and social enterprise sector and other Oldham and GM provision as appropriate.

Implementing this proposal includes a significant risk. The removal of a large amount of the funding will impact on the ability to deliver a sufficiently robust service to meet demand, that not only benefits individual service users, but also provides a cost-effective service that enables cost avoidance, and a reduction in the use of more expensive acute services across both the health and social care economy and more widely across the borough.

It is estimated that the proposal will deliver ongoing savings of £200,000.

External partners:

Primary Care Networks, Northern Care Alliance, PCFT, Positive Steps, Action Together, TOG Mind and other voluntary and community sector partners.

	Reference:	CSA-BR1-434
Responsible Officer	Mark Warren	
Cabinet Member:	Cllr Chauhan	
Support Officer	David Garner	

Equality Impact Assessment Tool

Service Area:	Community Health & Adult Social Care
Budget Reduction Title:	Adult Social Care Prevention and Early Intervention Service

Stage 1: Initial Assessment

1a	Which service does this project, policy or proposal relate to? Adult Social Care Prevention and Early Intervention Service
1b	What is the project, policy or proposal? Oldham Council currently provides practical support and advice to adults who are facing difficulties with physical and mental health, housing, homelessness, employment, poverty, substance misuse or crime in order to support them to improve their lives. This service currently supports both adults and families with children. A new dedicated adult focused service will be developed which will engage with those who require high levels of support to build independence. This new service will also work closely with other organisations providing similar support. It is proposed that this new service will cost £200,000 less to deliver. This could reduce the number of adults receiving early help support and, as a result, drive greater demand for local health and social care services and for support provided by the voluntary and community sector.
1c	What are the main aims of the project, policy or proposal? The main aims of the project are to - Put in place a new adult prevention and early intervention service - Improve individual benefits, outcomes and independence for adults on the edge of requiring social care support - Align the prevention and early intervention with a strength-based approach - Contribute to the Council's medium term financial strategy
1d	Who, potentially, could this project, policy or proposal either benefit or have a detrimental effect on, and how? The new service will seek to provide support to individual adults and adult couples without children who have complex and multiple support needs but do not meet the eligibility criteria for support under the Care Act (2014). This will include, but not be limited to, people who are often facing multiple disadvantage, which usually includes one or more of a combination of homelessness, housing issues, poverty, mental ill health, substance misuse, contact with the criminal justice system

and who have a history of either non-engagement with services or inappropriate engagement with multiple services.

The new service will be developed in order to support the following:

- To improve personal outcomes for individual service users based on an outcome star (or similar) model, in order to measure levels of change.
- To enable service users to identify the root causes of their issues and to learn strategies that will help prevent their reoccurrence.
- To increase the ability of service users to resolve their own issues where possible through the adoption of a strengths-based approach to issue resolution
- To increase the ability of service users to recognise safeguarding needs and to both resolve these themselves where possible and to access appropriate support where needed.
- Fewer adults require intervention from statutory Adult Social Care services as a result of earlier intervention to resolve their issues resulting in fewer referrals into Adult Social Care.

If the service is not developed appropriately then failure to engage with people could have a detrimental impact on them.

1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☒	☐	☐	☐
	Particular ethnic groups	☒	☐	☐	☐
	Men or women (includes impacts due to pregnancy / maternity)	☒	☐	☐	☐
	People of particular sexual orientation/s	☒	☐	☐	☐
	People in a Marriage or Civil Partnership	☒	☐	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐
	People on low incomes	☐	☐	☒	☐
	People in particular age groups	☒	☐	☐	☐
	Groups with particular faiths or beliefs	☒	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
		☐	☐	☐	☐
		☐	☐	☐	☐

1f	What do you think the overall NEGATIVE impact on groups and communities will be?	None / Minimal	Significant
		☐	☒

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes ☒
		No ☐
1h	How have you come to this decision?	
	The potential impact on the group of people identified as potential users of the service and the way they are supported to address their issues requires a full EIA to be completed.	

Stage 2: What do you know?

What do you know already?
There are a number of people in Oldham who are facing multiple disadvantage usually involving a range of different issues including homelessness, housing issues, poverty, mental ill health, substance misuse or contact with the criminal justice system. Many of these people have a history of either non-engagement with services or inappropriate engagement with multiple services. Support for adults with high level support needs has previously been delivered through an in-house council service, as part of an all age service, also providing support to children and their families. This is due to end in 2021. A similar service for people with low and medium level support needs is currently delivered by Positive Steps. In addition to the specific support projects focused on levels of support there are a range of organisations providing support to this group of people, including the SRFT Promoting Independent People Project delivered by Age UK, Keyring support for vulnerable adults, social prescribing, Focused Care, MEAM and other local and regional support to vulnerable adults including the evolving Primary Care Networks and the Oldham place-based agenda. Individuals often require high levels of support but are not eligible for statutory social care services. However, under the Care Act (2014) the council has a statutory duty to promote wellbeing and prevent, reduce or delay needs for social care support. It also has a responsibility to continually try to engage individuals. At a regional and national level, the deployment of an effective prevention approach to support individuals is considered an effective model for both achieving positive outcomes for people and reducing the demand on statutory services.
What don't you know?
We currently don't know how many people there are in Oldham who are facing multiple disadvantage who require this type of support and are willing to engage with it. We currently don't know the impact on individuals of adopting this approach and whether this will result in positive outcomes. We don't know whether supporting people in this way will ultimately reduce the demand on statutory services.

We don't know what the effect of the COVID-19 pandemic will have on the long-term availability and capacity of services within the community and how this will impact on a prevention approach to supporting people.

Further Data Collection

Further data collection on the group of people requiring support and the services currently available.

Summary (to be completed following analysis of the evidence above)

1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☒	☐	☐	☐
	Particular ethnic groups	☒	☐	☐	☐
	Men or women (includes impacts due to pregnancy / maternity)	☒	☐	☐	☐
	People of particular sexual orientation/s	☒	☐	☐	☐
	People in a Marriage or Civil Partnership	☒	☐	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐
	People on low incomes	☐	☐	☒	☐
	People in particular age groups	☒	☐	☐	☐
	Groups with particular faiths or beliefs	☒	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
		☐	☐	☐	☐
		☐	☐	☐	☐

Stage 3: What do we think the potential impact might be?

3a	Who have you consulted with?	
3b	How did you consult? (include meeting dates, activity undertaken & groups consulted)	
3c	What do you know?	
3d	What don't you know?	
3e	What might the potential impact on individuals or groups be?	
	Generic (impact across all groups)	
	Disabled people	
	Particular ethnic groups	

	Men or women (<i>include impacts due to pregnancy / maternity</i>)	
	People of particular sexual orientation/s	
	People in a Marriage or Civic Partnership	
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	
	People on low incomes	
	People in particular age groups	
	Groups with particular faiths and beliefs	
	Other excluded individuals (<i>e.g. vulnerable residents, individuals at risk of loneliness, carers or service and ex-serving members of the armed forces</i>)	

Stage 4: Reducing / Mitigating the Impact

4a	What can be done to reduce or mitigate the impact of the areas you have identified?	
	Impact 1	Proposal
	Impact 2	Proposal
	Impact 3	Proposal

4b	Have you done, or will you do anything differently, as a result of the EIA?
4c	How will the impact of the project, policy or proposal and any changes made to reduce the impact be monitored?

Conclusion

This section should record the overall impact, who will be impacted upon, and the steps being taken to reduce / mitigate the impact

Stage 5: Signature

Role	Name	Date
Lead Officer	David Garner	16.12.20
Approver Signatures		

EIA Review Date:	TBC

BR1 - Section A

Reference :	CSA-BR1-435
Responsible Officer :	Mark Warren
Cabinet Member :	Cllr Z Chauhan
Support Officer :	Angela Barnes

Service Area :	Adult Social Care Support
Budget Reduction Title :	Residential Enablement Redesign (Medlock Court)

Budget Reduction Proposal - Detail and Objectives :
This is a proposal to redevelop and redesign the existing short term residential enablement offer, currently based at Butler Green and Medlock Court, into a fully integrated service based on a single site and located in a new build facility. Both the existing schemes have key roles in preventing unnecessary hospital admission and facilitating effective safe discharge and the services are critical to Oldham having an effective urgent care system. The proposal would ultimately mean the closure of Medlock Court (MioCare) and Butler Green (NCA) at their current locations. This approach has been informed by a number of key drivers: • It has been a long held ambition of the Enablement Programme to provide these services at the same location in order to gain the maximum benefit of service integration • A reduction in the demand for bed base enablement services as a result of the success of the new Discharge to Assess and Home First approaches adopted during the Covid-19 pandemic. It should be noted that this reduction is caveated in that the current Covid-19 operating climate has changed the way services have been provided • Both Butler Green and Medlock Court are Council assets which are coming towards the end of their natural life and will require substantial investment to maintain them going forward. Detailed work is underway to determine the cost of this over the next five years. • Having a building that would accommodate integrated residential enablement, the discharge hub, ICET, community reablement and Helpline and Response would reduce the estate from three locations to one and realise running cost efficiencies Continued in additional information.

2020/21 Service Budget and Establishment	£000
Employees	0
Other Operational Expenses	11,696
Income	(645)
Total	11,051

Current Forecast (under) / overspend	79

Number of posts (Full time equivalent)	0.00

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	0	0	(400)
Proposed Staffing Reductions (FTE)	0.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
See additional information.
Service Delivery
This proposal would see the wholesale redesign of services currently provided at Butler Green and Medlock Court. It would offer a truly integrated multi-disciplinary services which would be best in sector.
Future expected outcomes
Being able to continue to deliver on a wide range of statutory obligations in a more efficient and effective way. Increased use of home first approaches to health and social care provision. Improved reablement outcomes for individuals.
Organisation
CHASC / MioCare Group – Significant change programme, reduction in workforce, potential impact on morale and reduction in operating turnover.
Workforce
10 staff would no longer be employed by the MioCare Group.
Communities and Service Users
If realised and implemented service users should see an improved service and individual outcomes. Overall community will be enhanced by the new development.
Oldham Cares
To be confirmed.
Other Partner Organisations
Having fewer step up and step down beds will cause concern from health colleagues, particularly the NCA, who rely on these facilities to achieve effective flow through the hospital discharge process and prevent inappropriate admissions.

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	Yes
Local business community	No
Schools	Yes
Trade Unions	Yes
External Partners (if yes please specify below)	Yes
All key stakeholders in Oldham health and social care system	
Other Council Departments (if yes please specify below)	Yes
Skills and Economy, Unity, HR, Finance	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements	
• Reduced costs of provision and an improved service offer meeting the needs of local residents • Improved processes and systems for the provision of enablement • Enhanced user experience and increased customer satisfaction • Enhanced organisational and borough reputation • Improved use of digital and assistive technology across the enablement offer	

Section C

Key Risks and Mitigations:

Risk	Mitigation
Delays in the completion of the bed-base and service review to determine both service and building requirements.	To plan accordingly and work with an established support organisation, AQUA, to ensure completion of the review. Establish required governance and programme management to support the development.
Delays in the completion of the property design and build and increase in project development and construction costs.	Utilise experienced construction and construction management providers to support the construction of the new premises with experience of this area of work.
Changes to national, regional and local strategies in the delivery of community health and social care provision.	Establish required governance and programme management to support development ensuring that changes to strategies are reflected in the process.
Impact of the ongoing pandemic and of the final EU exit on development and cost.	Establish required governance and programme management to monitor and adjust programme dependent on potential impact.

Key Development and Delivery Milestones:

Milestone	Timeline
Completion of the service and bed base review.	March 2021.
Service development programme and agreed building specification.	June 2021.
Building works start.	October 2021.
Building work complete and handover.	January 2023.
Building opens.	March 2023.

Section D

Consultation Required?	Yes

Dates and specific consultation requirements to be confirmed prior to 2023/24

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	not applicable	not applicable
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening (To be confirmed prior to 2023/24)

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	
Particular Ethnic Groups	
Men or women (including impacts due to pregnancy/maternity)	
People who are married or in a civil partnership	
People of particular sexual orientation	
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	
People on low incomes	
People in particular age groups	
Groups with particular faiths and beliefs	

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	TBC

Section E

Finance Comments

This proposal will achieve savings of £400k in 23/24. It will be based on the construction of a new building to replace both Medlock Court and Butler Green. Therefore it will need significant capital investment. Currently reablement, both residential and community, is provided by MioCare so any saving will be as a reduction in the management fee.

Signed RO	16-Oct-2020

Signed Finance	07-Jan-2021

Cabinet Member Signature	
Page 320 Name and Date	Cllr Z Chauhan 18-Jan-2021

Additional Information (if required)

Detail and objectives continued:

- MioCare retaining a stake in operating residential based services would ensure that the council's legal duty to ensure we have a 'provider of last resort' arrangement to respond in the event of an independent care provider market failure.

Discussions are under way regarding potential capital investment, this includes discussions with health colleagues about how the new build facility can be financed, at least in part, using NHS capital monies in a combined scheme with primary care.

It is proposed that the new building will have fewer beds than the current combined total of 60 (32 at Medlock and 28 at Butler Green). It is expected that bed numbers will be in the region of 45-50. Further work is being undertaken to determine the exact number of beds required and CHASC has held an initial meeting to scope out this work with AQUA (NHS Advancing Quality Alliance) who it is proposed provide support to carry out a comprehensive review of the required bed base. Due to the nature of the programme it is anticipated that any possible savings may not be achieved until 2023/2024.

In addition, the new service model relies on more people to be supported at home and as a result the proposed saving is based on a 22% reduction in the current staffing budget. It is expected that there would also be significant savings from providing services at a single site. The level of savings attributable to this area will be established prior to the commencement of the build but is currently estimated to be approximately £100,000.

Medlock Court receives £1.1m external Better Care Fund grant funding. Any proposal linked to Better Care Fund spend will need to be agreed with the CCG. It may also be the case that a saving can only be realised if alternate costs, currently met from mainstream ASC or CCG budgets, can be transferred to the Better Care Fund.

Impact on property:

Butler Green and Medlock Court now require significant investment in the buildings. The lease at Whitney Court (private landlord) housing the Discharge Hub, ORCAT, Reablement and Helpline and Response ends in 2025. Both Butler Green and Medlock Court sites are Council assets and have development/sale potential.

BR1 - Section A

Service Area :	Adult Social Care Support
Budget Reduction Title :	To cease the funding of the Men in Sheds service

Budget Reduction Proposal - Detail and Objectives :

The proposal is to cease funding this service in its entirety from April 1st 2021.

Men in Sheds is a service provided by Age UK Oldham and has been in operation since 2012. Men in Sheds has previously been funded by the Council through previous contractual arrangements. Since April 2017 the service has been funded via a 3 year Better Care Funding (BCF) grant that expired on 31st March 2020. Due to the impact of Covid the funding continued.

Oldham council pays £51,276 per annum towards the cost of the service. Age UK Oldham also charge service users a contribution and income is generated through the sale of goods produced by the service. (see service utilisation and costs section).

(Continued in additional information below)

2020/21 Service Budget and Establishment	£000
Employees	0
Other Operational Expenses	51
Income	(0)
Total	51

Current Forecast (under) / overspend	0

Number of posts (Full time equivalent)	0.00

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(51)	0	0
Proposed Staffing Reductions (FTE)	0.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
See additional information below.
Service Delivery
Age UK have advised that they would not be able to provide the service without the funding. The expectation is that Age UK may approach other departments in the council or other organisations for funding to continue delivering the service.
Future expected outcomes
See additional information below.
Organisation
As Age UK have advised that they are subsidising the service, ceasing the funding is not expected to have negative financial ramifications for the provider.
Workforce
Age UK have advised that the 2 FTE employees would not be retained.
Communities and Service Users
See additional information below.
Oldham Cares
The potential wider effect on Oldham cares may be felt through the men being unable to access the service and may result in them going onto access other services, in particular mental health services.
Other Partner Organisations
The service offers respite for the men who are carers, without this there may be an increase in demand for other respite services.

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	Yes
Local business community	No
Schools	No
Trade Unions	No
External Partners (if yes please specify below)	Yes
Age UK are a strategic partner	
Other Council Departments (if yes please specify below)	Yes
Thriving Communities as Age UK provide services for this department also.	
Other (if yes please specify below)	Yes
Oldham CCG-as Age UK provide services for Oldham CCG & due to potential MH impacts.	

Benefits to the organisation/staff/customers including performance improvements
A £0.051m contribution to the 2021/22 budget reduction requirement.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Loss of the service – and the preventative aspects would be lost.	People would need to access other services.
Loss of service unless Age UK can obtain funding.	Age UK provided with early notification enabling them to explore other funding opportunities.
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
A cessation of funding letter to Age UK effective 01/04/2021 has already been issued to Age UK.	Letter sent September 2020.
Formal decision on budget reduction proposal.	4 March 2021.
N/a	N/a
N/a	N/a

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	09-Nov-2020	01-Feb-2021
Service User	23-Nov-2020	01-Feb-2021
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	Yes
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	Yes
People on low incomes	Yes
People in particular age groups	Yes
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	Yes

Section E

Finance Comments
This proposal will achieve £51k of savings. This saving will be achieved by the cessation of the Men in Sheds service and contract.

Signed RO	04-Dec-2020

Signed Finance	07-Jan-2021

Cabinet Member Signature	
Name and Date	Cllr Z Chauhan 18-Jan-2021

Additional Information (if required)

Men in Sheds is a wellbeing service. The core element of a Men in Sheds provision is providing hands-on activities for men over 55. The 'Sheds' provide the space for older men to meet, socialise, learn new skills and take part in activities with other men.

Men in Sheds aims to address the public health challenge of older men's health. The service aims to:

- enhance self-esteem and increase confidence
- support men with long term health conditions
- improve physical and mental health/emotional wellbeing
- reduce the risk of social isolation and resultant poor health
- facilitate friendship and companionship
- provide an environment conducive to men's learning and sharing of skills
- offer respite opportunities for carers
- improve access to services/activities and benefits for participants

It's well documented that men do not make friends easily, tending instead to gather acquaintances, many of whom fall away when there is a life changing event such as:

- retirement
- redundancy
- deterioration in health
- divorce or bereavement.

By bringing the men together, in an environment where they feel comfortable enables the service to convey key health messages. Men, particularly those over 60, tend to be slower at going to the doctor for problems that might turn out to be serious. The men are encouraged to adopt a positive approach to good physical and mental health, with an emphasis on encouraging the men to understand that maintaining one's health warrants more than just a visit to their local GP when they are sick. Having a regular check-up to maintain a good quality of life, engaging in good health practices to lower the risk of developing chronic disease, and building rewarding emotional relationships with their family and friends is key.

Impact on property:

Men in Sheds operates out of 2 buildings, an old mill in Greenfield which is leased privately from Tanner Brothers, and Charles House in Failsworth which is leased from Unity partnership on a 'peppercorn rent'. Age UK have advised that this was transferred to them as a community asset in 2019 by Unity Partnership on the understanding that Age UK are responsible for the internal upkeep of the building. Age UK have advised that they want to retain the building for the Men in Sheds service as they are actively pursuing alternative funding for this service. Age UK have also advised that they would probably be able to find a use for the building if they are unable to continue delivering the Men in Sheds service and they therefore want to retain the use, and the upkeep responsibility for this building in the future.

Impact on future expected outcomes:

OMBC realise a saving of £51,276.

Ceasing the funding of the service would mean that the outcomes listed below would not be met (unless Age UK Oldham source alternative funding):

Men in Sheds aims to address the public health challenge of older men's health. The service aims to:

- enhance self-esteem and increase confidence
- support men with long term health conditions
- improve physical and mental health/emotional wellbeing
- reduce the risk of social isolation and resultant poor health
- facilitate friendship and companionship
- provide an environment conducive to men's learning and sharing of skills
- offer respite opportunities for carers
- improve access to services/activities and benefits for participants

Additional Information (if required)

Impact on communities and service users:

The sheds are in Failsworth and Greenfield but attended by Oldham residents across the borough.

The following outcomes are likely to be affected by the loss of the service

enhance self-esteem and increase confidence

- support men with long term health conditions
- improve physical and mental health/emotional wellbeing
- reduce the risk of social isolation and resultant poor health
- facilitate friendship and companionship
- provide an environment conducive to men's learning and sharing of skills
- offer respite opportunities for carers
- improve access to services/activities and benefits for participant

	Reference: CSA-BR1-436
Responsible Officer	Helen Ramsden
Cabinet Member:	Cllr Z Chauhan
Support Officer	Neil Clough

Equality Impact Assessment Tool

Service Area:	CHASC Commissioning
Budget Reduction Title:	To cease the funding of the Men in Sheds service

Stage 1: Initial Assessment

1a	Which service does this project, policy or proposal relate to?				
	Men in Sheds service provided to men over 50.				
1b	What is the project, policy or proposal?				
	To cease current funding.				
1c	What are the main aims of the project, policy or proposal?				
	Not to renew current funding.				
1d	Who, potentially, could this project, policy or proposal either benefit or have a detrimental effect on, and how?				
	This would have a detrimental effect on the users of day services as it is likely that the services would cease to be provided if funding was not available.				
1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☒	☐	☐	☐
	Particular ethnic groups	☒	☐	☐	☐
	Men or women (includes impacts due to pregnancy / maternity)	☐	☐	☒	☐
	People of particular sexual orientation/s	☒	☐	☐	☐
	People in a Marriage or Civil Partnership	☒	☐	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☐	☐	☐	☒
	People on low incomes	☐	☐	☒	☐
	People in particular age groups	☐	☐	☒	☐
	Groups with particular faiths or beliefs	☒	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
		☐	☐	☐	☐
		☐	☐	☐	☐

1f	What do you think the overall NEGATIVE impact on groups and communities will be?	None / Minimal	Significant
		☐	☒

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes ☒
		No ☐
1h	How have you come to this decision?	

Stage 2: What do you know?

What do you know already?
<u>Men in sheds subsidised service – overview</u> Men in Sheds is a service provided by Age UK Oldham and has been in operation since 2012. Men in Sheds has previously been funded by the Council through previous contractual arrangements. Since April 2017 the service has been funded via a 3 year Better Care Funding (BCF) grant that is due to expire on 31st March 2020. Oldham council pays £51,276 per annum towards the cost of the service. Age UK Oldham also charge service users a contribution and income is generated through the sale of goods produced by the service. (see service utilisation and costs section). Men in Sheds is a wellbeing service. The core element of a Men in Sheds provision is providing hands-on activities for men over 55. The 'Sheds' provide the space for older men to meet, socialise, learn new skills and take part in activities with other men. Men in Sheds aims to address the public health challenge of older men's health. The service aims to: • enhance self-esteem and increase confidence • support men with long term health conditions • improve physical and mental health/emotional wellbeing • reduce the risk of social isolation and resultant poor health • facilitate friendship and companionship • provide an environment conducive to men's learning and sharing of skills • offer respite opportunities for carers • improve access to services/activities and benefits for participants It's well documented that men do not make friends easily, tending instead to gather acquaintances, many of whom fall away when there is a life changing event such as: • retirement • redundancy • deterioration in health • divorce or bereavement. By bringing the men together, in an environment where they feel comfortable enables the service to convey key health messages. Men, particularly those over 60, tend to be slower at going to the doctor for problems that might turn out to be serious. The men are encouraged to adopt a positive approach to good physical and mental health, with an emphasis on encouraging the men to understand that maintaining one's health warrants more than just a visit to their local GP when they are sick. Having a regular check up to maintain a good quality of life, engaging in

good health practices to lower the risk of developing chronic disease, and building rewarding emotional relationships with their family and friends is key.

The images contained in this document are of service users accessing the provision in the Failsworth and Oldham sheds.



There is a strong emphasis on mental health and the Men in Sheds Service tries to increase the awareness of and reduce the stigma of depression and anxiety whilst also providing support for men with physical disabilities following health episodes such as suffering a stroke.

The Oldham council funding for the service is currently paid for through BCF grant. The aims of the BCF grant are that services should achieve the following:

The Government is committed to the aim of person-centred care, with health, social care, housing and other public services working seamlessly together to provide better care. This type of integrated care is the key to strong, sustainable local health and care systems which prevent ill-health (where possible) and the need for care and avoid unnecessary hospital admissions. It also ensures that people receive high-quality care and support in the community.

The Oldham Locality Plan for Health and Social Care Transformation 2016-2021 states that the successful delivery of the Plan will mean that:

'The public expects services that promote healthy behaviours and independence and self-care and we reduce the dependency on high or institutionalised services'.

The Future of Ageing in Greater Manchester published by New Economy and the GMCA advocates that:

'supporting healthy ageing through social rather than medical approaches should be a driver which shapes wider policy and delivery'

Service Outcomes

Age UK Oldham use the wellbeing self-assessment tool to evaluate the impact of their Men in Sheds Service and this is completed every three months. The results of this evaluation for April to June 2019 are shown below.

- 87% of men reporting reduced social isolation

- 85% of men reporting increased wellbeing
- 91% of men reporting improved confidence and self-worth
- 5 men took up other services during this period.

The Men in Sheds service is a different service to traditional day care offerings and is regarded as an example of older people in Oldham helping themselves and their communities.

The service aims to support men to age better through a social approach. The service fits well strategically to the provision of health and social care services based on GP clusters. This is a community-based service which can offer something to men who otherwise would not attend local services. The service is also regarded an asset in terms of social prescribing, the Promoting Independent People (PIP) social prescribing team make frequent referrals to Men in Sheds.

There are links between the aims and objectives of the Men in Sheds service and local and national public health programmes. Implicit in the Men in Sheds model is prevention, both in respect of physical and mental health. In addition, the Men in Sheds service has co-production at the centre of everything that it does. It is a service that is largely driven by its users and shaped by them.



Service utilisation and costs

Men in Sheds Oldham – Current Service Model

The Failsworth Men in Sheds service currently operates for two days a week between Tuesday and Wednesday. It provides two sessions a day (am & pm), with ten places in each session. The Greenfield Men in Sheds Service operates for two days a week on a Thursday and Friday. There are two full-time staff supporting the service, who are helped by a team of volunteers.

There are a number of different referral routes into the service, with the large numbers of referrals coming from the mental health team, the PIP (social prescribing) team and self-referral. The reason for someone being referred to the service in terms of their main presenting health problem is recorded. For both the Failsworth and Greenfield Service a high number of men are referred because of depression or early dementia.

80 places per week are provided. 58 men are currently using the service each week, this is because some may only attend one session and some men attend both morning and afternoon sessions. There is currently a waiting list with men waiting to access the service.

Ideally men attending the Men in Sheds service should move on from the service after six months. However, Age UK Oldham report that it has proved difficult in some cases for men to leave the service as they have not identified anywhere else that could meet their needs.

4000 places per year are provided over 50 weeks.
400 sessions per year are provided over 50 weeks.
CHASC pays £51,276 per annum out of BCF.
This equates to £12.75 per place / 127.50 per session.

Age UK Oldham charge the men £2 per session attendance. With some of the men paying £4 to access the am & pm sessions. After previous dialogue with the Council Age UK Oldham reported that they temporarily increased subscriptions to £4 per session (£8 for the am & pm sessions) and after doing this they note that a significant proportion of regular customers ceased attending due to the increase. As a result, the charge has now been reverted back to £2 per session.

The men are required to bring their own lunch.

Annual Income generated for Age UK Oldham:

BCF Income	£51,275
Attendance charges	£ 5,000 (this income stream figure is reflective of the charges having been reduced for a period)
Income from sales	£ 3,000

Total £59,275

Age UK Oldham have provided the following Expenditure information:

Overheads & Support costs	£23,694
Staff wages	£44,910

Deficit subsidised by Age UK Oldham £9,329

The link below takes you to the website for the service:

<https://www.ageuk.org.uk/oldham/our-services/leisure-and-social-activities/men-in-sheds/>

Men in Sheds operates out of 2 buildings, an old mill in Greenfield which is leased privately from Tanner Brothers, and Charles House in Failsworth which is leased from Unity partnership on a 'peppercorn rent'. Age UK have advised that this was transferred to them as a community asset in 2019 by Unity Partnership on the understanding that Age UK are responsible for the internal upkeep of the building. Age UK have advised that they want to retain the building for the Men in Sheds service as they are actively pursuing alternative funding for this service. Age UK have also advised that they would probably be able to find a use for the building if they are unable to continue delivering the Men In Sheds service and they therefore want to retain the use, and the upkeep responsibility for this building in the future.

What don't you know?

Age UK Oldham have advised that they would struggle to provide the service if the council took the decision to cease funding and it is likely that ultimately the service would need to close.

If the funding was removed or reduced Age UK Oldham may try and keep the services running through other funding streams, such as charging service users an increased contribution. Before deciding on such a course of action, Age UK would need to consult with the users of the service to determine if this was viable. As explained above, when Age UK previously temporarily increased the subscription charge, this had a detrimental effect on attendance levels.

It would therefore be recommended that a detailed and robust consultation would be undertaken, explaining the reasons behind any proposed increases.

Further Data Collection

Summary (to be completed following analysis of the evidence above)

1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☒	☐	☐	☐
	Particular ethnic groups	☒	☐	☐	☐
	Men or women (includes impacts due to pregnancy / maternity)	☐	☐	☒	☐
	People of particular sexual orientation/s	☒	☐	☐	☐
	People in a Marriage or Civil Partnership	☒	☐	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐
	People on low incomes	☐	☐	☐	☒
	People in particular age groups	☐	☐	☒	☐
	Groups with particular faiths or beliefs	☒	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
	Older People	☐	☐	☒	☐
	Men over 50	☐	☐	☒	☐

Stage 3: What do we think the potential impact might be?

3a	Who have you consulted with?
	Consultation has not yet taken place with Age UK service users given the information above.
3b	How did you consult? (include meeting dates, activity undertaken & groups consulted)
	In the event that this proposal is taken forward, a consultation with users of the services would need to be undertaken, the consultation would include an analysis of the groups affected if the decision was taken not to continue with the grant funding. Age UK would be expected to undertake this consultation.
3c	What do you know?

3d	What don't you know?
3e	What might the potential impact on individuals or groups be?
	Generic (impact across all groups)
	Disabled people
	Particular ethnic groups
	Men or women (<i>include impacts due to pregnancy / maternity</i>)
	Men over 50 would be impacted by the proposal
	People of particular sexual orientation/s
	People in a Marriage or Civic Partnership
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment
	People on low incomes
	Age UK Oldham report that many of the men are of lower income groups and therefore they would be adversely affected.
	People in particular age groups
	Men over 50
	Groups with particular faiths and beliefs
	Other excluded individuals (e.g. <i>vulnerable residents, individuals at risk of loneliness, carers or service and ex-serving members of the armed forces</i>)

Stage 4: Reducing / Mitigating the Impact

4a	What can be done to reduce or mitigate the impact of the areas you have identified?
	Impact 1
	Proposal
	Reduce the funding rather than remove the funding
	It may be feasible for age UK to moderately increase their attendance charges to replace / partially replace any reductions in funding. However, the session fees charged currently only generate £8000 per annum so this would be negligible. I.E. an increase of £1 per session to £3 would only generate an additional £4000.
	Impact 2
	Proposal
	Some of the outcomes of the service contribute to the Public Health agenda.
	It may be feasible to approach the Public Health team to assess their willingness to make a contribution to the funding for the service.
	Impact 3
	Proposal

4b	Have you done, or will you do anything differently, as a result of the EIA?
4c	How will the impact of the project, policy or proposal and any changes made to reduce the impact be monitored?

Conclusion <i>This section should record the overall impact, who will be impacted upon, and the steps being taken to reduce / mitigate the impact</i>	
While the men in sheds service is highly regarded by those who use the service as well as health and social care professionals in the borough, it is relevant to note that the funding is aligned to IBCF resources. The council has not provided any guarantees to continue funding of the service beyond 31st March 2020. There is concern that in the event funding was to cease for the Men in Sheds service there may be a consequence for the wider population. The case studies in this document provide examples where the existence of the service has prevented escalation onto more costly services. Orellana writing in Community Care regarding the benefits of day services on 4th January 2018 notes: <i>There is clear evidence that they deliver valued outcomes that are highly relevant to social care and health policy themes, such as: promoting wellbeing; preventing/delaying deterioration; supporting people to retain independence; supporting carers; providing information, and ensuring people in receipt of care and support have a positive experience.</i> https://www.communitycare.co.uk/2018/01/04/day-centres-important-older-people-lack-money-shouldnt-jeopardise/ The service provides an alternative to traditional models of day care and the outcomes achieved align closely to the objectives of social prescribing by addressing the men's needs in a holistic way and supporting the men to take greater control of their own health. TO NOTE: A version of this EIA was considered in October 2019. In October 2019 it was noted that we should look to a tapered budget reduction if possible, for the financial year 2020 -21 with a view to funding ceasing in its entirety from April 2021 onwards. Due to other priorities the 2020 in year budget reduction has not been realised. We have however agreed with age UK that the funding will not be renewed, and a 6 month notice period has been provided.	

Stage 5: Signature

Role	Name	Date
Lead Officer	Neil Clough	16.12.20
Approver Signatures		

EIA Review Date:	TBC

DRAFT

BR1 - Section A

	Reference :	REF-BR1-422
Responsible Officer :	Katrina Stephens	
Cabinet Member :	Cllr Z Chauhan	
Support Officer :	Neil Consterdine	

Service Area :	Leisure and Youth Services Client
Budget Reduction Title :	Sport Development

Budget Reduction Proposal - Detail and Objectives :
This proposal is to cease the delivery of Sport Development or negotiate with the Leisure Provider to take on the service. Currently we have a mixed model of strategy and delivery for our sport and leisure provision. The council delivers its Sports Development in Schools Coaching programmes and its Education School Swimming Lessons. In addition, the Council provides the strategic oversight of all sport, leisure and physical activity including the client function of the Leisure Contract. It also manages the key strategic links to Sport England, National Governing Bodies of Sport and other regional/national bodies in order that it can take a strategic view of developing strategy and review of delivery, provide direction and expertise, and be the central point of contact. This proposal is to remove the delivery aspect from the Council and seek to negotiate with the Leisure provider to take this element on ie Sport Development and School Swimming (School Swimming is covered in a separate budget reduction proposal). The Council would retain a much-reduced strategic element. Potential savings: - If the service was to cease the estimated saving would be £84,200 - If the service was to pass to the Leisure Provider, the saving would be £13,040 as it is likely we would need to provide the Leisure Provider with a subsidy of up to £71,160 to make this a viable prospect for them initially, however this would not include any overheads which the Leisure Provider would be expected to absorb. It is proposed that this subsidy would be reduced over time, and in future incorporated within a revised contract for leisure services, but this would need to be part of the negotiation with the provider. It is anticipated that by 2023/24 this subsidy could be reduced so that the full £84k saving could be realised. Continued in 'Additional information section**

2020/21 Service Budget and Establishment	£000
Employees	609
Other Operational Expenses	58
Income	(648)
Total	19

Current Forecast (under) / overspend	84

Number of posts (Full time equivalent)	19.68

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(13)	0	0
Proposed Staffing Reductions (FTE)	19.68	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
It would release current use of Rock Street.
Service Delivery
The service would transfer to the Leisure Provider or cease - see additional info.
Future expected outcomes
Additional outputs and outcomes would need to be added to the Leisure contract. The alternate would be a loss of outcomes as outlined in additional info.
Organisation
The loss of a flexible workforce. Negotiation would need to take place on transfer of the service to the leisure provider - see additional info.
Workforce
Reduction in overall workforce.
Communities and Service Users
If transferred to the Leisure provider this would be minimal - albeit monitoring of quality would need to be considered.
Oldham Cares
None.
Other Partner Organisations
Potential impact on the Leisure Provider if they were to take this on. This should be positive.

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	No
Local business community	No
Schools	Yes
Trade Unions	Yes
External Partners (if yes please specify below)	Yes
Current Leisure Provider	
Other Council Departments (if yes please specify below)	Yes
Finance, HR and Legal.	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

Longer term this would ensure the Council is able to concentrate on facilitation, Strategy and the Client function of Sport, Leisure and Physical Activity.

Section C

Key Risks and Mitigations:

Risk	Mitigation
The Leisure provider did not take this on resulting in termination of the service.	The Council would need to work with schools to help them understand the market and identify alternative providers.
N/a	N/a
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
Initial conversation with Leisure provider.	Starting November 2020 and continuing into 2021.
Staff engagement and consultation.	January and Feb 2021.
Implementation Phase.	February to August 2021.
N/a	N/a

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	04-Jan-2021	18-Feb-2021
Trade Union	04-Jan-2021	18-Feb-2021
Public	09-Nov-2020	01-Feb-2021
Service User	not applicable	not applicable
Other	09-Nov-2020	08-Jan-2021

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	No

Section E

Finance Comments
The budget reduction proposal is between £84k and £13k and is based on 2 scenarios: - Ceasing the service would generate a saving of £84k. The contribution of £94k from Public Health is excluded in full. - Negotiate with the Leisure provider to take on this service. The saving would be dependant on negotiations but an initial assessment is a saving of £13k which relates to non pay costs. It is anticipated that the subsidy could be removed to Leisure Provider and the saving could increase to £84k from 2023/24. Further due diligence would be required around pensions and TUPE arrangements.

Signed RO	22-Oct-2020

Signed Finance	09-Dec-2020

Cabinet Member Signature	
Page 340 Name and Date	Cllr Z Chauhan 18-Jan-2021

Additional Information (if required)

Detail & objectives continued:

Ceasing provision is not recommended as this would have a negative impact on the availability of a quality sport and physical activity offer for schools and there would be longer term impacts on health and wellbeing of the population if schools reduced or stopped buying in these activities.

Responsible Officer : Katrina Stephens

Cabinet Member : Cllr Z Chauhan

Support Officer : Neil Consterdine

BR1 - Section A

Service Area :	Leisure and Youth Services Client
Budget Reduction Title :	School Swimming

Budget Reduction Proposal - Detail and Objectives :

The proposal is to consider either stopping the School Swimming Service or asking the Leisure provider to take the service on.

Primary schools have a statutory obligation to deliver swimming lessons for their pupils. The Council's school swimming service support schools to deliver this statutory obligation. Other than the Leisure provider there are no other providers to deliver this who are based within the borough. The service currently uses pools managed by the local leisure provider to deliver the offer. Currently we have a mixed model of strategy and delivery for our sport and leisure provision. Other delivery elements of the Sports Development Service are included in a separate budget reduction proposal. The Council through review could retain a much-reduced strategic element. The council delivers its Sports Development in Schools Coaching programmes and its Education School Swimming Lessons. In addition, the Council provides the strategic oversight of all sport, leisure and physical activity including the client function of the leisure contract. The Council also manages the key strategic links to Sport England, National Governing Bodies of Sport and other regional/national bodies in order that it can take a strategic view of writing strategy and review of delivery, provide direction and expertise, and be the central point of contact. Under this proposal the Council would retain these strategic elements.

This proposal would be to consider removing the delivery aspect from the Council and seek to negotiate with the Leisure provider to take on the operational elements ie Swimming and Sport Development.

Potential Savings

-If the service was to stop the saving would be £11,190

-If the service was to pass over to the Leisure provider there may be a potential saving of £11,190, however the level of saving may be reduced if the Leisure Provider required a management fee to take on the service.

2020/21 Service Budget and Establishment	£000
Employees	171
Other Operational Expenses	303
Income	(462)
Total	12

Current Forecast (under) / overspend	(45)

Number of posts (Full time equivalent)	4.90

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(11)	0	0
Proposed Staffing Reductions (FTE)	4.90	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
None
Service Delivery
The service would cease to be delivered by the Council.
Future expected outcomes
A need to ensure the curriculum is delivered and a delivery schedule would need to be added to the Leisure contract.
Organisation
Reduced burden dependant on TUPE arrangements.
Workforce
A potential reduction of 4.9 FTE
Communities and Service Users
The quality of the offer if transferred and subsequent delivery to schools would need to be monitored.
Oldham Cares
None
Other Partner Organisations
N/a

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	No
Local business community	No
Schools	Yes
Trade Unions	Yes
External Partners (if yes please specify below)	Yes
Current Leisure Provider	
Other Council Departments (if yes please specify below)	Yes
Finance, HR and Legal	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements
Less longer term liability

Section C

Key Risks and Mitigations:

Risk	Mitigation
The Leisure provider not wanting to take on School Swimming.	The leisure provider has expressed an interest in taking on this opportunity.
Staff and Union objections.	In previous discussions staff and unions had expressed concerns related to terms and conditions and pensions. Early consultation and engagement would be required.
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
Formal decision on budget proposal.	4 March 2021.
N/a	N/a
N/a	N/a
N/a	N/a

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	04-Jan-2021	18-Feb-2021
Trade Union	04-Jan-2021	18-Feb-2021
Public	09-Nov-2020	01-Feb-2021
Service User	not applicable	not applicable
Other	16-Nov-2020	08-Jan-2021

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	No

Section E

Finance Comments
The budget reduction proposal is £11k and is based on 2 scenarios: - Ceasing the service would generate a budgetary saving of £11k. - Negotiate with the Leisure provider to take on this service. The saving would be dependant on negotiations but an initial assessment is that there would be a saving of £11k which relates to non pay costs. Further due diligence would be required around pensions and TUPE arrangements.

Signed RO	22-Oct-2020

Signed Finance	09-Dec-2020

Cabinet Member Signature	
Name and Date	Page 345 Cllr Z Chauhan 18-Jan-2021



Service Area :	District Partnerships
Budget Reduction Title :	Districts Realignment

Reduce District staffing as we are now moving to a 5 geographical alignment of place based working.

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(136)	0	0
Proposed Staffing Reductions (FTE)	3.00	0.00	0.00

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Section B

What impact does the proposal have on the following? :

Property
None.
Service Delivery
Reduced levels of staff to manage the same if not increased demand.
Future expected outcomes
Reduced support to elected members taking on only more complex case work and not supporting members admin function.
Organisation
This will support the wider place based model of working aligning our structures to wider partners.
Workforce
Reduction of three staff - District Coordinator, Community Development Officer and Case Worker.
Communities and Service Users
The wider place based delivery model when fully operational will bring together multiple partners to problem solve and in addition the model will support our most vulnerable residents.
Oldham Cares
N/a
Other Partner Organisations
N/a

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	No
Local business community	No
Schools	No
Trade Unions	Yes
External Partners (if yes please specify below)	No
N/a	
Other Council Departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

Alignment of Districts to wider place based model.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Loss of capacity to support elected members.	See additional information below.
Overall higher demand for the staffing levels.	Inevitably three less staff would result in less capacity. The Place based model however with the District Lead as a pivotal leader would increase efficiency and effectiveness of joining up the system.
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
Staff and union consultation to take place as per the MTFS timelines.	Jan & Feb 2021.
Formal decision on budget reduction proposal.	4 March 2021.
N/a	N/a
N/a	N/a

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	04-Jan-2021	18-Feb-2021
Trade Union	04-Jan-2021	18-Feb-2021
Public	09-Nov-2020	01-Feb-2021
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	No

Section E

Finance Comments
The budget reduction proposal to align district staff to 5 geographical areas will result in a reduction of 3 FTE's.
The budget reduction is achievable from 2021-22 onwards.

Signed RO	15-Oct-2020

Signed Finance	09-Dec-2020

Cabinet Member Signature	
Name and Date	Cllr A Chadderton 18-Jan-2021

Additional Information (if required)

Risk 1 Mitigation:

The elected members have been offered less support now since March 2020. A reorganisation of what members can expect from districts teams has taken place with priority given to the more complex cases. Further work would need to take place to provide appropriate and agreed levels of support for members with the understanding some tasks could no longer take place. A wider look on how we support members with admin support, for example, would need to take place.

BR1 - Section A

Service Area :	District Partnerships
Budget Reduction Title :	Reduction in Members Ward Budgets

Budget Reduction Proposal - Detail and Objectives :

Reduce the Elected Member Ward budgets from £6k per year to £5k per year.

2020/21 Service Budget and Establishment	£000
Employees	0
Other Operational Expenses	367
Income	(0)
Total	367

Current Forecast (under) / overspend	0

Number of posts (Full time equivalent)	0.00

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(60)	0	0
Proposed Staffing Reductions (FTE)	0.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
None.
Service Delivery
Elected members currently use the personal budgets to support wider community activity and contribute to capital projects. Reducing this would cut the funding they can contribute. Members would not be able to support some ward community programmes/priorities.
Future expected outcomes
Reduction of community activity and projects.
Organisation
Some potential reputational impact if regular community activity is not delivered.
Workforce
None.
Communities and Service Users
Service users and communities would have less opportunity to seek support and funding from members.
Oldham Cares
None.
Other Partner Organisations
None.

Who are the key stakeholders?

Staff	No
Elected Members	Yes
Residents	No
Local business community	No
Schools	No
Trade Unions	No
External Partners (if yes please specify below)	No
N/a	
Other Council Departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

A £60k contribution to the Council's 2021/22 budget reduction requirement.

Section C

Key Risks and Mitigations:

Risk	Mitigation
The main risk is the ability for members to fully fund projects and priorities.	Members would need to prioritise spend. Underspend also does exist from previous years.
N/a	N/a
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
Cabinet Member to discuss with all elected members cross party.	October 2020 to March 2021.
Formal decision on proposed budget reduction proposal.	4 March 2021.
N/a	N/a
N/a	N/a

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	09-Nov-2020	01-Feb-2021
Service User	not applicable	not applicable
Other	08-Nov-2020	02-Feb-2021

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	No

Section E

Finance Comments
The reduction of the elected members ward allocation from £6k to £5k will realise an ongoing saving of £60k.
The budget proposal is achievable from 2021-22.

Signed RO	15-Oct-2020

Signed Finance	09-Dec-2020

Cabinet Member Signature	
Page 354 Name and Date	Cllr A Chadderton 18-Jan-2021



Responsible Officer :	Rebekah Sutcliffe
Cabinet Member :	Cllr A Chadderton
Support Officer :	Neil Consterdine

Service Area :	District Partnerships
Budget Reduction Title :	Review of Elected Member Reserves

Budget Reduction Proposal - Detail and Objectives :

Reduce the Elected Members District Partnership Reserve following a review of commitments. In addition agree further work to be done to identify any other potential savings.

2020/21 Service Budget and Establishment	£000
Employees	0
Other Operational Expenses	0
Income	(0)
Total	0

Current Forecast (under) / overspend	0

Number of posts (Full time equivalent)	0.00

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(127)	0	0
Proposed Staffing Reductions (FTE)	0.00	0.00	0.00

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Is your proposal a "one-off" in 2021/22 or is it ongoing?	One-off

Section B

What impact does the proposal have on the following? :

Property
None
Service Delivery
See additional information below.
Future expected outcomes
None
Organisation
No impact. A review of spend has taken place with each District Co-ordinator (DC) in partnership with members where appropriate and this has shown that the funding identified is now no longer required. See additional info below.
Workforce
None
Communities and Service Users
None on this specific saving.
Oldham Cares
None
Other Partner Organisations
None

Who are the key stakeholders?

Staff	No
Elected Members	Yes
Residents	No
Local business community	No
Schools	No
Trade Unions	No
External Partners (if yes please specify below)	No
N/a	
Other Council Departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

A one-off £127k contribution to the Council's 2021/22 budget reduction requirement.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Minimal risk.	N/a
N/a	N/a
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
Cabinet Member to discuss with all elected members cross party.	October 2020 to March 2021.
Formal decision on proposal.	4 March 2021.
N/a	N/a
N/a	N/a

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	not applicable	not applicable
Service User	not applicable	not applicable
Other	08-Nov-2020	02-Feb-2021

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	No

Section E

Finance Comments
The budget reduction proposal is to release uncommitted resources from the District Partnership Reserve. The review by the District Co-ordinators in August/September identified £127k which could be released from the reserve. This is a one year budget reduction proposal for 2021/22.

Signed RO	15-Oct-2020

Signed Finance	09-Dec-2020

Cabinet Member Signature	
Page 358 Name and Date	Cllr A Chadderton 18-Jan-2021

Additional Information (if required)

No impact on service delivery:

Elected members currently use their personal budgets to support wider community activity and contribution to capital works. Each member currently has £6k per year to support this. An exercise to identify underspend and subsequent reserves has taken place. The balance brought forward on the District Partnership Reserve for 2020/21 is currently £629,433. An initial minimum analysis of this total has resulted in this identified £126,909 one off saving. The initial analysis was done by the District Coordinator in partnership with elected members (where required). This amount represents historical commitments that are no longer required or have been funded from other sources. Further analysis work would now be required to identify what other savings could be made from these reserves. This would be in partnership with members.

BR1 - Section A

	Reference :	REF-BR1-438
Responsible Officer :	Julia Veall	
Cabinet Member :	Cllr A Chadderton	
Support Officer :	Paul Dernley	

Service Area :	HR & Organisational Development
Budget Reduction Title :	HR Staffing Review

Budget Reduction Proposal - Detail and Objectives :
Following a review of capacity in the Human Resources (HR)/ Organisational Development (OD) team to support delivery of the Workforce Strategy and the need to realign effort into the organisational development and design activity it has been possible to tie together some downsizing with voluntary redundancy requests within the team. This will mean some minor changes to how individuals are aligned to services while ensuring priorities are met. Some improvements to processes also show a reduction in support for the corporate training and development is feasible. Overall this will mean we are still within the good practice range of HR Advisors to workforce numbers but at the bottom end rather than the middle. As we concentrate on ensuring all our workforce have the skills they need the call on this specialist resource should reduce in any event e.g. managers feeling more confident in addressing underperformance. The other part of the proposal will reduce the Facility Time available to the seconded Unison officials from 2.89 to 2.39 FTE. Current levels indicate that we have the scope to reduce seconded officer time to Unison and remain comparable with other GM local authorities i.e. in mid range of facility time provision. More effective use of local stewards will support the reduction and ensure membership support where needed. Separate facility time for other recognised unions remains unchanged. The above reductions result in a net FTE reduction of 3.83 FTE and estimated recurring savings of £120k per annum. This will allow all Voluntary Redundancy and reduced hours applications to be approved in this service.

2020/21 Service Budget and Establishment	£000
Employees	1,337
Other Operational Expenses	910
Income	(804)
Total	1,443

Current Forecast (under) / overspend	194

Number of posts (Full time equivalent)	30.07

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(120)	0	0
Proposed Staffing Reductions (FTE)	3.83	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
None.
Service Delivery
Impact on service delivery will be managed by the reallocation of duties and reconfiguration of the service as detailed.
Future expected outcomes
None.
Organisation
None.
Workforce
Unison will need to review the usage of local stewards to maintain current levels of coverage.
Communities and Service Users
None.
Oldham Cares
None.
Other Partner Organisations
None.

Who are the key stakeholders?

Staff	Yes
Elected Members	No
Residents	No
Local business community	No
Schools	No
Trade Unions	Yes
External Partners (if yes please specify below)	No
N/a	
Other Council Departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

The proposed reconfiguration will improve HR Advisory service delivery and the embedding of the Workforce Strategy across Team Oldham.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Voluntary Applications are not approved.	All applications approved November 2020.
The reduction of Trade Union facility time is not permitted.	Reduction in facility time has been approved.
The implementation of the £95k cap results in the withdrawal of associated applications.	Proposals will be reviewed and may proceed in any event resulting in potential compulsory redundancies.

Key Development and Delivery Milestones:

Milestone	Timeline
Assessment of Voluntary Applications.	30th October 2020.
Leaving date for approved applicants.	31st December 2020.
N/a	N/a
N/a	N/a

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	04-Jan-2021	18-Feb-2021
Trade Union	26-Oct-2020	31-Dec-2020
Public	not applicable	not applicable
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	No

Section E

Finance Comments
The proposal is to reduce the HR and Trade Union budget by £120k (equates to 3.83 FTE's) from 2021/22 onwards. The reduced fte's are based on applications from staff as part of the workforce reduction programme being offered to staff across the Council. The service has a current overspend of £194k however this is based on one off costs incurred by the service in 2020/21. The budget reduction proposal is achievable from 2021/22.

Signed RO	22-Oct-2020

Signed Finance	23-Oct-2020

Cabinet Member Signature	
Name and Date	Cllr A Chadderton 18-Jan-2021

Additional Information (if required)

The other part of the proposal suggests a reduction in the facility time allocation for the staff seconded to Unison. It is critical that we maintain good industrial relations during a highly challenging time. The proposal is to reduce the time allocated from 2.89 to 2.39 which means we will be exactly in mid range when compared with both local government and industry standard. Because the allocation of time is based on membership of each union the allocation for Unite (0.4FTE) and GMB (0.8FTE) remains unaffected. The impact of this should be to show that the Unions are prepared to change and contribute to the overall financial challenge whilst continuing to support their members and the workforce at large.



Service Area :	Heritage Libraries and Arts
Budget Reduction Title :	Gallery Oldham

Closure of Gallery Oldham one day per week and consequent reduction in visitor services staffing.

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(22)	0	0
Proposed Staffing Reductions (FTE)	0.94	0.00	0.00

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Section B

What impact does the proposal have on the following? :

Property
None.
Service Delivery
Capacity, flexibility and income generating ability of service reduced. Relationship with key partners, service users and stakeholders could be affected.
Future expected outcomes
Negative impact on KPIs re visitor numbers and schools' access and on service objectives relating to widening access, increasing learning opportunities and employment opportunities, supporting town centre visitor economy and enhancing image of the borough.
Organisation
Reduced support for town centre cultural offer and development of visitor economy.
Workforce
Loss of established posts and reduction in casual hours. No redundancies expected due to vacant hours but changes to rota patterns and working hours will be required.
Communities and Service Users
Reduction in public access to free services and facilities for families, schools and regularly attending vulnerable groups.
Oldham Cares
Potential negative impact on wellbeing user groups Springboard dementia groups, Oldham Deaf Association, Henshaws, Oldham Stroke Association, Early Years service, Refugee and asylum seeker groups.
Other Partner Organisations
See Additional Information below.

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	Yes
Local business community	No
Schools	Yes
Trade Unions	Yes
External Partners (if yes please specify below)	Yes
See Additional Information below.	
Other Council Departments (if yes please specify below)	Yes
See Additional Information below.	
Other (if yes please specify below)	Yes
See Additional Information below.	

Benefits to the organisation/staff/customers including performance improvements

A £22k contribution to the Council's 2021/22 budget reduction requirement.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Reputational damage leading to loss of partnerships and income.	Stakeholder engagement.
Reduced access for regular attending schools, families and vulnerable groups.	User data analysis and engagement to determine preferred day of closure and if access can be facilitated for some on the closed day.
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
Staff engagement.	5th Nov 2020 – 15th Jan 2021.
User and stakeholder engagement.	16th Nov 2020 – 1st Feb 2021.
New rotas agreed.	29 January 2021.
Communications and messaging.	Starts 29 March 2021.

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	09-Nov-2020	01-Feb-2021
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	Yes
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	Yes

Section E

Finance Comments
The budget reduction to close Gallery Oldham one day per week will realise a saving of £22k which is achievable from 2021-22.

Signed RO	23-Dec-2020

Signed Finance	09-Dec-2020

Cabinet Member Signature	
Page 368 Name and Date	Cllr B Brownridge 18-Jan-2021

Additional Information (if required)

Impact on other partner organisations: (External partner stakeholders)

Reduced ability to support and benefit from strategic partners eg Tate British Museum, Natural History Museum etc and delivery partners eg Coliseum, Chai Ladies etc.

Other Council departments (Stakeholders):

People & Place, Lifelong Learning, Libraries, Northern Roots. Negative impact on whole site events and associated income generation and audience development opportunities.

Other key stakeholders:

External Partner Stakeholders:

Museum Development North West, Arts Council England, Manchester International Festival, Town Centre Partnership.

	Reference:	REF-BR1-413
Responsible Officer	Katrina Stephens	
Cabinet Member:	Cllr B Brownridge	
Support Officer	Sheena Macfarlane	

Equality Impact Assessment Tool

Service Area:	Heritage, Libraries & Arts
Budget Reduction Title:	Gallery Oldham

Stage 1: Initial Assessment

1a	Which service does this project, policy or proposal relate to?				
	Heritage, Libraries & Arts (Arts & Heritage Service)				
1b	What is the project, policy or proposal?				
	Close Gallery Oldham one day per week from 1 st April 2021				
1c	What are the main aims of the project, policy or proposal?				
	To achieve a financial saving on visitor services costs				
1d	Who, potentially, could this project, policy or proposal either benefit or have a detrimental effect on, and how?				
	Any user groups who are unable to be accommodated due to the reduction in availability				
1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☒	☐	☐	☐
	Particular ethnic groups	☒	☐	☐	☐
	Men or women (includes impacts due to pregnancy / maternity)	☒	☐	☐	☐
	People of particular sexual orientation/s	☒	☐	☐	☐
	People in a Marriage or Civil Partnership	☒	☐	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐
	People on low incomes	☒	☐	☐	☐
	People in particular age groups	☒	☐	☐	☐
	Groups with particular faiths or beliefs	☒	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
	Schools	☒	☐	☐	☐
		☐	☐	☐	☐

1f	What do you think the overall NEGATIVE impact on groups and communities will be?	None / Minimal	Significant
		☒	☐

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes ☐
		No ☒

1h	How have you come to this decision?
	Regularly attending groups and schools are being consulted which will help us determine which day to close. This will minimise the impact on groups particularly those which rely heavily on the availability of carers and transport to facilitate their visit. Gallery staff are also exploring the possibility of facilitating access on the closed day for any group which cannot be accommodated with the new open hours. Early indications are that none of the currently attending groups will be specifically impacted.

Stage 5: Signature

Role	Name	Date
Lead Officer	Sheena Macfarlane	18/01/2021
Approver Signatures		

EIA Review Date:	TBC

BR1 - Section A

Service Area :	Leisure and Youth Services Client
Budget Reduction Title :	Mahdlo Funding Reduction

Budget Reduction Proposal - Detail and Objectives :

Reduction of Mahdlo Budget. The Council currently makes an annual contribution to Mahdlo of £400k per annum and has done without reduction since its opening. Mahdlo receives funding from a number of sources. The budget reduction proposal is to reduce the council contribution by a total of £100k per annum in 2021/22 and an additional £100k per annum from 2022/23.

2020/21 Service Budget and Establishment	£000
Employees	0
Other Operational Expenses	400
Income	(0)
Total	400

Current Forecast (under) / overspend	0

Number of posts (Full time equivalent)	0.00

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(100)	(100)	0
Proposed Staffing Reductions (FTE)	0.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
None.
Service Delivery
See additional information below.
Future expected outcomes
See additional information.
Organisation
Mahdlo have received the same level of funding from the Council since 2012 and whilst other provision has seen a reduction this has not.
Workforce
Not known.
Communities and Service Users
Not fully known and would be dependant on how Mahdlo absorb the loss of income. It would need to consider how it delivers and in addition Mahdlo are being consulted on impact and mitigations.
Oldham Cares
None.
Other Partner Organisations
Loss of funding for Mahdlo.

Who are the key stakeholders?

Staff	No
Elected Members	Yes
Residents	No
Local business community	No
Schools	No
Trade Unions	No
External Partners (if yes please specify below)	Yes
Mahdlo Board.	
Other Council Departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

A potential improved structure and targeted offer.
A contribution to the Council's budget savings requirement of £200K per annum by 2022/23.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Reduction of Youth provision.	Reorganisation of staffing and back office to mitigate the the loss. Less Youth Provision.
Mahdlo is also funded by local business including the Stoller Trust. The loss of income from the Council may create instability with others contributing.	The Council has supported Mahdlo since inception and clear comms would need to be developed alongside a conversation with the Mahdlo CEO and Board. In addition the Council could support Mahdlo to help them reorganise and subsequently mitigate loss of activity to young people. In addition support them in finding alternate options for
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
Discussions with the Mahdlo Board Chair and CEO.	October 2020 to January.
Support Mahdlo to work through impact.	October to mid January 2020.
Consideration of impacts and mitigations to take forward for decisions with lead Members and Cabinet	February to March.
Saving to commence if approved	April 2021

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	09-Nov-2020	01-Feb-2021
Service User	not applicable	not applicable
Other	25-Oct-2020	24-Dec-2020

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	Yes
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	Yes

Section E

Finance Comments
The budget reduction proposal is to reduce the Council's contribution to Mahdlo by £100k in 2021-22 and a further £100k from 2022-23. The total on going budgetary saving from 2022-23 will be £200k per annum.

Signed RO	15-Oct-2020

Signed Finance	09-Dec-2020

Cabinet Member Signature	
Name and Date	Page 375 Cllr E Moores 18-Jan-2021

Additional Information (if required)

To achieve the proposal Mahdlo would need to reorganise its activity and assess what is currently working and what staffing levels they have. The impact of the reduction could mean that they will deliver less activity for young people but this could be mitigated by them increasing their charges, patron and grant income. This has been identified as a key risk following discussion with Mahdlo. For example Onside their partner organisation has recently been successful in a multi million pound grant fund that Mahdlo should be able to access. The main offer is in the central youth zone. Albeit they do deliver some activity in Districts. The council funds contribute to the central youth offer and Mahdlo uses external funding for District activity (albeit it is recognised that young people do travel to Mahdlo from outlying districts). Mahdlo is a registered charity and state-of-the-art Youth Zone in the heart of Oldham for 8-19-year olds (up to 25 for young people with a disability). They are open 7 days a week, 50 weeks of the year, and offer a range of activities and opportunities that all young people from across Oldham can access for just 50p per session, as a member.

They deliver from their base on Egerton Street (the Hub) and in venues (spokes) across the districts of the Oldham borough. The majority of the activity is town centre based rather than spoke based. They structure their work within six key themes: Get Active (Sports); Get Creative (Arts); Get Sorted (personal development, crime prevention and health and wellbeing); Get Outdoors (outward bound and environmental activities); Get Connected (leadership, volunteering and citizenship); Get Ahead (employment and enterprise).

Delivery - at the main Mahdlo building:

- Junior Zone # 3 sessions per week for young people aged 8-12
- Senior Zone # 4 sessions per week for young people ages 13-25
- Family Ability Session # for C&YP with SEND and their families # 1 per week
- Ability multi activity session 1 per week
- Holiday Provision # Mon - Friday during School holiday times for ages 8-14 (paid for offer)
- Twilight sessions - Daily - Monday to Friday
- They also offer: Duke of Edinburgh Scheme - The D of E programme is available to all Mahdlo members aged 14 years and over.
- As a Mahdlo member they offer access to a variety of opportunities to support young people to help them complete each section of the award Get a job programme - A 6 week programme will provide you with the opportunity to learn necessary life skills that help young people to prepare for working life, but make sure you're ready for everything that goes along with having a job.
- NCS - Mahdlo Youth Zone is part of the National Citizen Service network. The National Citizen Service programme runs throughout England and Northern Ireland, an opportunity for those aged between 15 and 17. They run four-week programmes during the summer holidays, and bespoke programmes during school term-times.
- Mentoring Scheme - Mahdlo Mentoring scheme is designed to offer one-to-one support to young people aged 8-19.
- Delivery in the districts- Mahdlo have received funding from lotteries to deliver a district youth work offer. This is delivery of one youth work sessions per week in each district of Oldham (currently minimum of 6 per week)
- Membership and Reach- As of January 2020, Mahdlo reported: - 4,537 members (young people registered with the Youth zone), 1,534 members attending at least one session (35% of all members), 586 active members regularly attending (young people attending a session 3 or more times), that's 13% of members), Junior and Senior Zone session attendance averaged around 100 per evening - Mon - Fri and less than 100 for weekend sessions
- Funding. The Mahdlo organisation is funded via a number of means, including " A patron programme " Donations " Fundraising event " Project grants " Local Authority contribution "

Impact on future expected outcomes:

Potential loss of diversionary activity, youth work sessions and access to support for our young people. This could impact on young people's future aspirations, the ability for them to lead positive lives and access to opportunity. Mahdlo would need to reduce back office costs and increase external income and the Council is supportive of helping them review this

	Reference:	REF-BR1-415
Responsible Officer	Neil Consterdine	
Cabinet Member:	Cllr Eddie Moores	
Support Officer	Jodie Barber	

Equality Impact Assessment Tool

Service Area:	Youth, Leisure and Communities (Youth Service)
Budget Reduction Title:	Reduction of funding to Mahdlo

Stage 1: Initial Assessment

1a	Which service does this project, policy or proposal relate to?				
	Mahdlo				
1b	What is the project, policy or proposal?				
	To reduce the funding awarded to Mahdlo by £100k in 2021/22 and 2022/23.				
1c	What are the main aims of the project, policy or proposal?				
	To reduce grant funding to Mahdlo, whilst minimising the impact on the ability to deliver services to young people.				
1d	Who, potentially, could this project, policy or proposal either benefit or have a detrimental effect on, and how?				
	The reduction in funding could have a negative impact upon young people primarily.				
1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☐	☐	☒	☐
	Particular ethnic groups	☐	☐	☒	☐
	Men or women (includes impacts due to pregnancy / maternity)	☒	☐	☐	☐
	People of particular sexual orientation/s	☒	☐	☐	☐
	People in a Marriage or Civil Partnership	☒	☐	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐
	People on low incomes	☐	☐	☐	☒
	People in particular age groups	☐	☐	☒	☐
	Groups with particular faiths or beliefs	☒	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
	None Identified	☐	☐	☐	☐
		☐	☐	☐	☐

1f	What do you think the overall NEGATIVE impact on groups and communities will be?	None / Minimal	Significant
		☒	☐

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes ☒
		No ☐

1h	How have you come to this decision?

Stage 2: What do you know?

What do you know already?
The Council currently makes an annual contribution to Mahdlo of £400k per annum. The total Mahdlo operating budget is approx. £1.555 million. The budget reduction proposal is to reduce the council contribution by a total of £100k in 2021/22 and an additional £100k per annum from 2022/23. Total ongoing reduction of £200k by 2022/23. An initial £100k saving would represent just over 6.4% of the total operating budget and a total £200k saving would represent a 13% reduction. Pre Covid Mahdlo is a registered charity and state-of-the-art Youth Zone in the heart of Oldham for 8-19-year olds (up to 25 for young people with a disability). They are open 7 days a week, 52 weeks of the year, and offer a range of activities and opportunities that all young people from across Oldham can access for just 50p per session, as a member. They deliver from their base on Egerton Street (the Hub) and in venues (spokes) across the districts of the Oldham borough. They structure their work within six key themes: • Get Active (Sports); • Get Creative (Arts); • Get Sorted (personal development, crime prevention and health and wellbeing); • Get Outdoors (outward bound and environmental activities); • Get Connected (leadership, volunteering and citizenship); • Get Ahead (employment and enterprise). Delivery At the main Mahdlo building • Junior Zone – 3 sessions per week for young people aged 8-12 • Senior Zone – 4 sessions per week for young people ages 13-25 • Family Ability Session – for C&YP with SEND and their families – 1 per week • Ability multi activity session 1 per week • Holiday Provision – Mon - Friday during School holiday times for ages 8-14 (paid for offer) • Twilight session – Daily – Monday to Friday They also offer: Duke of Edinburgh Scheme - The D of E programme is available to all Mahdlo members aged 14 years and over. As a Mahdlo member they offer access to a variety of opportunities to support young people to help them complete each section of the award.

Get a job programme - A 6 week programme will provide you with the opportunity to learn necessary life skills that help young people to prepare for working life, but make sure you're ready for everything that goes along with having a job.

NCS - Mahdlo Youth Zone is part of the National Citizen Service network. The National Citizen Service programme runs throughout England and Northern Ireland, an opportunity for those aged between 15 and 17. They run four-week programmes during the summer holidays, and bespoke programmes during school term-times.

Mentoring Scheme - Mahdlo's Mentoring scheme is designed to offer one-to-one support to young people aged 8-19.

Delivery in the districts. Mahdlo have received funding from lotteries to deliver a district youth work offer. This is delivery of one youth work sessions per week in each district of Oldham (currently minimum of 6 per week)

Membership and Reach

As of January 2020, Mahdlo reported:

- 4537 members (young people registered with the Youth zone)
- 1534 members attending at least one session (35% of all members)
- 586 active members regularly attending (young people attending a session 3 or more times), that's 13% of members)
- Junior and Senior Zone session attendance averaged around 100 per evening (Mon – Fri and less than 100 for weekend sessions

Funding

The Mahdlo organisation is funded via a number of means, including

- A patron programme
- Donations
- Fundraising event
- Project grants
- Local Authority contribution

The Local Authority make a contribution of £400K per annum towards the cost of the Hub. The accounts forecast operating costs for 20/21 including depreciation at £1.555m. Income forecast £1.610m. That includes the £400k from OMBC.

Since April 2020 - Covid

Initially Mahdlo furloughed the majority of staff, keeping a core of 6 staff working

The centre had to close, and retaining staff delivered:

- Outreach visits to young people
- Telephone call contacts with young people
- Mentoring
- Online sessions
- Delivery of activity packs and care packs.

With restrictions changing and following NYA guidance Mahdlo widened the offer from July 2020.

- They have brought more staff back from Furlough
- Holiday programme during the summer term (limited number to reflect Covid Safe guidance)
- Junior and senior evening sessions – Limited to a max of 80 participants per session
- Mentoring programme
- Twilight sessions

- D of E scheme
- Targeted externally funded projects
- The numbers worked with have reduced dramatically in the past 7 months. With Number of members actively attending the Hub in July being 173.

With the new restrictions implemented in January 2021 Mahdlo have had to reduce the face to face offer they can deliver from their building. they are currently delivering outreach work, limited face to face work for vulnerable young people, Online sessions, telephone calls as well as supporting young people and families with food and care packages.

Throughout the Covid period the Council have continued with funding to Mahdlo and changed the payment schedule to monthly.

Mahdlo have continued to be supported by patrons and donations and have been able to organise some limited fund-raising activities.

They have also received financial support from other sources, for example:

DCMS - OnSide have been successful in securing £6million funding from DCMS to support the youth zones in its network, this funding will be used to 100% match any donations received between mid-July to March 21. Mahdlo, so far have pledged for £165k as well as the other donations. They will receive match funding for this from the DCMS charity support funding awarded to onside.

Job Retention Scheme Bonus - The government have implemented a JRS bonus to employers of £1,000 for every employee who return from furlough and are still employed at the end of January with minimum average earnings of £520 per month. Based on current staff profile Mahdlo have indicated they could potentially claim for up to 35 employees if they fulfil these requirements.

Following the publication of the Council's consultation process on a range of budget saving proposals, which was launched on 9th November 2020, discussions have taken place between the Assistant Director for Youth, Leisure and Communities and the Chief Executive and Chair of Mahdlo Board with regards to the proposal to reduce funding. The discussions have included exploring how the Council could provide support to Mahdlo to absorb the budget reductions whilst mitigating the impact on service delivery. Furthermore, Mahdlo are currently undertaking a consultation with service users and the public in relation to the Council's proposal and this is currently ongoing.

The Council is also undertaking consultation in the form of focus groups with young people to discuss the impact of the full range of budget reductions which could impact on this target group (i.e. with specific focus on the savings which impact upon children and young people)

What don't you know?

Formal consultation has now commenced with Mahdlo (w/c 4th January) to determine the actual impact upon service users arising from the proposal to reduce funding over the next two financial years. The Council have provided a template for completion by Mahdlo to identify the impact to service users, including any consequences in relation to staffing and service delivery, so that this information can inform the EIA. They will be further asked to identify any opportunities to mitigate the impact. The Council have also met with the interim CEO and Members of the Board to discuss the proposed budget reductions. Following completion, by Mahdlo, of the impact template, council officers will meet with the Interim CEO to discuss the information submitted .(This will be informed by the outcome of the consultation which Mahdlo are currently undertaking.) The Council wants to explore the potential to delete any current vacant posts from the staffing structures, which would minimise the impact of the reduction and explore opportunities to seek on funding from alternative sources.

Section 1e onwards will be completed following the formal consultation period with Mahdlo.
Further Data Collection
This will form part of the formal consultation with Mahdlo.

Summary (to be completed following analysis of the evidence above)

1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☐	☐	☐	☐
	Particular ethnic groups	☐	☐	☐	☐
	Men or women (includes impacts due to pregnancy / maternity)	☐	☐	☐	☐
	People of particular sexual orientation/s	☐	☐	☐	☐
	People in a Marriage or Civil Partnership	☐	☐	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☐	☐	☐	☐
	People on low incomes	☐	☐	☐	☐
	People in particular age groups	☐	☐	☐	☐
	Groups with particular faiths or beliefs	☐	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
		☐	☐	☐	☐
		☐	☐	☐	☐

Stage 3: What do we think the potential impact might be?

3a	Who have you consulted with?
3b	How did you consult? (include meeting dates, activity undertaken & groups consulted)
3c	What do you know?

3d	What don't you know?	
3e	What might the potential impact on individuals or groups be?	
	Generic (impact across all groups)	
	Disabled people	
	Particular ethnic groups	
	Men or women (<i>include impacts due to pregnancy / maternity</i>)	
	People of particular sexual orientation/s	
	People in a Marriage or Civic Partnership	
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	
	People on low incomes	
	People in particular age groups	
	Groups with particular faiths and beliefs	
	Other excluded individuals (<i>e.g. vulnerable residents, individuals at risk of loneliness, carers or service and ex-serving members of the armed forces</i>)	

Stage 4: Reducing / Mitigating the Impact

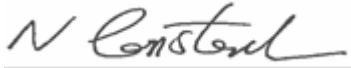
4a	What can be done to reduce or mitigate the impact of the areas you have identified?	
	Impact 1	Proposal
	Impact 2	Proposal
	Impact 3	Proposal

4b	Have you done, or will you do anything differently, as a result of the EIA?	
4c	How will the impact of the project, policy or proposal and any changes made to reduce the impact be monitored?	

Conclusion

This section should record the overall impact, who will be impacted upon, and the steps being taken to reduce / mitigate the impact

Stage 5: Signature

Role	Name	Date
Lead Officer	Jodie Barber	18th December 2020
Approver Signatures	Neil Consterdine	18 th December 2020
		

EIA Review Date:	w/c 25 th January 2020

BR1 - Section A

Service Area :	Leisure and Youth Services Client
Budget Reduction Title :	Youth Service Kerching

Budget Reduction Proposal - Detail and Objectives :

This is a reduction from our central youth service provision and specifically the kerching budget which is a Youth Council managed budget that supports the provision of young peoples activity and the commission of mental health services Kooth.

2020/21 Service Budget and Establishment	£000
Employees	231
Other Operational Expenses	128
Income	(110)
Total	249

Current Forecast (under) / overspend	(9)

Number of posts (Full time equivalent)	6.42

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(37)	0	0
Proposed Staffing Reductions (FTE)	0.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
No impact.
Service Delivery
See additional information below.
Future expected outcomes
See additional information below.
Organisation
Reputational risk with Young people and the impact of disinvestment.
Workforce
No Impact.
Communities and Service Users
Less opportunities to engage in activity for young people.
Oldham Cares
N/A
Other Partner Organisations
Less access to funding.

Who are the key stakeholders?

Staff	No
Elected Members	Yes
Residents	Yes
Local business community	No
Schools	No
Trade Unions	No
External Partners (if yes please specify below)	No
N/a	
Other Council Departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	Yes
Youth Council	

Benefits to the organisation/staff/customers including performance improvements

A £37k contribution to the Council's 2021/22 budget reduction requirement.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Challenge from Young People	Wider impact of the savings needs to be clearly articulated to young people and the saving in this area does not impact on Youth Workers who provide support for young people
N/a	N/a
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
Young people engagement.	Prior to December 2020.
Formal decision on budget reduction proposal.	4 March 2021.
N/a	N/a
N/a	N/a

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	04-Jan-2021	18-Feb-2021
Public	09-Nov-2020	01-Feb-2021
Service User	23-Nov-2020	01-Feb-2021
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	Yes
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	Yes

Section E

Finance Comments
Within the central Youth Service budget is provision for the Kerrching grant of £37k.
The cessation of the grant payment will realise a budgetary saving from 2021-22.

Signed RO	22-Oct-2020

Signed Finance	09-Dec-2020

Cabinet Member Signature	
Name and Date	Page 387 Cllr E Moores 18-Jan-2021

Additional Information (if required)

Impact on Service Delivery:

This is a reduction from our central youth service provision and specifically the kerching budget which is a youth council managed budget that supports the provision of young peoples activity and the commission of mental health services. Our young people manage the commissions and ask for expressions of interest from other young people groups to deliver targeted activity in our communities. In addition it originally supported the delivery cost of Kooth but this is now funded elsewhere. The impact is less youth activity but of note through external funding a District Team has now been established to support youth activity in our Districts.

Impact on Future Expected Outcomes:

Engagement of young people to support overall wellbeing is important. By having less community activity and support will impact on this and also reduce things for young people to do potentially increasing ASB. However critical is that Kooth is now funded elsewhere resulting in a maintained offer and in addition District Youth Teams are also now operational increasing opportunity for young people.

	Reference:	REF-BR1-417
Responsible Officer	Neil Consterdine	
Cabinet Member:	Cllr Eddie Moores	
Support Officer	Jodie Barber	

Equality Impact Assessment Tool

Service Area:	Youth, Leisure and Communities (Youth Service)
Budget Reduction Title:	Youth Service Kerrching

Stage 1: Initial Assessment

1a	Which service does this project, policy or proposal relate to?				
	Youth Service – Kerrching Funding				
1b	What is the project, policy or proposal?				
	Kerrching Funding by £37,000				
1c	What are the main aims of the project, policy or proposal?				
	To reduce Kerrching Funding by £37,000				
1d	Who, potentially, could this project, policy or proposal either benefit or have a detrimental effect on, and how?				
	The reduction in funding could have a negative impact upon young people primarily, However, given the changes in how Kooth.com is now commissioned by the CCG this shouldn't have a negative impact.				
1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☒	☐	☐	☐
	Particular ethnic groups	☒	☐	☐	☐
	Men or women (includes impacts due to pregnancy / maternity)	☒	☐	☐	☐
	People of particular sexual orientation/s	☒	☐	☐	☐
	People in a Marriage or Civil Partnership	☒	☐	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐
	People on low incomes	☒	☐	☐	☐
	People in particular age groups –	☒	☐	☐	☐
	Groups with particular faiths or beliefs	☒	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
	None Identified	☐	☐	☐	☐
		☐	☐	☐	☐

1f	What do you think the overall NEGATIVE impact on groups and communities will be?	None / Minimal	Significant
		☒	☐

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes ☐
		No ☒
1h	How have you come to this decision?	
	The impact is minimal on any persons as the Kooth service that was funded using this money is now being commissioned by the CCG so there is no impact or reduction on the service for young people	

Stage 2: What do you know?

What do you know already?
Oldham Council currently supplies a sum of money known as the Kerrching budget to Oldham Youth Council, to spend on activities for young people. The funding has previously been used to commission Kooth.com, an online mental health service for young people as well as other youth activities. In 2019 the CCG agreed to take over the commissioning of Kooth.com after consultation with the Youth Council. In light of this change of funding provider the proposal is to reduce the allocation of Kerrching Funding by £37,000. This will have no impact on the provision of Kooth.com as this service is now paid for by Oldham CCG and continues to be delivered in Oldham The young people of the Youth Council were consulted about this and were in full agreement
What don't you know?
We do not know, if the CCG will continue to fund the Kooth Service long term. This is reviewed annually by The CCG but there is a strong case for it to continue to be commissioned as a well-used and effective service.
Further Data Collection

Summary (to be completed following analysis of the evidence above)

1e	Does the project, policy or proposal have the potential to disproportionately impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☒	☐	☐	☐
	Particular ethnic groups	☒	☐	☐	☐
	Men or women (includes impacts due to pregnancy / maternity)	☒	☐	☐	☐

	People of particular sexual orientation/s	☒	☐	☐	☐
	People in a Marriage or Civil Partnership	☒	☐	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐
	People on low incomes	☒	☐	☐	☐
	People in particular age groups	☒	☐	☐	☐
	Groups with particular faiths or beliefs	☒	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
		☐	☐	☐	☐
		☐	☐	☐	☐

Stage 3: What do we think the potential impact might be?

3a	Who have you consulted with?	
	Members of Oldham Youth Council	
3b	How did you consult? (include meeting dates, activity undertaken & groups consulted)	
	The Youth Council agreed in 2019 that the CCG would take over the commission for Kooth,.com. The youth council were consulted 11 th November via a group meeting re the Proposal to reduce the Kerrching Funding by £37,000. The proposal was shared with the youth council members present.	
3c	What do you know?	
	The Youth Councillors agreed with the proposal as the Kooth,.com service has been commissioned by the CCG	
3d	What don't you know?	
3e	What might the potential impact on individuals or groups be?	
	Generic (impact across all groups)	none
	Disabled people	none
	Particular ethnic groups	none
	Men or women (<i>include impacts due to pregnancy / maternity</i>)	none
	People of particular sexual orientation/s	none
	People in a Marriage or Civic Partnership	none
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	none
	People on low incomes	none
	People in particular age groups	none
	Groups with particular faiths and beliefs	none

	Other excluded individuals (e.g. vulnerable residents, individuals at risk of loneliness, carers or service and ex-serving members of the armed forces)	none

Stage 4: Reducing / Mitigating the Impact

4a	What can be done to reduce or mitigate the impact of the areas you have identified?	
	Impact 1	Proposal
	No impact	
	Impact 2	Proposal
	Impact 3	Proposal

4b	Have you done, or will you do anything differently, as a result of the EIA?
	no
4c	How will the impact of the project, policy or proposal and any changes made to reduce the impact be monitored?
	N/A

Conclusion	
<i>This section should record the overall impact, who will be impacted upon, and the steps being taken to reduce / mitigate the impact</i>	
As the commissioning of the Kooth.com provision now sits with the CCG and this is now being commissioned from the CCG we are concluding that there is no impact to young people resulting from this proposed saving proposal.	

Stage 5: Signature

Role	Name	Date
Lead Officer	Jodie Barber	11 th December 2020
Approver Signatures	Neil Consterdine	11 th December 2020
		

EIA Review Date:	w/c 25 th January 2020

BR1 - Section A

Service Area :	Children in Care
Budget Reduction Title :	Early Help Staffing Efficiencies

Budget Reduction Proposal - Detail and Objectives :

The Family Connect Service is being restructured to create an integrated Children's front-door in the MASH and move to a district model of service delivery.

The new model will:

- Provide an integrated front-door with children's services, with early help casework in the Mosaic system and a new combined referral portal
- A simplified team structure organised around Oldham's five districts, supporting a team around the place model for supporting families, working closely with schools and other partners
- Alignment, and co-ordinated service delivery with the re-commissioned all age early intervention offer in each district

The simplification of the team structure and integration of the front-door team will realise limited staffing efficiencies in 2021/22 without impacting on early help service delivery.

This proposal links to an Early Help re-organisation, which will deliver more significant savings in subsequent years as a result of wider changes linked to service integration.

2020/21 Service Budget and Establishment	£000
Employees	2,894
Other Operational Expenses	0
Income	(0)
Total	2,894

Current Forecast (under) / overspend	(120)

Number of posts (Full time equivalent)	76.00

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(40)	0	0
Proposed Staffing Reductions (FTE)	1.50	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
Limited change from staffing reduction. Greater change as a result of wider increase in staff working from home and hotdesking. Will link to wider proposals around the assets required by partners in each district.
Service Delivery
Saving to be delivered by improved service efficiencies as a result of re-modelled operation of service and use of IT systems, without impacting on Early Help service delivery.
Future expected outcomes
Wider restructuring of service is intended to improve partnership Early Help offer within districts, leading to reduced volume of referrals into MASH and reduced progression of children into social care.
Organisation
Reorganised teams will be working closely with other Council district based teams.
Workforce
The reorganisation will create a small net loss of jobs, which would come primarily from integrated line management with other services. Restructure will require a full consultation process with staff in the service.
Communities and Service Users
The proposal forms part of the wider development of the district offer, which seeks to strengthen the local community offer. The commissioned early intervention offer includes a community hub offer for households seeking support.
Oldham Cares
The subsequent Early Help reorganisation will involve a wider range of partners including those from health in creating a multi-agency integrated offer.
Other Partner Organisations
See additional information.

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	Yes
Local business community	No
Schools	Yes
Trade Unions	Yes
External Partners (if yes please specify below)	Yes
See additional information.	
Other Council Departments (if yes please specify below)	Yes
See additional information.	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

Improved partnership early help offer to deliver earliest possible help to children and families, in order to prevent escalation of need to higher levels of support and reduce re-referrals of children and families into services.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Adverse social and economic impact of Covid-19 on communities will impact on potential for service improvements to achieve intended improvement in service outcomes and reduced referrals for specialist support.	Work with partners to maximise collective impact of improved early help offer.
N/a	N/a
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
Outline proposals to Departmental Management Team (DMT).	9 November.
Job descriptions in job evaluation.	Mid November to mid December.
Restructure report to DMT.	8 December.
Formal staff consultation.	4 January 2021 - 18 February 2021.
Revise proposals and complete sign off.	Mid February.
Restructure of Family Connect Service complete.	31 March 2021.

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	04-Jan-2021	18-Feb-2021
Trade Union	04-Jan-2021	18-Feb-2021
Public	09-Nov-2020	01-Feb-2021
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	No

Section E

Finance Comments
The proposal is to restructure the Early Help and Family Support Service with a simplified team structure that will realise staffing efficiencies of £40k (1.5FTE) in 2021/22 across the combined staffing budgets (totalling £2,854k). It should be noted that this proposal links to a separate, future years proposal for Early Help re-organisation, which will deliver more significant savings in 2022/23 and 2023/24. The Early Help service has consistently delivered, as a minimum, a balanced outturn and is forecast to do so again in 2020/21, for this reason it is envisaged that the proposed efficiency can be delivered.

Signed RO	11-Dec-2020

Signed Finance	06-Jan-2021

Cabinet Member Signature	
Page 396 Name and Date	Cllr E Moores 18-Jan-2021

Additional Information (if required)

Impact on other partner organisations:

The recommissioned Early Intervention offer will commence from 1 January 2021, and will be working closely with Council Early Help teams in providing Early Help support to children and families. A range of other partners in universal and targeted services will also be contributing to delivery of the refreshed Early Help strategy.

External partners:

Commissioned early intervention provider, health visitors, GPs, mental health and other services supporting children and families.

Other Council departments:

Other teams working with children and families in districts, including: children's social care, early years, education inclusion, district teams, community safety, housing.

Reference :	CHS-BR1-443
Responsible Officer :	Gerard Jones
Cabinet Member :	Cllr E Moores
Support Officer :	Elaine Devaney

BR1 - Section A

Service Area :	Children in Care
Budget Reduction Title :	External Placements Cost Avoidance

Budget Reduction Proposal - Detail and Objectives :

Proposal Objectives:

To reduce spend on external placements by £1m using cost avoidance measures by the end of 2022/23.

Budget Background Context:

Children's Social Care budget (2020/21) for external placements has had a budget reduction of £934k applied for the current financial year linked, historically, to the previous service operating structure resulting in a budget of £7,890k for external placements and Independent Fostering Agencies (IFAs). There is a continued and significant pressure with predicted spend of £13,410k resulting in a forecast overspend of £5,520k for 2020/21. In addition to the unachievable budget reduction £1,320k of the additional placement cost pressures is due to the impact of COVID and on court directed placements which is included in the projected spend for 2020/21.

Residential placements variation over the last 18 months:

April 2019	33	£4,329 per week
October 2019	27	£4,086 per week
April 2020	38	£4,110 per week
October 2020	48	£4,410 per week

Whilst there was a decline in residential placement numbers from April to October 2019 there has been a significant increase in the last 18 months, with more complex needs of individual children resulting in higher payment costs. (Continued in additional information)

2020/21 Service Budget and Establishment	£000
Employees	0
Other Operational Expenses	7,890
Income	(0)
Total	7,890

Current Forecast (under) / overspend	5,520

Number of posts (Full time equivalent)	0.00

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(500)	(500)	0
Proposed Staffing Reductions (FTE)	0.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
Review of existing residential assets and their purpose.
Service Delivery
Increased focus on earlier intervention, prevention and edge of care, as well as internal placement provision- including fostering and the Adolescent Support Unit (ASU).
Future expected outcomes
Greater internal placement capacity alongside timely planning and scrutiny to return children home when its safe to do so, and to seek early permanence should reduce and manage our demand and flow.
Organisation
N/a
Workforce
Social Work staff will need to operate in line with core principles and practices whilst maintaining an awareness of risk, balancing each circumstance against the risks of not entering into LA care.
Communities and Service Users
N/a
Oldham Cares
N/a
Other Partner Organisations
N/a

Who are the key stakeholders?

Staff	Yes
Elected Members	No
Residents	No
Local business community	No
Schools	No
Trade Unions	No
External Partners (if yes please specify below)	No
N/a	
Other Council Departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	Yes
CSC Social Worker staff & Management.	

Benefits to the organisation/staff/customers including performance improvements

Reducing the number of external placements (or specifically, mitigating new placements where possible to allow for current placements to expire due to age or step down) will improve the quality of care and outcomes our Children Looked After (CLA) achieve as they are more likely to be placed within Oldham Local Authority (LA) boundaries, and therefore in receipt of Oldham's wrap around health and social care offer rather than an outside LA.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Internal Fostering/Kinship fostering capacity cannot meet demand from inflow/step down CLA placements.	See additional information.
Current external placements may not be appropriate, or over time may become inappropriate for the CLA's needs.	Continue to conduct placement review panels to ascertain the appropriateness of all current external placements.
Internal provision does not provide enough fostering capacity, this would lead to reliance on external provision where fostering placements are not found.	Expediate decision making on the Residential Review/Sufficiency Strategy proposals and rapidly execute actions to enhance internal provision capacity in line with current and projected future demand.

Key Development and Delivery Milestones:

Milestone	Timeline
Restart the placement panel review process.	From November 2020, on a monthly basis.
Review existing internal residential provision and make recommendations on transforming our offer.	Dec 2020.
Develop redesigned residential offer.	April 2020.
Transition to new model.	July 2020.

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	09-Nov-2020	01-Feb-2021
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	Yes
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	Yes
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	Yes

Section E

Finance Comments
See additional information.

Signed RO	11-Dec-2020

Signed Finance	06-Jan-2021

Cabinet Member Signature	
Name and Date	Page 401 Cllr E Moores 18-Jan-2021

Additional Information (if required)

Detail and objectives (Continued):

Key assumptions:

- 1)Based on our current trend we expect to see further demand for complex need residential placements in 2021-22
- 2)Social care expenditure is disaggregated from education and health expenditure in the values below – it is assumed that this expenditure ratio will remain unaltered throughout the period.
- 3)To reduce this overspend by £1,000,000 we would need to reduce residential placements by 5.

Cost Avoidance Activity:

Scrutiny across the system has resulted in mitigating £622,462 of additional costs in 2020-21

Actions to Mitigate Placement Demand and Costs:

- 1.New into Care Panel to provide oversight and planning for children entering the care system
- 2.Access to Resources Panel, weekly scrutiny with partner agencies to scrutinise and review all placement costs and to prevent children coming into care or to support rehabilitation at home as soon as possible.
- 3.Public Law Outline meeting to scrutinise all higher level needs to prevent children coming into care where it is safe and appropriate to do so.
- 4.Permanence planning monthly meeting scrutinising progress of plans through legal exit routes and rehabilitation home for young people
- 5.Legal Gateway monthly meetings to ensure pre proceedings preventative support is in place for families to mitigate risk. Where proceedings are necessary swift action is into court proceedings in a timely way.
- 6.Case closure monitoring meeting giving management challenge and decision making that where appropriate to do so cases are stepped down or closed.
- 7.Monthly placement contract review meetings detailing scrutiny of costs
- 8.Fostering placement stability and exemptions meeting to prevent escalation into more expensive placements and to agree whether fostering provision could be safely stretched.
- 9.Review of placement contracts value to explore 1% cost reduction.
- 10.Moving forward, commissioning (placements officers) are to attend all disruption meetings to mitigate risks of placement breakdown and the 'My place My home' placement request form is to be used for all external placement searches including Independent Fostering Agencies (IFAs).
- 11.Develop fostering provision for complex need young people developing solo and sibling placements. Creating a hub and spoke model fostering provision
- 12.Alongside the fostering model developing a no wrong door model of a short-term assessment/respite residential provision with therapeutic, education and family worker /advocate support
- 13.Achieved safe exits from care where appropriate among the cohort of 16+ Looked After Children going through "Going Home" Audits
- 14.Develop initiatives to bring young people back into borough and developing internal resources and commissioning strategy to mitigate the need for young people to be placed out of borough.

Additional Information (if required)

Risk 1 mitigation:

Ensure core social work activity includes robustly assessing all family members to ascertain those individuals who be eligible as kinship foster carers or who may look after the Children & Young People (CYP) as an alternative to them entering care at all.

Continue to develop mainstream fostering offer with specialised capacity for Children with Disabilities (CWD) and respite placements alongside a general uplift in Groups 1-5 skilled foster carers via the refreshed group skills payment policy.

Finance Comments:

Placements within Children's Social Care has been under financial pressure for a number of years. There is predicted pressure of £5,520k, in part as a result of not being able to deliver budget reductions and also as a result of COVID-19, notwithstanding which, as demonstrated elsewhere, demand continues to increase. The proposal is to reduce the cost base for placements by £1,000k, equally over two financial years 2021/22 and 2022/23, clearly this will be a significant challenge particularly in the current operating environment and with the impact of COVID likely to be felt for a prolonged period. Measures have been put in place and continue to be developed, which together with longer term strategic actions (that will have a longer lead in time), will place the service in a strong position to deliver the reduction. Clearly there is a risk attached to the delivery of the cost reduction and finance colleagues will work closely with service colleagues to monitor and assist wherever possible in the delivery of the cost reduction.

	Reference:	CHS-BR1-443
Responsible Officer	Elaine Devaney	
Cabinet Member:	Cllr Eddie Moores	
Support Officers	Shirley Woods-Gallagher and Sara Scholey	

Equality Impact Assessment Tool

Service Area:	Children's Social Care
Budget Reduction Title:	Out of borough placement budget

Stage 1: Initial Assessment

1a	Which service does this project, policy or proposal relate to?				
	MTFP				
1b	What is the project, policy or proposal?				
	Cost avoidance of £1 million over two years on				
1c	What are the main aims of the project, policy or proposal?				
	The current placement budget is £6,914K with a predicted year end overspend of £4,564K for financial year 2020-21				
1d	Who, potentially, could this project, policy or proposal either benefit or have a detrimental effect on, and how?				
	It will benefit the children looked after of whom Team Oldham are the corporate parents				
1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☐	☒	☐	☐
	Particular ethnic groups	☐	☒	☐	☐
	Men or women (includes impacts due to pregnancy / maternity)	☐	☒	☐	☐
	People of particular sexual orientation/s	☐	☒	☐	☐
	People in a Marriage or Civil Partnership	☐	☒	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☐	☒	☐	☐
	People on low incomes	☐	☒	☐	☐
	People in particular age groups	☐	☒	☐	☐
	Groups with particular faiths or beliefs	☐	☒	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
		☐	☐	☐	☐
		☐	☐	☐	☐

1f	What do you think the overall NEGATIVE impact on groups and communities will be?	None / Minimal	Significant
		☒	☐

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes ☐
		No ☐
1h	How have you come to this decision?	

Stage 2: What do you know?

What do you know already?
M/A offer within borough rather than negotiate with other LA areas and no guarantees within other LAs Strategic approach to bring CLA closer to Oldham thus providing a more coherent CYP service Our CLA want to be closer to Oldham in relation to education and contact There will always be Out of Borough placement need where appropriate to do so within a wider geographical footprint
What don't you know?
Currently undertaking review of Residential offer. High level strategic principles agreed but operational implementation impact work needs to be determined. Sufficiency statement and predicted modelling of what our in- house provision will look like
Further Data Collection
In the process of reviewing - Profile CLA - Performance data To make future decisions about level of provision

Summary (to be completed following analysis of the evidence above)

1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☒	☐	☐	☐
	Particular ethnic groups	☒	☐	☐	☐
	Men or women (includes impacts due to pregnancy / maternity)	☒	☐	☐	☐
	People of particular sexual orientation/s	☒	☐	☐	☐
	People in a Marriage or Civil Partnership	☒	☐	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a	☒	☐	☐	☐

	process or part of a process of gender reassignment				
	People on low incomes	☒	☐	☐	☐
	People in particular age groups	☒	☐	☐	☐
	Groups with particular faiths or beliefs	☒	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
		☐	☐	☐	☐
		☐	☐	☐	☐

Stage 3: What do we think the potential impact might be?

3a	Who have you consulted with?	
	Providers of CLA placements Partner consultation CICC Staff as part of residential review	
3b	How did you consult? (include meeting dates, activity undertaken & groups consulted)	
	Online	
3c	What do you know?	
	Positive feedback about principles of offering services within Oldham rather than distant delivery	
3d	What don't you know?	
	Full outcome of residential review	
3e	What might the potential impact on individuals or groups be?	
	Generic (impact across all groups)	
	Disabled people	
	Particular ethnic groups	
	Men or women (<i>include impacts due to pregnancy / maternity</i>)	
	People of particular sexual orientation/s	
	People in a Marriage or Civic Partnership	
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	
	People on low incomes	
	People in particular age groups	
	Groups with particular faiths and beliefs	
	Other excluded individuals (<i>e.g. vulnerable residents, individuals at risk of loneliness, carers or service and ex-serving members of the armed forces</i>)	

Stage 4: Reducing / Mitigating the Impact

4a	What can be done to reduce or mitigate the impact of the areas you have identified?	
	Impact 1	Proposal
	Impact 2	Proposal
	Impact 3	Proposal

4b	Have you done, or will you do anything differently, as a result of the EIA?
	No
4c	How will the impact of the project, policy or proposal and any changes made to reduce the impact be monitored?
	We will continue to review and consult through implementation process and beyond to sense check appropriateness of provision is meeting needs.

Conclusion
<i>This section should record the overall impact, who will be impacted upon, and the steps being taken to reduce / mitigate the impact</i>
Review on-going.

Stage 5: Signature

Role	Name	Date
Lead Officer	Elaine Devaney	
Approver Signatures	Dr Shirley Woods-Gallagher	18/01/2021

EIA Review Date:	TBC

BR1 - Section A

	Reference :	CHS-BR1-445
Responsible Officer :	Gerard Jones	
Cabinet Member :	Cllr E Moores	
Support Officer :	Elaine Devaney	

Service Area :	Children in Care
Budget Reduction Title :	Early Help Remodelling

Budget Reduction Proposal - Detail and Objectives :
Full redesign of integrated children and family early intervention services around localities. This remodelling looks to both make efficiencies in management costs but also cost reduction on higher level services by addressing demand and flow. By reorganising our universal and targeted children and family early intervention services including Early Help LA and commissioned services with Children's Centres and RightStart into multi-disciplinary teams working within a district. Our aim is to create more versatile teams with a blend of specialist workers and more general workers to flex and adapt to the needs and demands of families within each district. We will look to extend this model to include Youth Services and wider family and health services. By integrating these teams, we would also expect to reduce overheads and building space- utilising blended working arrangements with WFH and shared office/meeting space within the district. Objectives: • Reduce management costs through multi-disciplinary leadership • Increase effectiveness by managing cases holistically • Decrease escalation to Children's Social Care (CSC) • Decrease duplication of services offer • Reduced locality office space requirement due to flexible working • Reduce central office space requirements

2020/21 Service Budget and Establishment	£000
Employees	3,593
Other Operational Expenses	4,419
Income	(4,487)
Total	3,525

Current Forecast (under) / overspend	(78)

Number of posts (Full time equivalent)	95.25

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	0	(200)	(300)
Proposed Staffing Reductions (FTE)	0.00	5.00	6.50

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
Moving more staffing into districts (on a blended working model) with a reduced need for office space.
Service Delivery
Integrated offer would develop multidisciplinary teams.
Future expected outcomes
Reduce demand on higher level CSC services.
Organisation
Systems integration needed.
Workforce
Reduced management with multidisciplinary workforce.
Communities and Service Users
More community-based services.
Oldham Cares
Integrated health and intervention offer could include Health Visiting, School Nursing, sexual health and mental health (Depending on detailed analysis of models and demand).
Other Partner Organisations
Impact on commissioned EH services.

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	Yes
Local business community	No
Schools	Yes
Trade Unions	Yes
External Partners (if yes please specify below)	Yes
Bridgewater NHS, Positive Steps,	
Other Council Departments (if yes please specify below)	Yes
Depending on scope; Communities & Youth, Districts,	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements
A contribution to the Council's budget reduction targets in 2022/23 and 2023/24.

Section C

Key Risks and Mitigations:

Risk	Mitigation
A full set of risks and associated mitigations will be assessed as the redesign work progresses.	To be confirmed.
N/a	N/a
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
A full set of milestones and associated timelines will be included as the redesign work progresses.	To be confirmed.
N/a	N/a
N/a	N/a
N/a	N/a

Section D

Consultation Required?	Yes

Dates and specific consultation requirements to be confirmed prior to 2022/23

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	09-Nov-2020	01-Feb-2021
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening (To be confirmed prior to 2022/23)

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	
Particular Ethnic Groups	
Men or women (including impacts due to pregnancy/maternity)	
People who are married or in a civil partnership	
People of particular sexual orientation	
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	
People on low incomes	
People in particular age groups	
Groups with particular faiths and beliefs	

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	TBC

Section E

Finance Comments
See additional information.

Signed RO	11-Dec-2020

Signed Finance	08-Jan-2021

Cabinet Member Signature	
Name and Date	Page 411 Cllr E Moores 18-Jan-2021

Additional Information (if required)

Finance Comments:

The proposal is to redesign the Early Help Service with a full redesign of integrated children and family early intervention services around localities to deliver savings of £200k and £300k in each of 2022/23 and 2023/24. The remodelling will principally be focussed around the current Preventative Services Directorate but will also include other preventative and youth related services with Children's Services (including Family Support) plus related services in Communities and Reform. The proposal is clearly complex in nature, in both its design and implementation and for this reason savings are deferred to 2022/23, this prudently allows for the scope and timing of the review to be fully undertaken and to fully implement the proposed savings within the agreed timeframe.

Reference :	CHS-BR1-440
Responsible Officer :	Gerard Jones
Cabinet Member :	Cllr E Moores
Support Officer :	David Shaw

BR1 - Section A

Service Area :	Education Strategy including Attainment
Budget Reduction Title :	Quality and Effectiveness Support Team - Service Efficiency / Review

Budget Reduction Proposal - Detail and Objectives :

The Special Educational Needs and Disability (SEND) service incorporates teams dedicated to supporting schools and settings identify and meet additional or SEND needs of children and young people. The Quality and Effectiveness Support Team (QEST) and the Physical Disability team operate within the SEND service.

The QEST team are currently carrying 3.4 FTE teacher vacancies.

Currently 1.6 teachers and 1 teaching assistant from the QEST team (3 posts = 2.34 FTE) and 1 teacher (1 post = 1FTE) from the Physical Disability team have requested voluntary redundancy.

Requests for voluntary redundancy have been granted - two posts left on 31 December 2020 and two will leave on 31 March 2021 so that the current traded service level agreements in place for the 2020/21 financial year can be delivered.

This will result in a combined saving of £192k compared with the original anticipated £100k saving.

The remaining team members and the vacancies being carried will be considered as part of a restructure with the SEMH team into one unified team to provide a combination of the following:

- statutory day provision for permanently excluded pupils at primary level
- a core offer of support for every primary and secondary school in Oldham to prevent fixed term and permanent exclusions by meeting the additional or SEND needs of children and young people
- a traded service offer to schools to provide additional bespoke support beyond that available in the core offer.

The structure and composition of the new team will be developed in co-production with the sector to ensure it is a highly valued service delivering efficient and effective impact for children and young people.

2020/21 Service Budget and Establishment	£000
Employees	587
Other Operational Expenses	75
Income	(544)
Total	118

Current Forecast (under) / overspend	(61)

Number of posts (Full time equivalent)	12.34

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(192)	0	0
Proposed Staffing Reductions (FTE)	3.38	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
None.
Service Delivery
Service delivery model to be reviewed and redeveloped through the creation of the new integrated team.
Future expected outcomes
Increased team activity across the primary and secondary sector focussed on supporting schools to prevent and reduce the use of fixed term and permanent exclusions, including for children and young people with additional or SEND.
Organisation
N/a
Workforce
Reduction of the posts outlined above will results in some changes to line management and re-distribution of duties.
Communities and Service Users
An opportunity to review how best to meet the needs of service users through co-produced review.
Oldham Cares
N/a
Other Partner Organisations
The Learning Academy may be able to support this approach by delivering some of the training through bookable or online training courses, which are currently provided by one of the members of staff.

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	Yes
Local business community	No
Schools	Yes
Trade Unions	No
External Partners (if yes please specify below)	No
N/a	
Other Council Departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

The post reduction identified above has been requested as part of the voluntary redundancy process but supports the overall intention to reduce costs and review service delivery.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Re-distribution of work and line management.	Vacancies exist in the current QEST team. These will be utilised as part of the restructure of the teams to support a new delivery model.
N/a	N/a
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
Approve VR request.	30 November 2020.
Develop a new service structure and delivery model for the new team.	Early 2021.
N/a	N/a
N/a	N/a

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	09-Nov-2020	01-Feb-2021
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	Yes
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	Yes

Section E

Finance Comments
There are 3.38 FTE VR applications within the QEST and Physical Disabilities teams with a total value of £192k, the proposal is to reduce the budget of the QEST service by the value of the VR saving. The QEST service is currently forecasting a £61k underspend, the saving from the currently vacant post is netted down with an income shortfall of £129k of which £76k relates to 'business as usual' (the remainder relating COVID-19). The service restructure will need to be carefully monitored to ensure that reconfigured service can be delivered within the resources available.

Signed RO	11-Dec-2020

Signed Finance	06-Jan-2021

Cabinet Member Signature	
Page 416 Name and Date	Cllr E Moores 18-Jan-2021

	Reference:	CHS-BR1-440
Responsible Officer	David Shaw	
Cabinet Member:	Cllr Mushtaq	
Support Officer	N/A	

Equality Impact Assessment Tool

Service Area:	Quality Effectiveness Support Team (QEST)
Budget Reduction Title:	Service review of SEND QEST Team CHS- BR1-440

Stage 1: Initial Assessment

1a	Which service does this project, policy or proposal relate to? SEND QEST Team
1b	What is the project, policy or proposal? The SEND service incorporates teams dedicated to supporting schools and settings identify and meet additional or SEND needs of children and young people. The Quality and Effectiveness Support Team (QEST) and the Physical Disability team operate within the SEND service. The QEST team are currently carrying 3.4 FTE teacher vacancies. Currently 1.6 teachers and 1 teaching assistants from the QEST team (3 posts = 2.34 FTE) and 1 teacher (1 post = 1FTE) from the Physical Disability team have requested voluntary redundancy. Requests for voluntary redundancy have been granted - two posts left on 31 December 2020 and two will leave on 31 March 2021 so that the current traded service level agreements in place for the 2020/21 financial year can be delivered. This will result in a combined saving of £192k compared with the original anticipated £100k saving.
1c	What are the main aims of the project, policy or proposal? To reduce the costs associated to the high needs block section of the Dedicated Schools Grant, which is currently overspent and subject to a DSG recovery plan from the Education and Skills Funding Agency. The project aims to reduce operating costs by accepting voluntary redundancy requests. This covers the QEST team (2.34 FTE posts) and Physical Disability team (1 FTE post). The impact of reducing operating costs will be mitigated by using the existing vacancies in the QEST team to recruit in a flexible way that provides capacity in the team and efficient operation to the Council, such as on a secondment basis. The impact of the reduction of 1 FTE in the Physical Disability team will be mitigated by the creation of an Additional Resource Base provision in an Oldham mainstream school by September 2021. This will enable expertise and training to be provided by the resource base staff, who will be supported by partner special schools.

1d	Who, potentially, could this project, policy or proposal either benefit or have a detrimental effect on, and how?				
	It is expected that the reduction to the current QEST team will be mitigated by the flexible use of the vacancies being carried by the team. This should also bring the benefit of additional skills and sector expertise. This will need to be carefully managed to ensure that the timescale for recruitment is achieved by the 1 st April 2021 to ensure that the traded offer to schools and core work of the QEST team is at least maintained or enhanced.				
	The QEST team support children, young people and schools and therefore the proposal will impact on this group.				
	The reduction to the Physical Disability team will reduce the service the Council can provide to physically disabled children and young people attending schools/settings. However, this service is non-statutory and whilst the team will reduce by 1FTE a member of staff will still be available to support children, young people and schools.				
Any support that is not available through the Physical Disability team due to the reduction in staffing, will be available at a cost through partner special schools from January 2021 or from the Additional Resource Base provision from September 2021.					
1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☒	☐	☐	☐
	Particular ethnic groups	☒	☐	☐	☐
	Men or women (includes impacts due to pregnancy / maternity)	☒	☐	☐	☐
	People of particular sexual orientation/s	☒	☐	☐	☐
	People in a Marriage or Civil Partnership	☒	☐	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐
	People on low incomes	☒	☐	☐	☐
	People in particular age groups	☒	☐	☐	☐
	Groups with particular faiths or beliefs (assuming the schools are not faith based)	☒	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
	N/A	☒	☐	☐	☐
	N/A	☒	☐	☐	☐
1f	What do you think the overall NEGATIVE impact on groups and communities will be?	None / Minimal	Significant		
		☒	☐		
1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes ☐			
		No ☒			

1h	How have you come to this decision?
	The impact is expected to be minimal/none for the QEST team. The impact is expected to be minimal for the Physical Disability team as whilst the proposal will reduce the Council service in this area, alternative service providers are available.

Stage 2: What do you know?

What do you know already?	
The project aims to reduce operating costs by accepting voluntary redundancy requests. This covers the QEST team (2.34 FTE posts) and Physical Disability team (1 FTE post).	
The impact of reducing operating costs will be mitigated by using the existing vacancies in the QEST team to recruit in a flexible way that provides capacity in the team and efficient operation to the Council, such as on a secondment basis.	
The impact of the reduction of 1 FTE in the Physical Disability team will be mitigated by the creation of an Additional Resource Base provision in an Oldham mainstream school by September 2021. This will enable expertise and training to be provided by the resource base staff, who will be supported by partner special schools.	
All of the posts (4 posts) identified above have requested voluntary redundancy and have been recommended for approval.	
What don't you know?	
N/A	
Further Data Collection	
N/A	

Summary (to be completed following analysis of the evidence above)

1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☒	☐	☐	☐
	Particular ethnic groups	☒	☐	☐	☐
	Men or women (includes impacts due to pregnancy / maternity)	☒	☐	☐	☐
	People of particular sexual orientation/s	☒	☐	☐	☐
	People in a Marriage or Civil Partnership	☒	☐	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐
	People on low incomes	☒	☐	☐	☐
	People in particular age groups	☒	☐	☐	☐
	Groups with particular faiths or beliefs	☒	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
	N/A	☒	☐	☐	☐
N/A	☒	☐	☐	☐	

Stage 3: What do we think the potential impact might be?

3a	Who have you consulted with?	
	Schools and Settings, SMT, DMT, Elected Member, Education and Early Years Leadership Team. SEND Partnership Board.	
3b	How did you consult? (include meeting dates, activity undertaken & groups consulted)	
	A series of meetings over the autumn term 2020.	
3c	What do you know?	
	As described in Stage 2.	
3d	What don't you know?	
	N/A	
3e	What might the potential impact on individuals or groups be?	
	Generic (impact across all groups)	None
	Disabled people	Reduction in Council funded support for children and young people with physical disabilities. However, this is mitigated by retaining a current

		member of the Physical Disability team and signposting to other service partners.
	Particular ethnic groups	None
	Men or women (<i>include impacts due to pregnancy / maternity</i>)	None
	People of particular sexual orientation/s	None
	People in a Marriage or Civic Partnership	None
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	None
	People on low incomes	None
	People in particular age groups	None
	Groups with particular faiths and beliefs	None
	Other excluded individuals (e.g. <i>vulnerable residents, individuals at risk of loneliness, carers or service and ex-serving members of the armed forces</i>)	None

Stage 4: Reducing / Mitigating the Impact

4a	What can be done to reduce or mitigate the impact of the areas you have identified?	
	Impact 1	Proposal
	Reduction in the Council funded support for children and young people with physical disabilities by 1FTE.	Retain one of the Physical Disability team. Engage with partner organisations to provide support (at additional cost). Develop an Additional Resource Provision to support children and young people with physical disabilities in an Oldham mainstream school, including training from specialist providers.
	Impact 2	Proposal
	N/A	N/A
	Impact 3	Proposal
	N/A	N/A

4b	Have you done, or will you do anything differently, as a result of the EIA?	
	No	

4c	How will the impact of the project, policy or proposal and any changes made to reduce the impact be monitored? Engagement with the existing member of the Physical Disability team, feedback from schools, children and young people via the range of existing consultative groups.

Conclusion <i>This section should record the overall impact, who will be impacted upon, and the steps being taken to reduce / mitigate the impact</i>
As outlined above, the impact of the QEST team proposal will have no detrimental impact, instead it is expected to extend the offer available to service users. This is The reduction to the Physical Disability team has been considered and mitigation enough to provide minimal impact on service users.

Stage 5: Signature

Role	Name	Date
Leade Officer	David Shaw	27.11.2020
Approver Signatures		

EIA Review Date:	TBC

Reference :	CHS-BR1-441
Responsible Officer :	Gerard Jones
Cabinet Member :	Cllr E Moores
Support Officer :	David Shaw

BR1 - Section A

Service Area :	Education Strategy including Attainment
Budget Reduction Title :	Special Educational Needs & Disability (SEND) Education Provision

Budget Reduction Proposal - Detail and Objectives :
This proposal relates to cost avoidance plans for Dedicated Schools Grant (DSG) funding and links to the DSG recovery plan. The Special School Sufficiency Report identified a variety of medium-term actions focussed upon identifying how to develop the in-borough provision so that children and young people currently placed out of the borough could return to provision in Oldham. Any change in provision will be considered as part of the annual review process. There is a risk that where annual reviews identify a change in provision is suitable, parents and/or young people may disagree and challenged via mediation or Tribunal. The cost avoidance measures outlined include a total £2.1m reduction in costs. This will be achieved through a £1.5m reduction for placement costs and £600k reduction to SEND transport costs. The main primary need of the children and young people educated outside of the borough is Social, Emotional & Mental Health (SEMH) and Autistic Spectrum Disorder (ASD). This totals 19 pupils with ASD needs and 39 pupils with SEMH needs across primary, secondary and post 16 age ranges. (Continued in additional information below)

2020/21 Service Budget and Establishment	£000
Employees	0
Other Operational Expenses	2,781
Income	(0)
Total	2,781

Current Forecast (under) / overspend	361

Number of posts (Full time equivalent)	0.00

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(114)	(114)	(372)
Proposed Staffing Reductions (FTE)	0.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
Halcyon Way Free School has already been approved but has already been delayed. The anticipated January 2022 opening date has been confirmed by the Department for Education (DfE) but this is not guaranteed.
Service Delivery
See additional information.
Future expected outcomes
High quality provision that strengthens the continuum of provision available in Oldham so that high cost out of borough placements are very rarely required.
Organisation
N/a
Workforce
SEND officers and the resource panel will need to maintain awareness that until provision in Oldham is available, out of borough placements may still be required.
Communities and Service Users
Better local provision for children, young people and their families.
Oldham Cares
Potential impact on increased service delivery requirements as provision in Oldham increases. The Designated Clinical Officer and Service Manager for Children with Disabilities are part of exploratory work to further develop provision and are members of the resource panel.
Other Partner Organisations
Links with the special school multi academy trusts and other mainstream primary and secondary schools are crucial to this project. The local partnership has strong existing links with the Parent Carer Forum and POINT.

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	Yes
Local business community	No
Schools	Yes
Trade Unions	Yes
External Partners (if yes please specify below)	Yes
See other partner organisations impact, above.	
Other Council Departments (if yes please specify below)	Yes
Children's Social Care.	
Other (if yes please specify below)	Yes
Clinical Commissioning Group.	

Benefits to the organisation/staff/customers including performance improvements

Improving the provision in Oldham will enable local children and young people to be educated in Oldham. The increased availability of suitable SEMH and ASD placements will enable more children and young people to achieve the outcomes identified in their EHCP and succeed in their chosen life.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Development of the enhanced pathways is delayed or unachievable within the timescale provided.	Pilot work taking place with the provider to establish the new approach from November 20 onwards.
The Halcyon Way Free School development is further delayed.	On-going dialogue with the DfE and the academy trust around the timescale for development and curriculum provision available between Kingfisher special school and Halcyon Way.
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
Continue to engage with partner organisations and agree timescales for implementation.	Early 2021.
Formal decision on budget reduction proposal.	4 March 2021.
N/a	N/a
N/a	N/a

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	09-Nov-2020	01-Feb-2021
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	Yes
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	Yes
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	Yes

Section E

Finance Comments
See additional information.

Signed RO	11-Dec-2020

Signed Finance	07-Jan-2021

Cabinet Member Signature	
Page 426 Name and Date	Cllr E Moores 18-Jan-2021

Additional Information (if required)

Developing ASD and SEMH provision pathways – non-capital and approved Free School provision:

- Work is underway with a local Special School Multi-Academy Trust (MAT) to develop an 'engagement' pathway to provide high quality provision in borough for children and young people with SEMH needs. There are no capital costs associated with this development, instead funding will be delivered through the current Published Admissions Number (PAN) at one of the schools and over capacity per pupil place funding.
- This is currently a gap in provision, and it is anticipated that this pathway will be available for 15 children and young people currently placed out of Oldham or on bespoke provision from the Summer term 2021.
- In addition, work is underway to develop additional provision at another special school for 10-20 children and young people from out of borough placements with ASD needs. There are no capital costs associated with this development, instead funding will be delivered through the current PAN and over capacity per pupil place funding.
- As part of the development of Halcyon Way with the Kingfisher Learning Trust, it is planned that the 7 primary age children currently placed out of borough will be placed at either Halcyon Way or Kingfisher Special Schools from January 2022. Council officers have met with the Kingfisher Learning Trust in September to review the organisation of children currently on roll at Kingfisher and discussed how through curriculum and provision development a wider range of SEND needs may be accommodated. This work is being completed by the Trust, and Council officers received an update in December 2020, to include in place planning forecasts.

Developing ASD and SEMH pathways - capital:

- Additional capital work is being considered to support the development of additional SEMH and ASD provision. This work is currently being explored and scoping activity underway.

Further work will continue to explore options to increase in borough provision, including work to support mainstream schools through development of resource base provision to meet need and avoid transition to special schools for some children and young people.

Impact on service delivery:

All placement provision is agreed via a multi-agency resource panel. In borough placements are the preferred option with recognition that certain gaps currently exist where out of borough may be requested by parents or young people. Whilst provision is unavailable in Oldham there is the potential for increased numbers of children and young people to be educated out of the borough.

Finance comments:

The Dedicated Schools Grant saving is based on an estimate of 73 pupils educated Out of Borough. A saving of £1.555m is assumed if all 73 pupils come back in borough. The saving assumes an average cost for Out of Borough provision of £45,000 per place and an 'in borough' cost of £20,000 per ASD place and £25,000 per SEMH place. The actual costs of each place will vary and will increase/decrease the estimated saving of £1.5m accordingly. Out of Borough placements is very much a demand led and volatile area of service provision and careful monitoring will be required to ensure delivery of the cost reduction.

In addition, there is an estimated saving to the general fund of Home to School Transport of £600k, specifically in relation to bringing Out of Borough SEND pupils back into the Borough. Home to school transport has had significant investment to compensate for increased costs and demand/ service provision, pressures continue, now wholly in relation to COVID and the requirement for social distancing on school transport. The timescale for this enhanced provision cannot be predicted, the cost of provision will need to be carefully monitored to ensure the efficiency can be delivered.

Additional Information (if required)

The savings can be split as follows:-

Year	DSG £000's	General Fund £000's	Total £000's
2021/22	286	114	400
2022/23	286	114	400
2023/24	928	372	1,300

	Reference: CHS-BR1-441
Responsible Officer	David Shaw/Paula Green
Cabinet Member:	Cllr Mushtaq
Support Officer	N/A

Equality Impact Assessment Tool

Service Area:	SEND Service
Budget Reduction Title:	SEND Education Provision

Stage 1: Initial Assessment

1a	Which service does this project, policy or proposal relate to? SEND Service
1b	What is the project, policy or proposal? Efficiency savings and cost reductions in the high needs block relating to out of borough education provision and placement expenditure. To ensure that children and young people are educated in the borough that they reside with appropriate provision and placements in Oldham Local authority. Developing SEMH and ASD provision pathways which will involve school expansion using basic needs funding capital allocation. Proposal Further work to explore options to increase in borough mainstream provision, through development of resource base provision to meet need and avoid transition to special schools for some children and young people. Proposals; 1 x Primary Resource provision (12 places) or 2 x 6 places at 2 schools 1 x Secondary Resource provision (12 places) or 2 x 6 places at 2 schools 1 x Engagement pathway x 15 places Potential expansion of Spring Brook School x 42 places Potential expansion of Hollinwood Academy x 10/20 paces Potential commission at the Specialist Learning Centre x 10 places All of the places above are for children and young people with an Education, Health and Care Plan (EHCP) so will not be subject to allocation policy restrictions based along faith grounds/attendance at church etc. These provisions will be based at good and outstanding schools with the exception of Spring Brook School who are currently a requires improvement school. However, they are part of an outstanding Multi academy trust and have a rapid improvement plan in place.

1c	What are the main aims of the project, policy or proposal?				
	To reduce the high needs block (out of borough) part of the DSG by a total of £1.5 million and ensure children and young people are able to be educated in Oldham rather than outside of the borough. This will be a positive impact for those families who would not have to travel out of borough and incur costs (fuel/public transport/taxis). Could potentially mean children can arrive at school earlier to take advantage of breakfast clubs and before/after school/extra-curricular activities. This project is an invest to save project and will reduce the expenditure in the high needs block and also on home to school transport costs.				
1d	Who, potentially, could this project, policy or proposal either benefit or have a detrimental effect on, and how?				
	A benefit of 73 children and young people currently educated outside of the borough and also children and young people in mainstream provision that would benefit from resource or special school provision. The main primary needs of the children and young people educated outside of the borough are SEMH and ASD. This totals 39 pupils with SEMH needs and 19 pupils with ASD needs across primary, secondary and post 16 age ranges.				
1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people (positive due to reasons stated above)	☐	☒	☐	☐
	Particular ethnic groups	☒	☐	☐	☐
	Men or women (includes impacts due to pregnancy / maternity)	☒	☐	☐	☐
	People of particular sexual orientation/s	☒	☐	☐	☐
	People in a Marriage or Civil Partnership	☒	☐	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐
	People on low incomes (positive due to reasons stated above)	☐	☒	☐	☐
	People in particular age groups	☒	☐	☐	☐
	Groups with particular faiths or beliefs (assuming the schools are not faith based)	☒	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
	N/A	☒	☐	☐	☐
	N/A	☒	☐	☐	☐
1f	What do you think the overall NEGATIVE impact on groups and communities will be?	None / Minimal		Significant	
		☒		☐	

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes ☐
		No ☒
1h	How have you come to this decision?	
	The impact is positive. There is no detrimental or disproportionate impact on any group.	

Stage 2: What do you know?

What do you know already?
With increasing demand on special school places and specific gaps in provision, a number of CYP who reside in Oldham are educated in independent provision or outside of the borough. The total cost for out of borough placements is £3.3 million (not including tripartite/joint arrangements or in borough independent special schools). There are currently 73 Oldham pupils being educated outside of Oldham in out of borough provision (solely education placements). The largest cohort educated outside the borough is secondary, followed by post 16. There is a small number in Key Stage 2 but none in Key Stage 1. The main primary needs of the children and young people educated outside of the borough is SEMH and ASD. Building and improving provision in Oldham LA will enable children and young people currently educated outside of the borough to be educated back in Oldham in provision appropriate for their SEND. This will reduce the out of borough strand of the high needs block significantly and estimated savings are £1.5 million.
What don't you know?
N/A
Further Data Collection
N/A

Summary (to be completed following analysis of the evidence above)

1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☒	☐	☐	☐
	Particular ethnic groups	☒	☐	☐	☐
	Men or women (includes impacts due to pregnancy / maternity)	☒	☐	☐	☐
	People of particular sexual orientation/s	☒	☐	☐	☐
	People in a Marriage or Civil Partnership	☒	☐	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐

	People on low incomes	☒	☐	☐	☐
	People in particular age groups	☒	☐	☐	☐
	Groups with particular faiths or beliefs	☒	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
	N/A	☒	☐	☐	☐
	N/A	☒	☐	☐	☐

Stage 3: What do we think the potential impact might be?

3a	Who have you consulted with?	
	Schools and Settings, SMT, DMT, Education Provision Group, Elected Member, Leadership. The consultation with parents will be initiated once cabinet approval for the capital and revenue costs has been agreed.	
3b	How did you consult? (include meeting dates, activity undertaken & groups consulted)	
	A series of meetings over the academic year 2020/2021.	
3c	What do you know?	
	As described in Stage 2.	
3d	What don't you know?	
	N/A	
3e	What might the potential impact on individuals or groups be?	
	Generic (impact across all groups)	None
	Disabled people	Ensuring the right and better provision in the LA for those with SEND Positive Impact.
	Particular ethnic groups	None
	Men or women (<i>include impacts due to pregnancy / maternity</i>)	None
	People of particular sexual orientation/s	None
	People in a Marriage or Civic Partnership	None
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	None
	People on low incomes	None
	People in particular age groups	None

	Groups with particular faiths and beliefs	None
	Other excluded individuals (e.g. <i>vulnerable residents, individuals at risk of loneliness, carers or service and ex-serving members of the armed forces</i>)	None

Stage 4: Reducing / Mitigating the Impact

4a	What can be done to reduce or mitigate the impact of the areas you have identified?	
	Impact 1	Proposal
	N/A	N/A
	Impact 2	Proposal
	N/A	N/A
	Impact 3	Proposal
	N/A	N/A

4b	Have you done, or will you do anything differently, as a result of the EIA?	
	No	
4c	How will the impact of the project, policy or proposal and any changes made to reduce the impact be monitored?	
	N/A	

Conclusion	
<i>This section should record the overall impact, who will be impacted upon, and the steps being taken to reduce / mitigate the impact</i>	
There is no detrimental or disproportionate impact on any group.	
This proposal will ensure children can be educated in the right provision in the borough that they reside in.	

Stage 5: Signature

Role	Name	Date
Leade Officer	David Shaw	27.11.2020
	Paula Green	27.11.2020
Approver Signatures		

EIA Review Date:	TBC

DRAFT

Responsible Officer : Jon Bloor

Cabinet Member : Cllr S Fielding

Support Officer : Jon Bloor

BR1 - Section A

Service Area :	Skills and Employment
Budget Reduction Title :	Reduction in Traineeship Programme

Budget Reduction Proposal - Detail and Objectives :

The Get Oldham Working Traineeship Programme funding was approved in March 2019. The Oldham traineeship is an "intermediate labour market" (ILM) scheme which has created employment opportunities for Oldham residents who have been out of work for six months or more; and provides a paid opportunity to someone who has potential, however they may lack confidence or 100% skill / ability to undertake the full job role. It is different to "work experience" programmes as it is highly effective at moving citizens into sustained employment and off welfare to work benefits. The Get Oldham Working team provide in-work support with the intention to support trainees into better paid employment.

The programme is open to all ages and has numerous benefits including the ability to refresh skills or learn new ones on the job; it's a vocational learning method rather than academically led with a strong correlation or pathway with the apprenticeship pathway. The scheme provides 50% wage incentive to employers and is based upon similar ILM schemes.

The proposal is to reduce this scheme by £65,000 to support the budget cuts this equates to 15 placements per year. The reduction in the funding will be, in some part mitigated by the management of the KickStart programme whereby HM Government provides 100% of the salary, albeit on National Minimum wage.

The budget reduction will only affect future cohorts so no individuals are currently affected.

2020/21 Service Budget and Establishment	£000
Employees	129
Other Operational Expenses	10
Income	(10)
Total	129

Current Forecast (under) / overspend	(39)

Number of posts (Full time equivalent)	0.00

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(65)	0	0
Proposed Staffing Reductions (FTE)	0.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
None.
Service Delivery
It reduces the pre-recruitment support for Greater Manchester Combined Authority (GMCA) Work and Health programme providers in Oldham but the intention is to swap the scheme to the KickStart programme (although this is targeted at 18-24 year olds only).
Future expected outcomes
Less support for long term unemployed citizens (current scheme supported 50% who had been unemployed for 12 months or more and 10% who had been unemployed for 5 years or more).
Organisation
None.
Workforce
No major impact.
Communities and Service Users
Minimal impact.
Oldham Cares
None.
Other Partner Organisations
Minor reduction in outcomes for JobCentre Plus, Ingeus and Maximus.

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	Yes
Local business community	Yes
Schools	No
Trade Unions	No
External Partners (if yes please specify below)	Yes
Job Centre Plus, Ingeus & Maximus.	
Other Council Departments (if yes please specify below)	Yes
Environmental services – key recipient of the scheme	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

A £0.065m contribution to the Council's 2021/22 budget gap requirement.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Loss of opportunities will reduce response to unemployment.	Reduce impact by supporting KickStart to support 18-24 year olds. Maximise delivery of Job Entry : Targeted Support (JE:TS) and Social and Solidarity Economy (SSE) projects.
Environmental Services Land Based Academy will have reduced capacity.	Work with the team to utilise alternative provision e.g. Kickstart.
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
Conclusion of Public consultation.	1 February 2021.
Responses to consultation reviewed.	8 February 2021.
Formal decision on budget proposal.	4 March 2021.
N/a	N/a

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	09-Nov-2020	01-Feb-2021
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	Yes
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	Yes

Section E

Finance Comments
The reduction of £0.065m will be achieved by revising the way in which trainees and apprenticeships are engaged.

Signed RO	15-Oct-2020

Signed Finance	08-Jan-2021

Cabinet Member Signature	
Page 438 Name and Date	Cllr S Fielding 18-Jan-2021

	Reference:	CHS-BR1-437
Responsible Officer	Jonathan Bloor	
Cabinet Member:	Mohon Ali	
Support Officer	Jonathan Phillips	

Equality Impact Assessment Tool

Service Area:	Get Oldham Working
Budget Reduction Title:	Reduction in Traineeship Programme

Stage 1: Initial Assessment

1a	Which service does this project, policy or proposal relate to?				
	Get Oldham Working Traineeship				
1b	What is the project, policy or proposal?				
	Budget reduction in the existing programme				
1c	What are the main aims of the project, policy or proposal?				
	The project was an intermediate labour market scheme which provided a 50% wage subsidy to employers to recruit someone who was long- term unemployed (1 year or more). It does not target any specific group or cohort other than length of time claiming. The KickStart programme will provide a short term solution for those aged 18-24 but it will not support the over 25s (75% of previous cohorts have been aged 25 and above).				
1d	Who, potentially, could this project, policy or proposal either benefit or have a detrimental effect on, and how?				
	The removal of funding will stop the creation of 20 future traineeships. This will reduce support for long term unemployed citizens.				
1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☒	☐	☐	☐
	Particular ethnic groups	☒	☐	☐	☐
	Men or women (includes impacts due to pregnancy / maternity)	☒	☐	☐	☐
	People of particular sexual orientation/s	☒	☐	☐	☐
	People in a Marriage or Civil Partnership	☒	☐	☐	☐
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐
	People on low incomes	☐	☐	☒	☐
	People in particular age groups	☐	☐	☒	☐
	Groups with particular faiths or beliefs	☒	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
		☒	☐	☐	☐
		☐	☐	☐	☐

1f	What do you think the overall NEGATIVE impact on groups and communities will be?	None / Minimal	Significant
		☒	☐

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes ☐
		No ☒
1h	How have you come to this decision?	
	The budget reduction does not affect any existing trainees. The impact is upon future cohorts.	

Stage 2: What do you know?

What do you know already?
N/a
What don't you know?
N/a
Further Data Collection

Summary (to be completed following analysis of the evidence above)

1e	Does the project, policy or proposal have the potential to disproportionately impact on any of the following groups?				
		None	Positive	Negative	Not sure
	Disabled people	☒	☐	☐	☐
	Particular ethnic groups	☒	☐	☐	☐
	Men or women (includes impacts due to pregnancy / maternity)	☒	☐	☐	☐
	People of particular sexual orientation/s	☒	☐	☐	☐
	People in a Marriage or Civil Partnership	☒	☐	☐	☐

	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐
	People on low incomes	☐	☐	☒	☐
	People in particular age groups	☐	☐	☒	☐
	Groups with particular faiths or beliefs	☒	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
		☒	☐	☐	☐
		☒	☐	☐	☐

Stage 3: What do we think the potential impact might be?

3a	Who have you consulted with?	
	Staff. Opening it to public consultation	
3b	How did you consult? (include meeting dates, activity undertaken & groups consulted)	
3c	What do you know?	
3d	What don't you know?	
3e	What might the potential impact on individuals or groups be?	
	Generic (impact across all groups)	Reduced job opportunities
	Disabled people	Reduced job opportunities
	Particular ethnic groups	Reduced job opportunities
	Men or women (<i>include impacts due to pregnancy / maternity</i>)	Reduced job opportunities
	People of particular sexual orientation/s	Reduced job opportunities
	People in a Marriage or Civic Partnership	Reduced job opportunities
	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	Reduced job opportunities
	People on low incomes	Reduced job opportunities
	People in particular age groups	Reduced job opportunities
	Groups with particular faiths and beliefs	Reduced job opportunities
	Other excluded individuals (<i>e.g. vulnerable residents, individuals at risk of loneliness, carers or service and ex-serving members of the armed forces</i>)	Reduced job opportunities

Stage 4: Reducing / Mitigating the Impact

4a	What can be done to reduce or mitigate the impact of the areas you have identified?	
	Impact 1	Proposal
	Deliver 50 Kickstart placements	The Council has committed to deliver 50 placements for 18-24 year olds
	Impact 2	Proposal
	Impact 3	Proposal

4b	Have you done, or will you do anything differently, as a result of the EIA?
	No
4c	How will the impact of the project, policy or proposal and any changes made to reduce the impact be monitored?
	Not applicable

Conclusion
<i>This section should record the overall impact, who will be impacted upon, and the steps being taken to reduce / mitigate the impact</i>
The proposal is being driven by the need to make savings. The impact will be fewer job opportunities for long term unemployed residents. This impact will begin in April 2021. The Council has committed to create 50 Kickstart placements which is twice the volume of Traineeships being lost. This is a temporary programme in response to the Economic downturn caused by Covid 19, further schemes are likely to be developed as the economic crisis increases. The Council will work to support these initiatives.

Stage 5: Signature

Role	Name	Date
Leade Officer	Jon Bloor	09/12/2020
Approver Signatures		

EIA Review Date:	TBC

BR1 - Section A

Reference :	CEX-BR1-410
Responsible Officer :	Carolyn Wilkins
Cabinet Member :	Cllr S Fielding
Support Officer :	Lewis Greenwood

Service Area :	Corporate
Budget Reduction Title :	Corporate Priorities - CEX

Budget Reduction Proposal - Detail and Objectives :
Following evaluation of the Corporate Priorities budgets, there is opportunity to reduce this budget by £27k.

2020/21 Service Budget and Establishment	£000
Employees	0
Other Operational Expenses	137
Income	(0)
Total	137

Current Forecast (under) / overspend	0

Number of posts (Full time equivalent)	0.00

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(27)	0	0
Proposed Staffing Reductions (FTE)	0.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
None
Service Delivery
None
Future expected outcomes
None
Organisation
None
Workforce
None
Communities and Service Users
None
Oldham Cares
None
Other Partner Organisations
None

Who are the key stakeholders?

Staff	No
Elected Members	No
Residents	No
Local business community	No
Schools	No
Trade Unions	No
External Partners (if yes please specify below)	No
N/A	
Other Council Departments (if yes please specify below)	No
N/A	
Other (if yes please specify below)	No
N/A	

Benefits to the organisation/staff/customers including performance improvements

A £27k contribution to the Council's 2021/22 budget reduction requirement.

Section C

Key Risks and Mitigations:

Risk	Mitigation
No specific risks associated with this proposal.	N/A
N/A	N/A
N/A	N/A

Key Development and Delivery Milestones:

Milestone	Timeline
Formal decision on budget reduction proposal.	4 March 2021.
N/A	N/A
N/A	N/A
N/A	N/A

Section D

Consultation Required?	No

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	not applicable	not applicable
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	No

Section E

Finance Comments
There is sufficient budget to support the proposal for a reduction of £0.027m and still provide resources to meet reasonable demands for investment in Corporate Priorities.

Signed RO	01-Oct-2020

Signed Finance	08-Dec-2020

Cabinet Member Signature	
Page 446 Name and Date	Cllr S Fielding 18-Jan-2021

BR1 - Section A

Service Area :	Legal
Budget Reduction Title :	Legal Staff Reductions & Reduction of post in Democratic Services

Budget Reduction Proposal - Detail and Objectives :

There are vacancies within the Legal Division which are as follows:

Environmental Lawyer (0.8FTE)

Business Support (0.5FTE)

Mayoralty Manager (1FTE)

The budget reduction proposal is to permanently delete these posts from the structure to release a budgetary saving from 2021/22.

2020/21 Service Budget and Establishment	£000
Employees	1,818
Other Operational Expenses	315
Income	(570)
Total	1,563

Current Forecast (under) / overspend	(102)

Number of posts (Full time equivalent)	37.14

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(90)	0	0
Proposed Staffing Reductions (FTE)	2.30	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
N/A
Service Delivery
Loss of environment solicitor will have 2 consequences- Short term the vacant post has been used to fund agency on contract matters due to insufficient resource. Prosecutions are mounting and it likely Tameside Magistrates will close which will impact on travel time to Manchester.
Future expected outcomes
None
Organisation
Potential resource implications on both contract and regulatory functions.
Workforce
Resource implications to carry out contract and regulatory functions.
Communities and Service Users
None
Oldham Cares
None
Other Partner Organisations
None

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	No
Local business community	No
Schools	Yes
Trade Unions	No
External Partners (if yes please specify below)	No
N/A	
Other Council Departments (if yes please specify below)	Yes
Potential impact on People and Place due to reduction in Environmental Lawyer post.	
Other (if yes please specify below)	No
N/A	

Benefits to the organisation/staff/customers including performance improvements

A £0.090m contribution to the 2021/22 budget reduction requirement.

Section C

Key Risks and Mitigations:

Risk	Mitigation
The environment team carry out the prosecutions for the Council and other regulatory functions. Cases have not been heard at Court due to covid but will need to be resourced in due course. The vacant post has been funding agency staff working on contracts which has always brought a pressure on resources.	Potentially retain a budget to tap into should need dictate.
N/a	N/a
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
Formal decision on budget proposal.	4 March 2021.
Posts deleted from structure.	1 April 2021.
N/a	N/a
N/a	N/a

Section D

Consultation Required?	No

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	not applicable	not applicable
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	No

Section E

Finance Comments
The budget reduction proposal is to delete existing vacant posts within both Legal Services and Civic and Political support. There are no adverse financial implications and the budget reduction is achievable from 2021/22.

Signed RO	09-Oct-2020

Signed Finance	08-Dec-2020

Cabinet Member Signature	
Page 450 Name and Date	Cllr S Fielding 18-Jan-2021

BR1 - Section A

	Reference :	CEX-BR1-447
Responsible Officer :	Paul Entwistle	
Cabinet Member :	Cllr S Fielding	
Support Officer :	Marina Brown	

Service Area :	Registrars
Budget Reduction Title :	Registrars Service Restructure

Budget Reduction Proposal - Detail and Objectives :
To realise budget savings within the registrars' service whilst ensuring flexibility in service provision. The deletion of 1 x full time equivalent (FTE) grade 7 post and 2 x 0.81 FTE grade 5 posts in current structure equating to 2.62 FTE and increase capacity at lower registration officer grade from current 4.3 FTE to 5.5 FTE. This would result in savings of £17,000. As a consequence of this restructure the service will be opening on Mondays with limited service provision on Saturdays.

2020/21 Service Budget and Establishment	£000
Employees	309
Other Operational Expenses	66
Income	(373)
Total	2

Current Forecast (under) / overspend	73

Number of posts (Full time equivalent)	7.95

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(17)	0	0
Proposed Staffing Reductions (FTE)	1.42	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
N/A
Service Delivery
The service will be opening on Mondays with limited service provision on Saturdays.
Future expected outcomes
Service will be more flexible and meet the needs of service users.
Organisation
N/A
Workforce
Reduction of 1.42 FTE.
Communities and Service Users
A review of service opening hours will look to provide varying levels of service provision across 7 days per week including Mondays.
Oldham Cares
N/A
Other Partner Organisations
A change to opening hours in respect of Mondays will benefit working relationships with the Coroner's Service.

Who are the key stakeholders?

Staff	Yes
Elected Members	No
Residents	Yes
Local business community	Yes
Schools	No
Trade Unions	Yes
External Partners (if yes please specify below)	Yes
General Register Office, HM Coroner, Home Office	
Other Council Departments (if yes please specify below)	Yes
Contact Centre	
Other (if yes please specify below)	Yes
Rochdale MBC	

Benefits to the organisation/staff/customers including performance improvements

Access to service across 7 days each week including Mondays, which will help the service meet its key performance targets reportable to the General Register Office (GRO) in terms of timeliness of death registrations and availability of appointments for service users. Increased capacity of registration officer grade allows the service to future proof its staff resources incorporating the use of apprenticeships.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Ageing workforce.	The inclusion of apprentice posts enables ongoing staff development opportunities to offset the loss of current staff nearing retirement.
Lack of technical expertise.	Increasing registration officer posts gives the service opportunity to develop new members of staff.
N/A	N/A

Key Development and Delivery Milestones:

Milestone	Timeline
Consultation – public, unions, staff.	Complete by 18/2/2021.
Advise General Register Office changes to principal officer post and change to opening hours/ new scheme required.	22nd February 2021.
Discussions with Rochdale MBC to end partnership arrangements.	1st March 2021.
New post through job evaluation/establishment control and deleted posts removed from structure	15th March 2021
Recruit to new posts.	30th April 2021.
New structure and opening hours in operation.	30th April 2021.

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	04-Jan-2021	18-Feb-2021
Trade Union	04-Jan-2021	18-Feb-2021
Public	09-Nov-2020	01-Feb-2021
Service User	23-Nov-2020	01-Feb-2021
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	No

Section E

Finance Comments
The Registrars Service has currently some vacant posts. The proposed restructure will realise an achievable saving of £17k from 2020-21.

Signed RO	11-Dec-2020

Signed Finance	08-Dec-2020

Cabinet Member Signature	
Page 454 Name and Date	Cllr S Fielding 18-Jan-2021

Reference :	PPL-BR1-403
Responsible Officer :	Emma Barton
Cabinet Member :	Cllr S Fielding
Support Officer :	Peter Wood

BR1 - Section A

Service Area :	Corporate Landlord (including Facilities Management)
Budget Reduction Title :	Digital Mail

Budget Reduction Proposal - Detail and Objectives :
Joint initiative across Council and Unity Partnership - to review mail processes and embrace digital technology solutions to bring about efficiencies and cost savings. Other Council's around the UK have embraced the use of digital solutions to reduce demands on officer time, paper, postage and printing - we intend to review the different models available to provide a cost efficient solution for Oldham Council. Mass postage solutions are already partially deployed for elections, business rates, council tax etc - however there are wider savings to be considered when all postage for services incoming and outgoing are considered. These digital solutions would support remote working and would allow post to be sent out and received at the click of a button, with timely responses also being produced in a similar way to emails. There are wider efficiencies associated with the implementation of Digital Mail as this could reduce the staffing requirement in the Post Room. It is estimated that the current team could reduce by 1 FTE position as the small team would be redeployed as part of service reviews and would still be required for courier arrangements for receipt and distribution of packages / parcels.

2020/21 Service Budget and Establishment	£000
Employees	643
Other Operational Expenses	15,852
Income	(14,665)
Total	1,830

Current Forecast (under) / overspend	899

Number of posts (Full time equivalent)	15.37

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(24)	(100)	0
Proposed Staffing Reductions (FTE)	1.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
None.
Service Delivery
The service will be modernised so will operate more efficiently.
Future expected outcomes
None.
Organisation
The post will be delivered and issued more efficiently, especially for staff and members working remotely.
Workforce
1 FTE reduction
Communities and Service Users
N/A
Oldham Cares
N/A
Other Partner Organisations
The CCG could be included in the digital transformation plans, which would modernise their postal service also.

Who are the key stakeholders?

Staff	Yes
Elected Members	No
Residents	No
Local business community	No
Schools	No
Trade Unions	No
External Partners (if yes please specify below)	No
N/a	
Other Council Departments (if yes please specify below)	Yes
TEAM OLDHAM - Unity Partnership would lead on the digital mail solutions roll out	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

More efficient post operations.

Section C

Key Risks and Mitigations:

Risk	Mitigation
As Unity are taking the lead on this initiative, resource capacity and programme delivery could present a risk.	To work closely with Unity to ensure that the digital mail programme will deliver the expected outcomes.
N/a	N/a
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
Formal decision on budget reduction proposal.	4 March 2021.
Implementation of digital mail policies.	April 2021
N/a	N/a
N/a	N/a

Section D

Consultation Required?	No

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	not applicable	not applicable
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	No

Section E

Finance Comments
The budget reduction of £0.024m in 21/22 and a further £0.100m in 22/23 will be dependent on the delivery of the digital mail element of the Internal Efficiency Initiatives (Unity Partnership) budget reduction proposal enabling the service to operate more efficiently.

Signed RO	02-Nov-2020

Signed Finance	06-Jan-2021

Cabinet Member Signature	
Page 458 Name and Date	Cllr S Fielding 18-Jan-2021

Responsible Officer :	Emma Barton
Cabinet Member :	Cllr S Fielding
Support Officer :	Emma Barton

BR1 - Section A

Service Area :	Economy Skills and Neighbourhoods Management
Budget Reduction Title :	Creating a Better Place - Projects & Assets

Budget Reduction Proposal - Detail and Objectives :

Creating a Better Place - Projects and Assets

'Creating a Better Place' sets out a comprehensive vision and strategic framework for the borough, and maps out Oldham Council's ambitious and bold plans to support economic recovery across the borough and reinforces the importance of green open space in alignment with Council priorities to remain the Greenest Borough. Focus areas continue to include: creating 2,400 (previously 2,000) new homes for our residents with a range of different budgets and needs; the importance of creating 1,000 new jobs through regeneration is now associated with economic recovery; and, supporting and creating skilled pathways for 100+ new apprenticeships to help ensure residents of any age can learn new skills to help them secure the employment opportunities available across the economy. More than ever we need to ensure Oldham is a great place to visit with safety prioritised and with lots of family friendly and accessible places to go.

Following the review, the new capital allocation required was reduced by c£100m (capital), AND provides revenue savings of c£8.2m.

2020/21 Service Budget and Establishment	£000
Employees	12,860
Other Operational Expenses	26,230
Income	(36,211)
Total	2,879

Current Forecast (under) / overspend	5,073

Number of posts (Full time equivalent)	424.68

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(1,541)	(2,991)	(3,684)
Proposed Staffing Reductions (FTE)	0.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
Cabinet papers include all detail on property.
Service Delivery
None - reduced portfolio overtime.
Future expected outcomes
Cabinet papers include all detail.
Organisation
Cabinet papers include all detail - placed based working, reduced asset base, projects for economic recovery.
Workforce
Change of skill requirements - full impact reported separately.
Communities and Service Users
None- different delivery models in support of enhanced service delivery / targeted / efficient / improved.
Oldham Cares
None directly - but linked to service delivery reviews.
Other Partner Organisations
None directly - but linked to service delivery reviews.

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	Yes
Local business community	Yes
Schools	No
Trade Unions	No
External Partners (if yes please specify below)	No
N/a	
Other Council Departments (if yes please specify below)	Yes
All	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements
Linked to service reviews, efficiency and improvements.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Property market - uncertainties.	Disposals strategy to avoid flooding market and phased approach to delivery.
Service review delays.	Engagement and collaboration for change of use to buildings and service delivery models.
Member / Community concerns.	Engagement, information sharing and collaboration for change to service delivery models.

Key Development and Delivery Milestones:

Milestone	Timeline
Formal decision on budget reduction proposal.	4 March 2021.
This option contains a variety of projects each with their own separate milestones included in line with the Council's Project Monitoring procedures.	Various
N/a	N/a
N/a	N/a

Section D

Consultation Required?	No

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	not applicable	not applicable
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	No

Section E

Finance Comments
The proposals will be met from a fundamental review of assets and their management in line with the principles of the Creating a Better Place strategy to deliver the required savings.

Signed RO	05-Oct-2020

Signed Finance	06-Jan-2021

Cabinet Member Signature	
Page 462 Name and Date	Cllr S Fielding 18-Jan-2021

Responsible Officer :	Emma Barton
Cabinet Member :	Cllr S Fielding
Support Officer :	Emma Barton

BR1 - Section A

Service Area :	Economy Skills and Neighbourhoods Management
Budget Reduction Title :	Creating a Better Place - Service Review

Budget Reduction Proposal - Detail and Objectives :

Creating a Better Place - Service Review across Economy Directorate

Creating a Better Place' sets out a comprehensive vision and strategic framework for the borough, which includes the Oldham Town Centre Vision, the Housing Strategy, and utilisation of the Council's corporate estate (land and property) to support development and open space requirements across the borough.

Delivery of the ambitious programmes of work requires efficient and effective systems, processes and resources. Significant work has already taken place during 2019 to ensure the right resources are in place for robust, fit for purpose governance and effective delivery. Officer resources need reviewing to ensure they are targeted at achieving the agreed programme, with the right people, with the right skills to help drive the transformation needed. While some change is needed, it is inevitable that there will be an overall reduction in staffing resources.

Services in scope - Regeneration, Property Services, Planning, Business Support, Housing, Estates - within the Economy directorate.

2020/21 Service Budget and Establishment	£000
Employees	12,860
Other Operational Expenses	26,230
Income	(36,211)
Total	2,879

Current Forecast (under) / overspend	5,073

Number of posts (Full time equivalent)	424.68

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(300)	0	0
Proposed Staffing Reductions (FTE)	5.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
Refer to Cabinet reports for Creating a Better Place.
Service Delivery
None - different service arrangement and skill sets needed to deliver programme and savings.
Future expected outcomes
N/a
Organisation
More efficient use of staff and skills to deliver creating a better place - build homes, create jobs, enhance skills.
Workforce
Change of service delivery model, change to job roles.
Communities and Service Users
None.
Oldham Cares
None.
Other Partner Organisations
None.

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	No
Local business community	No
Schools	No
Trade Unions	Yes
External Partners (if yes please specify below)	No
N/a	
Other Council Departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

A £0.300m contribution to the Council's 2021/22 budget reduction requirement.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Disengagement while consultation and change takes place.	Work programme review, engagement.
Delay to programme / savings achievement.	Additional staff (agency) to provide service continuity if needed.
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
Formal decision on budget reduction proposal.	4 March 2021.
Completion of Staff consultation.	27 May 2021
Implementation of new structure.	1 July 2021
N/a	N/a

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	12-Apr-2021	27-May-2021
Trade Union	22-Mar-2021	27-May-2021
Public	not applicable	not applicable
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	No

Section E

Finance Comments
The proposal can be met from a service review of the Economy directorate in line with the principles of the Creating a Better Place Strategy. The proposal will result in the a reduction of 5FTE posts.

Signed RO	05-Oct-2020

Signed Finance	06-Jan-2021

Cabinet Member Signature	
Page 466 Name and Date	Cllr S Fielding 18-Jan-2021

BR1 - Section A

Service Area :	Planning & Infrastructure
Budget Reduction Title :	Printing Reduction - Digital Platform Roll Out

Budget Reduction Proposal - Detail and Objectives :

Digital Platform to reduce significant printing costs (Planning)

Planning (and Building Control) have invested time and resources over last 12-18 months introducing new digital platform - UNIFORM - to provide enhanced online service. This includes self-help information and advice, together with new digital platforms for officers to access planning files, drawings and applications without the need to print copies of (in triplicate).

The savings identified here represent the reduction in plotting and printing by embracing the use of digital system, while providing an enhanced service to the public as part of the service improvement plan.

2020/21 Service Budget and Establishment	£000
Employees	992
Other Operational Expenses	101
Income	(786)
Total	307

Current Forecast (under) / overspend	56

Number of posts (Full time equivalent)	22.80

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(20)	0	0
Proposed Staffing Reductions (FTE)	0.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
None.
Service Delivery
Positive impact - better customer service, engagement and self-help information update.
Future expected outcomes
Better customer service, engagement and self-help information update.
Organisation
Reduction in printing costs, paper, printers, toner etc.
Workforce
Supports service improvement plan.
Communities and Service Users
Positive impact - better customer service, engagement and self-help information update.
Oldham Cares
None.
Other Partner Organisations
None.

Who are the key stakeholders?

Staff	Yes
Elected Members	No
Residents	No
Local business community	No
Schools	No
Trade Unions	No
External Partners (if yes please specify below)	No
N/a	
Other Council Departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

A £0.020m contribution to the Council's 2021/22 budget reduction requirement.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Failure of IT system forces reversion to printing documents.	Ensure system is adequately maintained and updated.
Staff continue to print documents.	Staff engagement and training for replacement system.
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
Implementation of digital platform.	Throughout 2020/21.
Formal decision on budget reduction proposal.	4 March 2021.
N/a	N/a
N/a	N/a

Section D

Consultation Required?	No

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	not applicable	not applicable
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	No

Section E

Finance Comments
The budget reduction is expected to be met from the use of the digital platform reducing the requirement to print documents. The platform has been implemented in 2020/21.

Signed RO	05-Oct-2020

Signed Finance	06-Jan-2021

Cabinet Member Signature	
Page 470 Name and Date	Cllr H Roberts 18-Jan-2021

BR1 - Section A

	Reference :	PPL-BR1-408
Responsible Officer :	Carol Brown	
Cabinet Member :	Cllr B Brownridge	
Support Officer :	Carol Brown	

Service Area :	Environmental Management
Budget Reduction Title :	Re-align grounds maintenance-support core functions/cut traded offer

Budget Reduction Proposal - Detail and Objectives :
The maintenance of parks, open space and cleaner streets will form the core activity and the service will be restructured to reduce externally traded services.

2020/21 Service Budget and Establishment	£000
Employees	6,771
Other Operational Expenses	3,698
Income	(3,153)
Total	7,316

Current Forecast (under) / overspend	(204)

Number of posts (Full time equivalent)	223.34

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(150)	0	0
Proposed Staffing Reductions (FTE)	6.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
NIL
Service Delivery
To be evaluated.
Future expected outcomes
Services directly aligned to core service aligned to a place based approach and environmental policy drivers.
Organisation
Service restructure to realign resource to core services.
Workforce
The restructure is supported by the voluntary redundancy process.
Communities and Service Users
No impact expected on communities and schools will be directed to local contractors for grounds maintenance work.
Oldham Cares
NIL.
Other Partner Organisations
A number of premises are leased within parks to generate income and provide a presence. Eg cafe's and local community groups (Get Oldham Growing).

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	Yes
Local business community	Yes
Schools	Yes
Trade Unions	Yes
External Partners (if yes please specify below)	Yes
Cafe's and local community groups (Get Oldham Growing).	
Other Council Departments (if yes please specify below)	Yes
Place based services and a limited number of schools.	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

A £0.150m contribution to the 2021/22 budget reduction requirement.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Failure to complete restructure will result in unbudgeted costs.	Restructure prioritised to ensure it aligns with consultation dates.
N/a	N/a
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
Provision of a list of local providers to schools.	March 2021.
Realignment of staff to meet core service provision.	April 2021.
N/a	N/a
N/a	N/a

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	10-Nov-2020	18-Feb-2021
Public	not applicable	not applicable
Service User	23-Nov-2020	01-Feb-2021
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	No

Section E

Finance Comments
The restructure proposals have been agreed and involve a net reduction of 6 FTE posts. The structure is in the process of being implemented and is expected to be in place by the start of the 2021/22 financial year, as a result the budget option can be achieved.

Signed RO	13-Jan-2021

Signed Finance	06-Jan-2021

Cabinet Member Signature	
Page 474 Name and Date	Cllr B Brownridge 18-Jan-2021

BR1 - Section A

	Reference :	PPL-BR1-407
Responsible Officer :	Carol Brown	
Cabinet Member :	Cllr B Brownridge	
Support Officer :	Carol Brown	

Service Area :	Highways Operations - Unity
Budget Reduction Title :	Transfer of client officer to Unity

Budget Reduction Proposal - Detail and Objectives :
The client role for Unity is no longer needed given the revised Unity arrangements. The proposal deletes this post whilst transferring the skills of the individual to work within Unity.

2020/21 Service Budget and Establishment	£000
Employees	203
Other Operational Expenses	2,055
Income	(495)
Total	1,763

Current Forecast (under) / overspend	(250)

Number of posts (Full time equivalent)	5.00

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(40)	0	0
Proposed Staffing Reductions (FTE)	1.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
NIL
Service Delivery
NIL
Future expected outcomes
Improved alignment of key projects delivered by Unity Highways.
Organisation
NIL
Workforce
NIL
Communities and Service Users
NIL
Oldham Cares
NIL
Other Partner Organisations
NIL

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	No
Local business community	No
Schools	No
Trade Unions	Yes
External Partners (if yes please specify below)	No
N/a	
Other Council Departments (if yes please specify below)	Yes
Unity	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

Direct management of key infrastructure projects.

Section C

Key Risks and Mitigations:

Risk	Mitigation
No risks associated with this particular proposal.	N/a
N/a	N/a
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
Job Description for revised position in place.	March 2021.
Transfer of officer role.	September 2021.
N/a	N/a
N/a	N/a

Section D

Consultation Required?	No

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	not applicable	not applicable
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	No

Section E

Finance Comments
The transfer of the member of staff will result in the deletion of an existing Council post costed at £53k p.a. which will enable the budget proposal to be achieved.

Signed RO	13-Jan-2021

Signed Finance	06-Jan-2021

Cabinet Member Signature	
Page 478 Name and Date	Cllr B Brownridge 18-Jan-2021



Service Area :	Public Protection
Budget Reduction Title :	Review of Street Lighting Contract

The budget supporting the street lighting contract can deliver savings against current provision.

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(150)	0	0
Proposed Staffing Reductions (FTE)	0.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
NIL
Service Delivery
NIL
Future expected outcomes
NIL
Organisation
NIL
Workforce
NIL
Communities and Service Users
NIL
Oldham Cares
NIL
Other Partner Organisations
NIL

Who are the key stakeholders?

Staff	No
Elected Members	No
Residents	No
Local business community	No
Schools	No
Trade Unions	No
External Partners (if yes please specify below)	No
N/a	
Other Council Departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

A £0.150m contribution to the Council's 2021/22 budget reduction requirement.

Section C

Key Risks and Mitigations:

Risk	Mitigation
The relationship with the contractor deteriorates and claims raised.	Work towards maintaining a good and fair relationship with the contractor.
N/a	N/a
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
Formal decision on budget reduction proposal.	4 March 2021.
Reduction in Street Lighting budget.	From April 2021.
N/a	N/a
N/a	N/a

Section D

Consultation Required?	No

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	not applicable	not applicable
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	No

Section E

Finance Comments
It is currently anticipated that this budget option can be achieved as a result of reduced risks associated with the contract.

Signed RO	13-Jan-2021

Signed Finance	06-Jan-2021

Cabinet Member Signature	
Page 482 Name and Date	Cllr B Brownridge 18-Jan-2021

BR1 - Section A

	Reference :	PPL-BR1-409
Responsible Officer :	Carol Brown	
Cabinet Member :	Cllr B Brownridge	
Support Officer :	Carol Brown	

Service Area :	Public Protection
Budget Reduction Title :	Restructure of Neighbourhood Enforcement Team

Budget Reduction Proposal - Detail and Objectives :
Restructure of current environmental enforcement resource. The restructure will ensure responsiveness to districts in support of place based working and will also enable a fuller response to reported issues by ensuring that the staff within the team have a wider skill set. Close working with the clean up teams and the district officers will be an integral part of the model.

2020/21 Service Budget and Establishment	£000
Employees	4,088
Other Operational Expenses	873
Income	(1,020)
Total	3,941

Current Forecast (under) / overspend	162

Number of posts (Full time equivalent)	98.92

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(100)	0	0
Proposed Staffing Reductions (FTE)	3.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
NIL
Service Delivery
A wider approach to place based enforcement activity.
Future expected outcomes
Focus on localised enforcement whilst actively linking to wider place based issues.
Organisation
Minimal.
Workforce
Consultation will be required as a reduction in workforce proposed.
Communities and Service Users
Will be kept to a minimum.
Oldham Cares
NIL
Other Partner Organisations
NIL

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	No
Local business community	No
Schools	No
Trade Unions	Yes
External Partners (if yes please specify below)	No
N/a	
Other Council Departments (if yes please specify below)	Yes
Place based teams.	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

A £0.100m contribution to the 2021/22 budget reduction requirement.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Failure to complete restructure will result in unbudgeted costs.	Restructure prioritised to ensure it aligns with staff consultation dates.
N/a	N/a
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
Staff consultation.	4 January 2021 to 18 February 2021.
Formal decision on budget reduction proposal.	4 March 2021.
N/a	N/a
N/a	N/a

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	04-Jan-2021	18-Feb-2021
Trade Union	04-Jan-2021	18-Feb-2021
Public	09-Nov-2020	01-Feb-2021
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	No

Section E

Finance Comments
This budget option is achievable as a result of the reduction in posts of 3FTE in the service.

Signed RO	13-Jan-2021

Signed Finance	06-Jan-2021

Cabinet Member Signature	
Page 486 Name and Date	Cllr B Brownridge 18-Jan-2021

Reference :	PPL-BR1-439
Responsible Officer :	Helen Lockwood
Cabinet Member :	Cllr A Jabbar
Support Officer :	Nicola Harrop

BR1 - Section A

Service Area :	Client Support Services
Budget Reduction Title :	Internal Efficiency Initiatives (Unity Partnership)

Budget Reduction Proposal - Detail and Objectives :
The Unity Partnership Limited (UPL) have carried out a review of costs and have identified a number of internal efficiencies which are as follows: - ICT restructure - Payroll restructure - General efficiencies and reduction in overheads - Income generation - Digital mail - Recruitment - Exchequer The efficiency measures will result in a reduced charge to the Council in 2021/22 of £0.780m increasing to £1.210m from 2022/23.

2020/21 Service Budget and Establishment	£000
Employees	0
Other Operational Expenses	11,007
Income	(0)
Total	11,007

Current Forecast (under) / overspend	0

Number of posts (Full time equivalent)	0.00

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(780)	(430)	0
Proposed Staffing Reductions (FTE)	0.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
None
Service Delivery
The majority of the initiatives will affect the internal workings of UPL and not impact on the Council however, there could be an impact on service delivery to internal Council staff with regards to the changes to the IT helpdesk and service engineers.
Future expected outcomes
The proposal will contribute to the achievement of the 2021/22 budget reduction target
Organisation
None
Workforce
None
Communities and Service Users
None
Oldham Cares
None
Other Partner Organisations
None

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	No
Local business community	No
Schools	No
Trade Unions	No
External Partners (if yes please specify below)	No
N/a	
Other Council Departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

A £0.780m contribution to the achievement of the 2021/22 budget reduction target and an additional £0.430m for 2022/23.

Section C

Key Risks and Mitigations:

Risk	Mitigation
The proposed restructures by UPL do not deliver the anticipated savings.	Regular budget review meetings to take place.
Lost productivity within the Council due to delays in fixing ICT issues.	Kept under constant review by ICT and the Council.
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
Revised core fee with the Council for 2021/22 is agreed by UPL board.	December 2020.
Formal decision on budget reduction proposal.	4 March 2021.
N/a	N/a
N/a	N/a

Section D

Consultation Required?	No

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	not applicable	not applicable
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	No

Section E

Finance Comments
The budget reduction proposal submitted by UPL is following a review of internal costs. The savings identified are from a mixture of service restructures and reduced costs such as overheads.
The saving to the Council is £0.780m in 2021/22 increasing to £1.210m from 2022/23 onwards and will be met from a reduction in the core fee paid to UPL.

Signed RO	22-Dec-2020

Signed Finance	09-Dec-2020

Cabinet Member Signature	
Page 490 Name and Date	Cllr A Jabbar 18-Jan-2021

Reference :	PPL-BR1-421
Responsible Officer :	Dominic Whelan
Cabinet Member :	Cllr A Jabbar
Support Officer :	Chris Kelsall

BR1 - Section A

Service Area :	Corporate and Commercial Services Management
Budget Reduction Title :	Transformation of the Contact Centre

Budget Reduction Proposal - Detail and Objectives :
An initial review of the current operating model for Customer engagement has been underway. This proposal will deliver the Customer Support Centre offer for residents and businesses by: - Transforming the existing Unity Customer Service offer (including Contact Centre, Access Oldham) to create a "one front-door" Customer Support Centre. - Delivering the people structure for the Customer Support Centre. - Delivering the new face-to-face and virtual support offer available via bookable appointment through triage over the phone. Appointments will be available across various locations resulting in the permanent closure of Access Oldham. Assisted Digital support will be available via the Library Network.

2020/21 Service Budget and Establishment	£000
Employees	0
Other Operational Expenses	1,210
Income	(0)
Total	1,210

Current Forecast (under) / overspend	0

Number of posts (Full time equivalent)	0.00

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(120)	(45)	0
Proposed Staffing Reductions (FTE)	5.00	2.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
See additional information below.
Service Delivery
To bring Team Oldham's main access channels and teams within Unity Partnership together to form the Customer Support Centre. This will ensure a consistent and aligned approach to customer contact and journeys and will create clear ownership and drive to deliver a culture of continual service improvement.
Future expected outcomes
See additional information below.
Organisation
The saving will be delivered by a reduction in FTE's. The staffing reduction would be in Unity Partnership and the saving to the Council will be from a reduction in the core fee paid to Unity Partnership for Customer Services.
Workforce
Reduction in Unity Partnership staffing of 5 FTE's in 2021/22 and a further 2 FTE's in 2022/23.
Communities and Service Users
See additional information below.
Oldham Cares
N/a.
Other Partner Organisations
Not directly linked with the proposal for reductions, the new customer model will involve engagement and work with partners from the voluntary and third sector but not specifically for this BR proposal.

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	Yes
Local business community	No
Schools	No
Trade Unions	Yes
External Partners (if yes please specify below)	No
N/a	
Other Council Departments (if yes please specify below)	Yes
Housing	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements
See additional information below.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Residents with limited access to digital technology may find it difficult to access appropriate support.	As part of the Customer Support Centre project assisted digital will be established at locations across Oldham. A more targeted face to face offer remains available via bookable appointments at locations across Oldham.
Management Capacity - (Project overseen by Dominic Whelan as Unity Chief Operating Officer and SRO for Customer and Digital, supported by Fran Lautman, Customer and Digital Lead).	Regular updates will be provided by the Business Change Lead and they will seek steer on risk mitigation and management. A re-purposed Customer and Digital board will be enacted to govern the delivery of the project throughout the project lifecycle. The project board will meet as required in line with the proposed Agile approach.
Access Oldham capacity (Access Oldham are delivering multiple aspects of the Covid Response including Helpline, SIPS payments, the upcoming discretionary scheme and Tracing meaning that full time capacity is being utilised).	Plan additional resourcing requirements utilising external funding as part of Covid response. Ensure Team are working effectively and efficiently by maximising systems and processes.

Key Development and Delivery Milestones:

Milestone	Timeline
Cabinet Member Delegated approval for capital funding to enable the delivery of the Oldham Digital Platform as part of the Customer Support Centre project.	19 November 2020.
Staff Consultation on Proposals. Service restructure undertaken and Customer Support Centre Structure in place.	January - February 2021 (Staff consultation). 31 March 2021 (Structure in place).
Enabling technology implementation.	January to June 2021.
N/a	N/a

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	04-Jan-2021	18-Feb-2021
Trade Union	04-Jan-2021	18-Feb-2021
Public	09-Nov-2020	01-Feb-2021
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	Yes
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	Yes

Section E

Finance Comments
The budget reduction proposal in relation to the transformation of the contact centre will generate savings of £120k in 2021/22 increasing to £165k from 2022/23 onwards. Whilst the headcount reduction will be within Unity Partnership the saving to the Council will be via a reduction in the core fee paid for Customer Services.

Signed RO	04-Dec-2020

Signed Finance	09-Dec-2020

Cabinet Member Signature	
Page 494 Name and Date	Cllr A Jabbar 18-Jan-2021

Additional Information (if required)

Property Impact:

Due to Coronavirus, Access Oldham has been closed since March 2020. Customer Services and Housing Options have been offered by a combination of phone and digital services.

Rather than re-open Access Oldham, it is proposed to redesign the customer support service to provide an improved customer experience and journey (described elsewhere in this document) with more local support available where needed. The face-to-face appointment service will be scaled down and will be by appointment only, rather than a drop-in service, held at other facilities throughout the borough.

This reduces the need for specific front of house staffing and security in this single site and creates opportunities to reduce other staffing levels through service re-design. It will offer minor reductions in utility costs for this small area of the Civic Centre real estate and clears one of the future dependencies for the Creating a Better Place strategy.

Impact on future expected outcomes:

This scheme offers a range of benefits both to residents and financial and non-financial benefits for Team Oldham.

Residents will no longer need to travel to a central point to access face-to-face support. As described in this paper, the function will be re-shaped and aligned across several services and face to face support will be available via bookable appointments across a number of locations based on local needs. Residents won't be required to repeat their stories to as many services as the Customer Support Centre utilises effective triage and the customer experience will become more consistent across access channels as the Customer Support Centre becomes the front door for Team Oldham.

By focussing on the customer experience, the Customer Support project delivers initial savings by removal of FTE cost estimated at an initial 5 FTE reduction for 31 March 2021 and a further 2 FTE in 2022/23. The project creates the people, process and technical foundations to appropriately equip the Contact Centre to drive savings through customer journey and service redesign and rationalisation from 1 April 2021 onwards. It has the potential to improve our operational effectiveness and efficiency by creating the appropriate underpinning technology via the Oldham Digital Platform and therefore an improved customer experience and council reputation. Additionally, it will enable growth for additional services for Team Oldham and other opportunities via this single front door. Furthermore, keeping records up to date, greater compliance, and unlocking insights across channels to better manage demand and needs reduction.

Impact on communities and service users:

A Joined-Up View of Peoples Experiences and Needs:

- Where it adds value, we strive to have a single view of the customer access channels meaning that we can support people effectively, efficiently and holistically by accessing the relevant data, information and insight.
- People feel that we understand their needs – we have access to the right information across access channels to support them holistically supported by strength-based conversations.
- We have access to the information we need to support at the first point of contact meaning that people don't have to repeat their story and experience.

People at the Centre of Service Design and Delivery:

- Services, processes, and customer journeys are designed based on intelligence and insight and we pro-actively involve people in redesigning services, testing processes and customer journeys.

Additional Information (if required)

Organisation / Performance benefits:

In delivering this project, it will make it easier for residents and businesses to get the support they need at the right time and closer to home. Over time, additional services will be added to the Customer Support Centre as the 'one front door' to create economies of scale and consistent response quality and response times.

Rather than residents travelling into the centre of Oldham to queue and wait for an appointment at Access Oldham to find out information, answer queries or receive support and advice for areas such as Housing, Benefits or Council Tax, the Customer Support Centre project aims to provide services and support at a more localised level.

Equality Impact Assessment Tool

	Reference: PPL-BR1-421
Responsible Officer	Dominic Whelan, COO Unity Partnership (EIA written by Fran Lautman, Customer and Digital Lead)
Cabinet Member:	Cllr Abdul Jabbar, Deputy Leader and Cabinet Member for Finance and Green
Support Officer	Sarah Whittle, Policy Manager

Service Area:	Customer Support Centre Project
Budget Reduction Title:	Transformation of the Contact Centre

Stage 1: Initial Assessment

1a	Which service does this project, policy or proposal relate to? This EIA relates to the delivery of the Customer Support Centre project. The first phase of the project will be delivered by 31 March 2021. A proposal has been developed as part of the budget savings for 2021-22 and this proposal is subject to consultation.
1b	What is the project, policy or proposal? The Customer Support Centre project will create the enabling foundations for Team Oldham to improve the customer journey and experience for people who use support and services, whilst at the same time improving our effectiveness, efficiency, and reducing the cost of delivering our customer service offer. By reshaping our customer offer in a way that is sustainable and in alignment with key strategies and roadmaps including ICT and Digital, it should provide the basis to release savings across a range of service areas. The Customer Support Centre project recognises that the current approach to customer service is neither meeting customer needs nor is it effective or efficient for us to deliver: • The current model is not focused on understanding people's needs and is disparate with many front doors, access channels and functions operating with little alignment or connectivity. At present, residents travel across the borough to a single central location Access Oldham for support with queries. • There is duplication and inefficiency across several services creating a poor customer experience where route causes are not addressed and a failure to manage demand effectively. • Both Access Oldham and the Contact Centre are handling complex, multidimensional, root cause challenges that the service is not set up to resolve meaning people don't have their issues resolved causing them distress and creating additional demand and cost. People must repeat their stories more than once and are often pushed from service-to-service as their circumstances meet some service thresholds and not others. • Some transactional queries (previously handled by face to face or via the phone) have shifted to self-service. However, the current Contact Centre includes several services whereby self-service functionality is available, but access channels haven't yet been rationalised meaning demand comes through Access Oldham or the Contact Centre creating avoidable cost. • Customer Services staff and processing staff are interwoven across several teams across Unity Partnership creating unclear accountabilities and inefficiency. • Operational responsibility for the main Access channels is interwoven across several teams Unity Partnership meaning they are unaligned and uncoordinated.

	• Services can choose to opt out of the Contact Centre model. There is inconsistency across these services in terms of customer responsive time and customer care. • The Contact Centre has had minimal investment since its inception in 2008 and requires investment and rationalisation of the current technology to deliver an efficient and effective service. The Customer Support Centre will over time become Team Oldham's front door for people who use support and services apart from CHASC (MASH as the front-door). The project has been developed considering the key learning from Place Based Intergration pilots and the Coronavirus Helpline and Hubs. The project aims to make sure that Teams Oldham's support and services are easy to use and access conveniently. The proposal is subject to public and staff consultation. A high-level approach to the future delivery is outlined as follows: • Transactional single-service interactions and general queries will be encouraged to use online access only. Whilst this is primarily intended to be self-serve it will be supplemented by an 'assisted digital' offer led by the Library service. This will likely be enhanced by a tablet lending service facilitated by the Library service (funded by several successful external funding bids). • The Customer Support Centre (CSC) becomes the front door for support and services via telephone, social media customer queries and e-forms. Whilst providing an access point for Council Services, the number of transactional single-service interactions will reduce significantly over time as work progresses to redesign customer journeys across Services. The intent is that the CSC will focus particularly on those cases that are more complex and multi-faceted apart from some health and social care services (with MASH being the CHASC front door). • Rather than being serviced focused, the CSC team will focus on support and understanding needs with a strength-based focus. With effective triage, they will signpost and refer to the relevant support for example Early Help services or financial support services. Triage will ensure Face-to-face support is provided where needed via bookable appointments available at locations across Oldham ensuring that face to face support is effectively joined up and targeted.
1c	What are the main aims of the project, policy or proposal? The scope of the first phase entails delivering the people enablers (service restructure) and technology enablers (Oldham Digital Platform) to bring Team Oldham's main access channels (telephony, email, social and face to face) and teams within Unity Partnership together for the first time to form the Customer Support Centre. This will ensure a consistent and aligned approach to customer contact and journeys and will create clear ownership and drive to deliver a culture of continual service improvement. By creating the underpinning people and technology foundations in this first phase, we will be able to move forward in subsequent phases (1 April 2021 onwards) to review each service and their customer journeys that touch the Customer Support Centre. By utilising the capability of the Oldham Digital Platform alongside change capacity from a single digital delivery function, we will rationalise the customer journey, access channels and remove duplication resulting in an improved customer experience and savings for Team Oldham. The investment also creates the enabling foundations to consolidate further services within the Customer Support Centre as it becomes the front door for all services except for some Health and Social Care (with the MASH being the CHASC front door). Each service area will similarly undergo the same change journey to deliver an improved customer experience and savings.

	This scheme offers a range of financial and non-financial benefits including significant cost savings by improving operational effectiveness and efficiency and therefore an improved customer experience and council reputation. A summary of the key benefits includes: • Delivery of savings by removal of FTE cost, estimated at an initial 5 FTE reduction for 31 March 2021. • Creating the people, process and technical foundations to appropriately equip the Contact Centre to drive savings through customer journey and service resign and rationalisation from 1 April 2021 onwards. • Enable growth for additional services for Team Oldham and other opportunities via this front door. • Keeping records up to date, greater compliance, and unlocking insights across channels to better manage demand and needs reduction.																																	
1d	Who, potentially, could this project, policy or proposal either benefit or have a detrimental effect on, and how? The Customer Support Centre project aims to provide multiple benefits as to how people access support and services including the following: • By increasing our self-serve offer, residents will be able to access services at a time and place that suits them. • People will be booked onto appointments (where needed) for face to face support in the areas that they live rather than needing to come into the centre of Oldham. • Assisted digital be available more locally where needed rather than needing to come into the centre of Oldham. • Residents will receive more holistic rather than service focussed support through the Customer Support Centre. By listening to and understanding needs and with a strengths-based approach, residents will be supported by multiple services where needed. • By bringing together the main access channels and widening the scope of services within the Customer Support Centre, people will receive a more consistent and timely response to queries and advice. The Customer Support Centre projects aims to improve customer journeys and the customer experience and deliver a much-improved offer than the current model. It will mean that some services that are currently available now via telephone will no longer be available to access in this way. The support mechanism is place to address this is the assisted digital offer and tablet lending scheme that will be set up by the Library service.																																	
1e	Does the project, policy or proposal have the potential to <u>disproportionately</u> impact on any of the following groups? <table border="1"> <thead> <tr> <th></th><th>None</th><th>Positive</th><th>Negative</th><th>Not sure</th></tr> </thead> <tbody> <tr> <td>Disabled people</td><td>☐</td><td>☒</td><td>☐</td><td>☐</td></tr> <tr> <td>Particular ethnic groups</td><td>☐</td><td>☒</td><td>☐</td><td>☐</td></tr> <tr> <td>Men or women (includes impacts due to pregnancy / maternity)</td><td>☒</td><td>☐</td><td>☐</td><td>☐</td></tr> <tr> <td>People of particular sexual orientation/s</td><td>☒</td><td>☐</td><td>☐</td><td>☐</td></tr> <tr> <td>People in a Marriage or Civil Partnership</td><td>☒</td><td>☐</td><td>☐</td><td>☐</td></tr> </tbody> </table>					None	Positive	Negative	Not sure	Disabled people	☐	☒	☐	☐	Particular ethnic groups	☐	☒	☐	☐	Men or women (includes impacts due to pregnancy / maternity)	☒	☐	☐	☐	People of particular sexual orientation/s	☒	☐	☐	☐	People in a Marriage or Civil Partnership	☒	☐	☐	☐
	None	Positive	Negative	Not sure																														
Disabled people	☐	☒	☐	☐																														
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People in a Marriage or Civil Partnership	☒	☐	☐	☐																														

	People who are proposing to undergo, are undergoing, or have undergone a process or part of a process of gender reassignment	☒	☐	☐	☐
	People on low incomes	☐	☒	☐	☐
	People in particular age groups	☐	☒	☐	☐
	Groups with particular faiths or beliefs	☒	☐	☐	☐
	Are there any other groups that you think may be affected negatively or positively by this project, policy or proposal?				
		☐	☐	☐	☐
		☐	☐	☐	☐

1f	What do you think the overall NEGATIVE impact on groups and communities will be?	None / Minimal	Significant
		☒	☐

1g	Using the screening and information in questions 1e and 1f, should a full assessment be carried out on the project, policy or proposal?	Yes ☐
		No ☒

1h	How have you come to this decision?
	The Customer Support Centre projects aims to improve customer journeys and the customer experience and deliver a much-improved offer than the current model.
	The Equality and Diversity Impact Assessment will be reviewed on a quarterly basis in line with best practice and also at any such time if the scope changes.

Stage 5: Signature

Role	Name	Date
Lead Officer	Fran Lautman	22/12/2020
Approver Signatures		

EIA Review Date:	TBC



Service Area :	Commissioning and Procurement
Budget Reduction Title :	Procurement Staffing Reduction

Commercial Procurement Unit has 2 vacancies at a senior level within it's current structure. As a budget reduction, 1 of the vacancies is to be offered up as a saving for the financial year 21/22 of £101k.

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(101)	0	0
Proposed Staffing Reductions (FTE)	1.00	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
N/A
Service Delivery
N/A
Future expected outcomes
N/A
Organisation
N/A
Workforce
N/A
Communities and Service Users
N/A
Oldham Cares
N/A
Other Partner Organisations
N/A

Who are the key stakeholders?

Staff	No
Elected Members	No
Residents	No
Local business community	No
Schools	No
Trade Unions	No
External Partners (if yes please specify below)	No
N/A	
Other Council Departments (if yes please specify below)	No
N/A	
Other (if yes please specify below)	No
N/A	

Benefits to the organisation/staff/customers including performance improvements

A £0.101m contribution to the Council's 2021/22 budget reduction requirement.

Section C

Key Risks and Mitigations:

Risk	Mitigation
N/A	N/A
N/A	N/A
N/A	N/A

Key Development and Delivery Milestones:

Milestone	Timeline
Formal decision on budget reduction proposal.	4 March 2021.
N/A	N/A
N/A	N/A
N/A	N/A

Section D

Consultation Required?	No

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	not applicable	not applicable
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	No

Section E

Finance Comments
There is a vacant post within the Procurement team which if deleted would achieve the budget reduction of £101k. However, the service is forecasting a pressure in 2020/21 currently projected at £512k after allowing for the offsetting effect of vacancies. This pressure relates to an unachievable income budget and the current reliance on agency staff.

Signed RO	04-Dec-2020

Signed Finance	02-Oct-2020

Cabinet Member Signature	
Page 504 Name and Date	Cllr A Jabbar 18-Jan-2021

Reference :	COM-BR1-412
Responsible Officer :	Anne Ryans
Cabinet Member :	Cllr A Jabbar
Support Officer :	Neil Stott

BR1 - Section A

Service Area :	Finance
Budget Reduction Title :	Financial Services Redesign

Budget Reduction Proposal - Detail and Objectives :

The aim of the Finance Team is to deliver high quality service to the Council. It is required to operate having regard to relevant statutory requirements, Accounts and Audit regulations and Codes of Practice. From an Accountancy Division perspective, as a support service, the team has been structurally aligned to the Councils operational management arrangements. Other Divisions of service, (Internal Audit, Counter Fraud, Risk and Insurance, Information Governance, Revenues and Benefits, (including Accounts Receivable and Payable), Welfare Rights and Complaints have been designed to reflect the needs of the wider organisation. The whole service is, however, constantly reviewing its working arrangements to reflect efficiencies in operational practice to where possible reduce the head count requirement and ensure value for money.

For some time, the approach has been that where vacancies occur, that these will only be filled where deemed essential and to consequently realign operating arrangements to reflect new ways of working, changes in organisational requirements and efficiencies. As a result the whole service needs to be formally restructured to remove vacancies and to have regard to any requests for Voluntary Redundancy which allow opportunities for further realignment. It is important to note that the service review will be in part focussed on a business partnering approach which will require managers to take more responsibility for financial management of their own services.

The Service has year on year put forward budget reduction proposals and has considered how best it might support the significant budget challenge for 2021/22.

2020/21 Service Budget and Establishment	£000
Employees	5,183
Other Operational Expenses	4,172
Income	(1,662)
Total	7,693

Current Forecast (under) / overspend	332

Number of posts (Full time equivalent)	114.79

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(389)	0	0
Proposed Staffing Reductions (FTE)	9.40	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
There will be no impact on property from this proposal.
Service Delivery
See additional information below.
Future expected outcomes
The proposal will contribute to the achievement of the 2021/22 budget reduction target.
Organisation
There will be no impact on the organisation from this proposal.
Workforce
There will be a reduction of 9.4 FTE which will be managed via vacancies and the voluntary redundancy process.
Communities and Service Users
There will be no impact on communities and service users from this proposal.
Oldham Cares
There will be no impact on Oldham Cares from this proposal.
Other Partner Organisations
There will be no impact on other partner organisations from this proposal.

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	No
Local business community	No
Schools	No
Trade Unions	Yes
External Partners (if yes please specify below)	No
N/A	
Other Council Departments (if yes please specify below)	No
N/A	
Other (if yes please specify below)	No
N/A	

Benefits to the organisation/staff/customers including performance improvements

A £0.389m contribution to the achievement of the 2021/22 budget reduction target.

Section C

Key Risks and Mitigations:

Risk	Mitigation
Concerns expressed by staff.	Consultation and discussions with staff.
Concerns expressed by service users.	Service provision will not be compromised as some of the posts have been vacant for some time and the service reorganisation ensures service continuity.
Increased requirement for financial advice and support from the finance service.	The service is flexible and responsive to the demands of customers and can prioritise key activities accordingly.

Key Development and Delivery Milestones:

Milestone	Timeline
Preparation of a consultation document for staff.	December 2020.
Consult with staff and Trade Unions.	4 January 2021 - 18 February 2021.
Incorporation of any changes arising from consultation.	January / February 2021.
Implementation.	April 2021.

Section D

Consultation Required?	Yes

	Start	Conclusion
Staff	04-Jan-2021	18-Feb-2021
Trade Union	04-Jan-2021	18-Feb-2021
Public	not applicable	not applicable
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	No

Section E

Finance Comments
The Finance Service redesign will result in a net reduction of staff of 9.4 FTE's. This is by the deletion of posts either from voluntary redundancy or the deletion of existing vacant posts.
The budget reduction is achievable from 2021-22.

Signed RO	05-Jan-2021

Signed Finance	17-Dec-2020

Cabinet Member Signature	
Page 508 Name and Date	Cllr A Jabbar 18-Jan-2021

Additional Information (if required)

Impact on service delivery:

It is anticipated that service managers may be required to take a more proactive approach to financial management where a business partnering approach is applied. This will be managed with training/consultation as appropriate. Where there is a realignment with other teams, it is envisaged that services will be maintained but may be delivered differently.

BR1 - Section A

	Reference :	CRC-BR1-448
Responsible Officer :	Julia Veall	
Cabinet Member :	Cllr A Chadderton	
Support Officer :	Paul Dernley	

Service Area :	HR & Organisational Development
Budget Reduction Title :	Voluntary Redundancies

Budget Reduction Proposal - Detail and Objectives :
The Council's Voluntary Redundancy programme has resulted in the approval of applications, and therefore savings, additional to those captured in the existing budget reduction proposals. Cabinet have approved all Voluntary Redundancy Applications on the 30th November 2020 and this budget reduction proposal seeks to formalise the additional savings outside of already submitted proposals.

2020/21 Service Budget and Establishment	(Not applicable - Cross cutting)	£000
Employees		
Other Operational Expenses		
Income		
Total		N/a

Current Forecast (under) / overspend	N/a

Number of posts (Full time equivalent)	N/a

	2021/22	2022/23	2023/24
Proposed Budget Reduction (£000)	(805)	0	0
Proposed Staffing Reductions (FTE)	18.93	0.00	0.00

Is your proposal a "one-off" in 2021/22 or is it ongoing?	Ongoing

Section B

What impact does the proposal have on the following? :

Property
None
Service Delivery
Services have considered the impact of approved applications and any structural changes as a result will be enacted in line with the corporate programme for service redesign.
Future expected outcomes
These will be determined at a service level and addressed through service redesign where necessary.
Organisation
The deletion of roles in connection with the acceptance of voluntary redundancy will impact on services in different ways. The impact will be determined at a service level and addressed through service redesign where necessary.
Workforce
The acceptance of voluntary redundancies to make savings will reduce the requirement to make compulsory redundancies as part of the budget reduction programme. This is therefore a positive way to make some of the required savings.
Communities and Service Users
These will be determined at a service level and addressed through service redesign where necessary.
Oldham Cares
These will be determined at a service level and addressed through service redesign where necessary.
Other Partner Organisations
These will be determined at a service level and addressed through service redesign where necessary.

Who are the key stakeholders?

Staff	Yes
Elected Members	No
Residents	No
Local business community	No
Schools	No
Trade Unions	Yes
External Partners (if yes please specify below)	No
N/a	
Other Council Departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements
These will be determined at a service level and addressed through service redesign where necessary.

Section C

Key Risks and Mitigations:

Risk	Mitigation
The proposed Pension Reform regulations reduce exit packages to individuals if enacted prior to their leaving date.	Individuals adversely affected should the regulations come into force will be offered the option to withdraw their applications. This will need working through with services.
Services lose critical capacity which later needs replacing.	Services have carried out a detailed assessment to determine whether an application can be supported or not. Service redesigns may be required to support the deletion of certain roles and these are currently being worked through.
N/a	N/a

Key Development and Delivery Milestones:

Milestone	Timeline
Voluntary redundancy scheme opens.	24 August 2020.
Voluntary redundancy scheme closes.	4 October 2020.
Default exit date for successful applicants.	31 December 2020.
Exit date for applicants for which the service cannot release in December due to service demands.	31 March 2021.

Section D

Consultation Required?	No

	Start	Conclusion
Staff	not applicable	not applicable
Trade Union	not applicable	not applicable
Public	not applicable	not applicable
Service User	not applicable	not applicable
Other	not applicable	not applicable

Equality Impact Screening

Is there the potential for the proposed budget reduction to have a disproportionate adverse impact on any of the following?

Disabled people	No
Particular Ethnic Groups	No
Men or women (including impacts due to pregnancy/maternity)	No
People who are married or in a civil partnership	No
People of particular sexual orientation	No
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	No
People on low incomes	No
People in particular age groups	No
Groups with particular faiths and beliefs	No

EIA required? (automatically updates to Yes, if any of the above impacts are Yes)	No

Section E

Finance Comments
In support of the Workforce Redesign theme, and in order to deliver required saving, the Council launched a voluntary workforce reduction programme which contributed to a number of specific budget reduction proposals presented elsewhere in this report. In addition, requests for additional voluntary redundancy were received, cross cutting across services, which the Council can support through more efficient service delivery without affecting actual service provision. These additional approvals will deliver an estimated additional £0.805m budget reduction for 2021/22.

Signed RO	02-Dec-2020

Signed Finance	15-Dec-2020

Cabinet Member Signature	
Name and Date	Page 513 Cllr A Chadderton 18-Jan-2021

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Appendix 7

Proposed 2021/22 Fees & Charges Schedules

Fees & Charges

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	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
REGISTRARS, BIRTHS, DEATHS AND MARRIAGE DUTIES												
NATIONALITY CHECKING SERVICE • European Passport Returns Service For applicants requiring assistance in completing application forms, fees will be doubled. OPTIONAL SAME DAY CERTIFICATE SERVICE (24 hrs) • Room Hire (Green Room) per half day CERTIFICATES • Birth, Death, Marriage, Civil Partnership - Issued on day of registration NOTICE OF MARRIAGE OR CIVIL PARTNERSHIP • Notice of Marriage or Civil Partnership OTHER FEES • Locally authorised corrections on birth, marriage or death registration form • Corrections on birth, marriage or death registration forms requiring GRO authorisation • Changing birth name within the first 12 months • Local clearance of foreign divorce • GRO clearance of foreign divorce • Application for waiver of statutory waiting period for marriage	10.00	Y	2.00	12.00		10.00	Y	2.00	12.00		0.0%	0.00
	35.00	N	0.00	35.00		35.00	N	0.00	35.00		0.0%	0.00
	45.00	N	0.00	45.00		45.00	N	0.00	45.00		0.0%	0.00
	11.00	N	0.00	11.00		11.00	N	0.00	11.00		0.0%	0.00
	35.00	N	0.00	35.00		35.00	N	0.00	35.00		0.0%	0.00
	75.00	N	0.00	75.00		75.00	N	0.00	75.00		0.0%	0.00
	90.00	N	0.00	90.00		90.00	N	0.00	90.00		0.0%	0.00
	40.00	N	0.00	40.00		40.00	N	0.00	40.00		0.0%	0.00
	50.00	N	0.00	50.00		50.00	N	0.00	50.00		0.0%	0.00
	75.00	N	0.00	75.00		75.00	N	0.00	75.00		0.0%	0.00
	60.00	N	0.00	60.00		60.00	N	0.00	60.00		0.0%	0.00
WEDDING AND FUNERALS AT EXTERNAL VENUES												
REGISTRAR FEES FOR WEDDINGS • Tuesday to Thursday • Fridays and Saturdays • Sundays and Bank Holidays REGISTRAR FEES FOR CIVIL FUNERALS • Civil Funeral	375.00	N	0.00	375.00		375.00	N	0.00	375.00		0.0%	0.00
	392.00	N	0.00	392.00		392.00	N	0.00	392.00		0.0%	0.00
	445.00	N	0.00	445.00		445.00	N	0.00	445.00		0.0%	0.00
	140.00	N	0.00	140.00		140.00	N	0.00	140.00		0.0%	0.00

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
• Civil Funeral for Still Births	No Charge	N	0.00	No Charge		No Charge	N	0.00	No Charge		0.0%	0.00
PROVISIONAL BOOKING FEE												
• Non refundable deposit for all provisional bookings for ceremonies	40.00	N	0.00	40.00		40.00	N	0.00	40.00		0.0%	0.00
REGISTER OFFICE CEREMONIES AT CHADDERTON TOWN HALL												
WEDDINGS / CIVIL CEREMONIES TUESDAY - THURSDAY												
• Register Office (party max 6)	46.00	N	0.00	46.00		46.00	N	0.00	46.00		0.0%	0.00
• Chadderton Town Hall - Green Room (max 20)	102.50	Y	20.50	123.00		102.50	Y	20.50	123.00		0.0%	0.00
• Chadderton Town Hall - Oak Room (max 100)	156.67	Y	31.33	188.00		156.67	Y	31.33	188.00		0.0%	0.00
• Champagne Toast - Register Office (per person)	7.08	Y	1.42	8.50		7.08	Y	1.42	8.50		0.0%	0.00
WEDDINGS / CIVIL CEREMONIES FRIDAY & SATURDAY (AM)												
• Green Room (party max 20) Chadderton Town Hall	112.50	Y	22.50	135.00		112.50	Y	22.50	135.00		0.0%	0.00
• Oak Room – Former Council Chamber (party max 100) Chadderton Town Hall	175.00	Y	35.00	210.00		175.00	Y	35.00	210.00		0.0%	0.00
WEDDINGS / CIVIL CEREMONIES SATURDAY (PM)												
• Weddings at Chadderton Town Hall - Green or Oak Room	325.00	Y	65.00	390.00		325.00	Y	65.00	390.00		0.0%	0.00
• Civil Partnerships at Chadderton Town Hall - Green or Oak Room	325.00	Y	65.00	390.00		325.00	Y	65.00	390.00		0.0%	0.00
WEDDINGS / CIVIL CEREMONIES SUNDAYS AND BANK HOLIDAYS												
• Weddings at Chadderton Town Hall - Green or Oak Room	366.67	Y	73.33	440.00		366.67	Y	73.33	440.00		0.0%	0.00
• Civil Partnerships at Chadderton Town Hall - Green or Oak Room	366.67	Y	73.33	440.00		366.67	Y	73.33	440.00		0.0%	0.00
BABY NAMING CEREMONIES												
• Tuesday – Saturday am at Chadderton Town Hall	145.83	Y	29.17	175.00		145.83	Y	29.17	175.00		0.0%	0.00
• Saturday pm or External Venues	190.00	Y	38.00	228.00		190.00	Y	38.00	228.00		0.0%	0.00
• Sundays and Bank Holidays	250.00	Y	50.00	300.00		250.00	Y	50.00	300.00		0.0%	0.00
REAFFIRMATION OF VOWS												
• Tuesday – Saturday am at Chadderton Town Hall	145.83	Y	29.17	175.00		145.83	Y	29.17	175.00		0.0%	0.00

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
• Saturday pm or External Venues	190.00	Y	38.00	228.00		190.00	Y	38.00	228.00		0.0%	0.00
• Sundays and Bank Holidays	250.00	Y	50.00	300.00		250.00	Y	50.00	300.00		0.0%	0.00
NON - LEGAL PACKAGE												
• Tuesday – Saturday	429.17	Y	85.83	515.00		429.17	Y	85.83	515.00		0.0%	0.00
• Sundays and Bank Holidays	516.67	Y	103.33	620.00		516.67	Y	103.33	620.00		0.0%	0.00
CITIZENSHIP CEREMONIES												
• Individual Citizenship Ceremonies	90.00	N	0.00	90.00		90.00	N	0.00	90.00		0.0%	0.00
• Public Citizenship Ceremonies	85.00	N	0.00	85.00		85.00	N	0.00	85.00		0.0%	0.00
LIBRARIES, LEISURE AND CULTURE												
LIBRARY CARD												
• Adults	2.00	N	0.00	2.00		2.00	N	0.00	2.00		0.0%	0.00
• Concession	1.00	N	0.00	1.00		1.00	N	0.00	1.00		0.0%	0.00
• Book Reservations	FREE	N	0.00	FREE		FREE	N	0.00	FREE		0.0%	0.00
• Inter Library Reservations	6.00	N	0.00	6.00		6.00	N	0.00	6.00		0.0%	0.00
• Loan of Music Score	20.00	N	0.00	20.00		20.00	N	0.00	20.00		0.0%	0.00
• Loan of Play Sets	15.00	N	0.00	15.00		15.00	N	0.00	15.00		0.0%	0.00
PHOTOCOPYING AND PRINTING												
• A4 B&W	0.20	N	0.00	0.20		0.20	N	0.00	0.20		0.0%	0.00
• A4 Colour	1.00	N	0.00	1.00		1.00	N	0.00	1.00		0.0%	0.00
• A3 B&W	0.30	N	0.00	0.30		0.30	N	0.00	0.30		0.0%	0.00
• A3 Colour	1.50	N	0.00	1.50		1.50	N	0.00	1.50		0.0%	0.00
FAX												
• Send - All £1.00 first sheet, 0.50p per subsequent sheet	1.00	N	0.00	1.00		1.00	N	0.00	1.00		0.0%	0.00
• Receive - All	1.00	N	0.00	1.00		1.00	N	0.00	1.00		0.0%	0.00
LIBRARIES ROOM HIRE												
• Performance Space Oldham Library	25.00	N	0.00	25.00		25.00	N	0.00	25.00		0.0%	0.00
• Meeting Rooms	12.50	N	0.00	12.50		12.50	N	0.00	12.50		0.0%	0.00
• Sensory Room - Public bookings for half an hour slot	3.00	N	0.00	3.00		3.00	N	0.00	3.00		0.0%	0.00
• Sensory Room - Themed session - price per child attending	3.00	N	0.00	3.00		3.00	N	0.00	3.00		0.0%	0.00
• Sensory Room - Group bookings for one hour slots	10.00	N	0.00	10.00		10.00	N	0.00	10.00		0.0%	0.00

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
• Sensory Room - Book Bag Session	30.00	N	0.00	30.00		30.00	N	0.00	30.00		0.0%	0.00
• Sensory Room - Schools and private settings annual subscription offer- includes two sessions per month, incorporating two book bag sessions	215.00	N	0.00	215.00		215.00	N	0.00	215.00		0.0%	0.00
BOOK FINES												
• Adults per book per day	No Charge	N	0.00	No Charge		No Charge	N	0.00	No Charge		0.0%	0.00
• Teens per book per day	No Charge	N	0.00	No Charge		No Charge	N	0.00	No Charge		0.0%	0.00
• Children per book per day	No Charge	N	0.00	No Charge		No Charge	N	0.00	No Charge		0.0%	0.00
• Over 60's	No Charge	N	0.00	No Charge		No Charge	N	0.00	No Charge		0.0%	0.00
OTHER FINES												
• DVDs per week	No Charge	N	0.00	No Charge		No Charge	N	0.00	No Charge		0.0%	0.00
• CD ROMS per week	No Charge	N	0.00	No Charge		No Charge	N	0.00	No Charge		0.0%	0.00
OLDHAM THEATRE WORKSHOP												
ACTING & DEVISING WORKSHOP												
• In Oldham	55.00	N	0.00	55.00		55.00	N	0.00	55.00		0.0%	0.00
• In Oldham on benefit	30.00	N	0.00	30.00		30.00	N	0.00	30.00		0.0%	0.00
• Outside Oldham	70.00	N	0.00	70.00		70.00	N	0.00	70.00		0.0%	0.00
• Outside Oldham on benefit	40.00	N	0.00	40.00		40.00	N	0.00	40.00		0.0%	0.00
CREATE A PERFORMANCE												
• In Oldham	70.00	N	0.00	70.00		70.00	N	0.00	70.00		0.0%	0.00
• In Oldham on benefit	35.00	N	0.00	35.00		35.00	N	0.00	35.00		0.0%	0.00
• Outside Oldham	88.00	N	0.00	88.00		88.00	N	0.00	88.00		0.0%	0.00
• Outside Oldham on benefit	48.00	N	0.00	48.00		48.00	N	0.00	48.00		0.0%	0.00
IMAGINEERS												
• In Oldham	48.00	N	0.00	48.00		48.00	N	0.00	48.00		0.0%	0.00
• In Oldham on benefit	25.00	N	0.00	25.00		25.00	N	0.00	25.00		0.0%	0.00
• Outside Oldham	63.00	N	0.00	63.00		63.00	N	0.00	63.00		0.0%	0.00
• Outside Oldham on benefit	32.00	N	0.00	32.00		32.00	N	0.00	32.00		0.0%	0.00
SHOW (SUMMER AND CHRISTMAS)												
• In Oldham	105.00	N	0.00	105.00		105.00	N	0.00	105.00		0.0%	0.00
• In Oldham on benefit	52.00	N	0.00	52.00		52.00	N	0.00	52.00		0.0%	0.00
• Outside Oldham	120.00	N	0.00	120.00		120.00	N	0.00	120.00		0.0%	0.00
• Outside Oldham on benefit	60.00	N	0.00	60.00		60.00	N	0.00	60.00		0.0%	0.00
SHOW (SUMMER SMALLER SHOW)												
• In Oldham	85.00	N	0.00	85.00		85.00	N	0.00	85.00		0.0%	0.00

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
• In Oldham on benefit	45.00	N	0.00	45.00		45.00	N	0.00	45.00		0.0%	0.00
• Outside Oldham	95.00	N	0.00	95.00		95.00	N	0.00	95.00		0.0%	0.00
• Outside Oldham on benefit	50.00	N	0.00	50.00		50.00	N	0.00	50.00		0.0%	0.00
• Summer Holiday Show in a Week one price for all	70.00	N	0.00	70.00		70.00	N	0.00	70.00		0.0%	0.00
• Actors House - Once a year one price for all	35.00	N	0.00	35.00		35.00	N	0.00	35.00		0.0%	0.00
SHOW TICKET PRICE												
• In Oldham	12.00	N	0.00	12.00		12.00	N	0.00	12.00		0.0%	0.00
• In Oldham on benefit	8.00	N	0.00	8.00		8.00	N	0.00	8.00		0.0%	0.00
• Outside Oldham	12.00	N	0.00	12.00		12.00	N	0.00	12.00		0.0%	0.00
• Outside Oldham on benefit	8.00	N	0.00	8.00		8.00	N	0.00	8.00		0.0%	0.00
• Show backs at internal OldhamTheatre Workshop studio venue	2.00	N	0.00	2.00		2.00	N	0.00	2.00		0.0%	0.00
LOCAL STUDIES & ARCHIVES												
LOCAL STUDIES LIBRARY												
• Photocopying	0.20 - 1.20	N	0.00	0.20 - 1.20		0.20 - 1.20	N	0.00	0.20 - 1.20		0.0%	0.00
• Photocopying of Archives	0.50 - 2.10	N	0.00	0.50 - 2.10		0.50 - 2.10	N	0.00	0.50 - 2.10		0.0%	0.00
• Microfiche	0.80 - 1.60	N	0.00	0.80 - 1.60		0.80 - 1.60	N	0.00	0.80 - 1.60		0.0%	0.00
• Use of Digital Camera	6.00 - 12.00	N	0.00	6.00 - 12.00		6.00 - 12.00	N	0.00	6.00 - 12.00		0.0%	0.00
• OS 25" Map Copies	12.00	N	0.00	12.00		12.00	N	0.00	12.00		0.0%	0.00
• Lectures	30.00	N	0.00	30.00		30.00	N	0.00	30.00		0.0%	0.00
• Research	6.00 - 35.00	N	0.00	6.00 - 35.00		6.00 - 35.00	N	0.00	6.00 - 35.00		0.0%	0.00
• Copies of photographs	6.00	N	0.00	6.00		6.00	N	0.00	6.00		0.0%	0.00
REPRODUCTION												
• Books, periodicals, e-books, CD-Roms	30.00 - 120.00	N	0.00	30.00 - 120.00		30.00 - 120.00	N	0.00	30.00 - 120.00		0.0%	0.00
• Presentations and internal reports	60.00 - 120.00	N	0.00	60.00 - 120.00		60.00 - 120.00	N	0.00	60.00 - 120.00		0.0%	0.00
• Advertising in newspapers and periodicals	60.00 -120.00	N	0.00	60.00 -120.00		60.00 -120.00	N	0.00	60.00 -120.00		0.0%	0.00
• Television	60.00 -700.00	N	0.00	60.00 -700.00		60.00 -700.00	N	0.00	60.00 -700.00		0.0%	0.00
• Videos DVD's and films	120.00 - 240.00	N	0.00	120.00 - 240.00		120.00 - 240.00	N	0.00	120.00 - 240.00		0.0%	0.00
• Exhibitions	60.00	N	0.00	60.00		60.00	N	0.00	60.00		0.0%	0.00
• Interior Decoration of commercial premises	60.00	N	0.00	60.00		60.00	N	0.00	60.00		0.0%	0.00
OLDHAM GALLERY												
OLDHAM GALLERY ROOM HIRE												
• Education Suite Per hour	22.50	N	0.00	22.50		22.50	N	0.00	22.50		0.0%	0.00

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
• Education Suite - Out of Hours	Price on Arrangem'nt	N	0.00	Price on Arrangem'nt		Price on Arrangem'nt	N	0.00	Price on Arrangem'nt			
• Gallery Per Hour	Price on Arrangem'nt	N	0.00	Price on Arrangem'nt		Price on Arrangem'nt	N	0.00	Price on Arrangem'nt			
• All Gallery	Price on Arrangem'nt	N	0.00	Price on Arrangem'nt		Price on Arrangem'nt	N	0.00	Price on Arrangem'nt			
GALLERY OLDHAM LEARNING ACTIVITIES												
• School's workshop	100.00	N	0.00	100.00		100.00	N	0.00	100.00		0.0%	0.00
• Go Explorers (toddlers sessions) - child charge	3.50	N	0.00	3.50		3.50	N	0.00	3.50		0.0%	0.00
• Adult Art & Craft class	20.00	N	0.00	20.00		20.00	N	0.00	20.00		0.0%	0.00
• Small Cinema ticket	2.50	Y	0.50	3.00		2.50	Y	0.50	3.00		0.0%	0.00
MUSIC CENTRE												
MUSIC CENTRE ACTIVITIES												
(Membership Fees - Academic year charges Sepember to August annually)												
• Tuition Fees per term	48.50	N	0.00	48.50		49.00	N	0.00	49.00		1.0%	0.50
• Tuition Fees Additional siblings per term	40.00	N	0.00	40.00		40.50	N	0.00	40.50		1.3%	0.50
• Tuition Fees Pre-school per term	54.00	N	0.00	54.00		54.50	N	0.00	54.50		0.9%	0.50
• Tuition Fees Adults per term	56.50	N	0.00	56.50		57.00	N	0.00	57.00		0.9%	0.50
• Tuition Fees Additional Groups per term	56.50	N	0.00	56.50		57.00	N	0.00	57.00		0.9%	0.50
• Letting of rooms (public) per hour per term	52.50	N	0.00	52.50		53.00	N	0.00	53.00		1.0%	0.50
• Letting of rooms (exam board) per day per term	180.00	N	0.00	180.00		182.00	N	0.00	182.00		1.1%	2.00
SERVICES DELIVERED IN SCHOOLS												
(Academic year charges Sepember to August annually)												
• Whole Class Instrumental Tuition (WCIT)	2,445.00	N	0.00	2,445.00		2,470.00	N	0.00	2,470.00		1.0%	25.00
• Ongoing Opportunities (first 30 mins)	FREE	N	0.00	FREE		FREE	N	0.00	FREE		0.0%	0.00
• Ongoing Opportunities (additional 30 min blocks)	1,025.00	N	0.00	1,025.00		1,035.00	N	0.00	1,035.00		1.0%	10.00
• Hands and Voices	2,047.00	N	0.00	2,047.00		2,065.00	N	0.00	2,065.00		0.9%	18.00
• Tune-in to Talking	2,047.00	N	0.00	2,047.00		2,065.00	N	0.00	2,065.00		0.9%	18.00
• Music Therapy	2,047.00	N	0.00	2,047.00		2,065.00	N	0.00	2,065.00		0.9%	18.00
• Pre-WCIT Class Music	2,047.00	N	0.00	2,047.00		2,065.00	N	0.00	2,065.00		0.9%	18.00
• Curriculum KS2 Class Music	2,047.00	N	0.00	2,047.00		2,065.00	N	0.00	2,065.00		0.9%	18.00
• Musical Beginnings (pre-school music classes)	2,047.00	N	0.00	2,047.00		2,065.00	N	0.00	2,065.00		0.9%	18.00
• Choir/Band/Ensemble rehearsals	2,047.00	N	0.00	2,047.00		2,065.00	N	0.00	2,065.00		0.9%	18.00
• Small Group instrumental/vocal tuition	2,047.00	N	0.00	2,047.00		2,065.00	N	0.00	2,065.00		0.9%	18.00

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
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OUTDOOR EDUCATION												
PROVISION OF INSTRUCTORS FOR ACTIVITIES OLDHAM SCHOOLS, ACADEMIES WITH SLA & PCS / IYS												
• Environmental Education Course fee per group excludes transport to/ from centre per day	278.80	N	0.00	278.80		283.00	N	0.00	283.00		1.5%	4.20
• Environmental Education Course fee per group excludes transport to/ from centre per half day	152.93	N	0.00	152.93		155.25	N	0.00	155.25		1.5%	2.32
• Outdoor Education activities per instructor includes equipment & minibus to/from & during activities per day	200.40	N	0.00	200.40		203.50	N	0.00	203.50		1.5%	3.10
• Outdoor Education activities per instructor includes equipment & minibus to/from & during activities per half day	126.57	N	0.00	126.57		128.50	N	0.00	128.50		1.5%	1.93
• Use of minibus by groups for activities not associated with the Service	79.10	N	0.00	79.10		80.00	N	0.00	80.00		1.1%	0.90
OTHER GROUPS INCLUDING ACADEMIES WITHOUT SLA'S												
• Environmental Education Course fee per group excludes transport to/ from centre per day	335.95	Y	67.19	403.14		341.00	Y	68.20	409.20		1.5%	5.05
• Outdoor Education activities per instructor includes equipment & minibus during activities but excludes transport to/ from Centre per day	335.95	Y	67.19	403.14		341.00	Y	68.20	409.20		1.5%	5.05
• Outdoor Education activities per instructor includes equipment & minibus during activities but excludes transport to/ from Centre per half day	190.08	Y	38.02	228.10		193.00	Y	38.60	231.60		1.5%	2.92
RESIDENTIAL CHARGES PER PERSON PER NIGHT OLDHAM SCHOOLS, ACADEMIES WITH SLA & PCS / IYS												
• Castleshaw Primary pupil accommodation	5.08	Y	1.02	6.10		5.15	Y	1.03	6.18		1.4%	0.07
• Castleshaw Secondary pupil accommodation	7.92	Y	1.58	9.50		8.05	Y	1.61	9.66		1.6%	0.13
• Castleshaw Adult accommodation	10.17	Y	2.03	12.20		10.30	Y	2.06	12.36		1.3%	0.13
• Castleshaw Laundry	2.87	Y	0.57	3.44		2.92	Y	0.58	3.50		1.7%	0.05
• Castleshaw Camping - Per Person, Per night	5.00	Y	1.00	6.00		5.00	Y	1.00	6.00		0.0%	0.00
OTHER GROUPS INCLUDING ACADEMIES WITHOUT SLA'S												
• Castleshaw - Under 12 years accommodation	8.18	Y	1.64	9.82		8.33	Y	1.67	10.00		1.8%	0.15
• Castleshaw - Under 16 years accommodation	9.55	Y	1.91	11.46		9.71	Y	1.94	11.65		1.7%	0.16
• Castleshaw - Adult accommodation	13.71	Y	2.74	16.45		13.92	Y	2.78	16.70		1.5%	0.21

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• Castleshaw Laundry	2.87	Y	0.57	3.44		2.92	Y	0.58	3.50		1.7%	0.05
• Castleshaw Camping - Per Person, Per night	4.92	Y	0.98	5.90		5.00	Y	1.00	6.00		1.6%	0.08
CATERING PER PERSON												
OLDHAM SCHOOLS, ACADEMIES WITH SLA & PCS / IYS												
• Castleshaw Breakfast - Under 12 years	2.52	N	0.00	2.52		2.56	N	0.00	2.56		1.6%	0.04
• Castleshaw Packed lunch - Under 12 years	4.06	N	0.00	4.06		4.12	N	0.00	4.12		1.5%	0.06
• Castleshaw Evening meal - Under 12 years	4.86	N	0.00	4.86		4.93	N	0.00	4.93		1.4%	0.07
• Castleshaw Breakfast - Under 16 years	2.99	N	0.00	2.99		3.03	N	0.00	3.03		1.3%	0.04
• Castleshaw Packed lunch - Under 16 years	4.43	N	0.00	4.43		4.50	N	0.00	4.50		1.6%	0.07
• Castleshaw Evening meal - Under 16 years	5.12	N	0.00	5.12		5.20	N	0.00	5.20		1.6%	0.08
• Castleshaw Breakfast - Adult	3.76	N	0.00	3.76		3.82	N	0.00	3.82		1.6%	0.06
• Castleshaw Packed lunch - Adult	5.12	N	0.00	5.12		5.20	N	0.00	5.20		1.6%	0.08
• Castleshaw Evening meal - Adult	7.46	N	0.00	7.46		7.57	N	0.00	7.57		1.5%	0.11
OTHER GROUPS INCLUDING ACADEMIES WITHOUT SLA'S												
• Castleshaw Breakfast - Under 12 years	2.52	Y	0.50	3.02		2.56	Y	0.51	3.07		1.6%	0.04
• Castleshaw Packed lunch - Under 12 years	4.06	Y	0.81	4.87		4.12	Y	0.82	4.94		1.5%	0.06
• Castleshaw Evening meal - Under 12 years	4.87	Y	0.97	5.84		4.93	Y	0.99	5.92		1.2%	0.06
• Castleshaw Breakfast - Under 16 years	2.99	Y	0.60	3.59		3.03	Y	0.61	3.64		1.3%	0.04
• Castleshaw Packed lunch - Under 16 years	4.43	Y	0.89	5.32		4.50	Y	0.90	5.40		1.6%	0.07
• Castleshaw Evening meal - Under 16 years	5.12	Y	1.02	6.14		5.20	Y	1.04	6.24		1.6%	0.08
• Castleshaw Breakfast - Adult	3.76	Y	0.75	4.51		3.82	Y	0.76	4.58		1.6%	0.06
• Castleshaw Packed lunch - Adult	5.12	Y	1.02	6.14		5.20	Y	1.04	6.24		1.6%	0.08
• Castleshaw Evening meal - Adult	7.47	Y	1.49	8.96		7.57	Y	1.51	9.08		1.3%	0.10
• Castleshaw Cooked lunch (if available) - Adult	7.47	Y	1.49	8.96		7.57	Y	1.51	9.08		1.3%	0.10
VARIOUS OTHER CHARGES												
OLDHAM SCHOOLS, ACADEMIES WITH SLA & PCS / IYS												
• Castleshaw - Daily hire of centre	223.74	N	0.00	223.74		227.10	N	0.00	227.10		1.5%	3.36
• Castleshaw - meeting room hire per half day	67.25	N	0.00	67.25		68.25	N	0.00	68.25		1.5%	1.00
• Castleshaw - meeting room hire per day	134.57	N	0.00	134.57		136.60	N	0.00	136.60		1.5%	2.03
• Castleshaw - yurt hire per half day	67.25	N	0.00	67.25		68.25	N	0.00	68.25		1.5%	1.00
• Castleshaw - yurt hire per day	134.57	N	0.00	134.57		136.60	N	0.00	136.60		1.5%	2.03
• Under occupancy	5.10	N	0.00	5.10		5.15	N	0.00	5.15		1.0%	0.05
• Castleshaw Refreshments	2.90	N	0.00	2.90		2.94	N	0.00	2.94		1.4%	0.04
• Transport	207.25	N	0.00	207.25		210.50	N	0.00	210.50		1.6%	3.25

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OTHER GROUPS INCLUDING ACADEMIES WITHOUT SLA'S												
• Castleshaw - Daily hire of centre	223.74	Y	44.75	268.49		227.10	Y	45.42	272.52		1.5%	3.36
• Castleshaw - meeting room hire per half day	67.25	Y	13.45	80.70		68.25	Y	13.65	81.90		1.5%	1.00
• Castleshaw - meeting room hire per day	134.58	Y	26.92	161.50		136.60	Y	27.32	163.92		1.5%	2.02
• Castleshaw - yurt hire per half day	67.25	Y	13.45	80.70		68.25	Y	13.65	81.90		1.5%	1.00
• Castleshaw - yurt hire per day	134.58	Y	26.92	161.50		136.60	Y	27.32	163.92		1.5%	2.02
• Under occupancy	8.15	Y	1.63	9.78		8.33	Y	1.67	10.00		2.2%	0.18
• Castleshaw booking deposit	150.00	Y	30.00	180.00		150.00	Y	30.00	180.00		0.0%	0.00
• Castleshaw Refreshments	2.90	Y	0.58	3.48		2.94	Y	0.59	3.53		1.4%	0.04
• Transport	280.00	N	0.00	280.00		285.00	N	0.00	285.00		1.8%	5.00
SCHOOL SWIMMING SERVICE												
• Swimming session - 30 minutes per week x 38 weeks	2,690.00	N	0.00	2,690.00		2,791.00	N	0.00	2,791.00		3.8%	101.00
SPORTS DEVELOPMENT												
• In School Coaching Programme - 1/2 Day per week x 38 weeks	3,750.00	N	0.00	3,750.00		3,750.00	N	0.00	3,750.00		0.0%	0.00
STUDY SUPPORT												
• Schools Linking Project Core Offer April - March	1,632.00	N	0.00	1,632.00		1,632.00	N	0.00	1,632.00		0.0%	0.00
Children University Annual Membership Fee September - July												
• Primary School	396.00	N	0.00	396.00		396.00	N	0.00	396.00		0.0%	0.00
• Secondary School	550.00	N	0.00	550.00		550.00	N	0.00	550.00		0.0%	0.00
Laticzone Alternative Provision												
• 1-1 Provision per student per day	225.00	Y	45.00	270.00		225.00	Y	45.00	270.00		0.0%	0.00
• Group of 4 (Charge per student per day)	113.00	Y	22.60	135.60		113.00	Y	22.60	135.60		0.0%	0.00
LIFELONG LEARNING												
LIFELONG LEARNING COURSE FEES (academic year charges from August 2019)												
• Some courses and room hires will be individually priced and will fall outside the hourly rate.												
TUITION FEES ADULT EDUCATION BUDGET (AEB)												
• Engagement courses	FREE	N	0.00	FREE		FREE	N	0.00	FREE		0.0%	0.00
• Get Oldham Working - Employability courses	FREE	N	0.00	FREE		FREE	N	0.00	FREE		0.0%	0.00
• Adult Skills classes per hour	3.25	N	0.00	3.25		3.35	N	0.00	3.35		3.1%	0.10

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• Community Learning classes per hour	4.03	N	0.00	4.03		4.15	N	0.00	4.15		3.0%	0.12
• Concessionary fee for Community Learning classes per hour	1.33	N	0.00	1.33		1.37	N	0.00	1.37		3.0%	0.04
• Concessionary fee for Adult Skills	FREE	N	0.00	FREE		FREE	N	0.00	FREE		0.0%	0.00
• Basic Skills - English and Maths, Family Learning	FREE	N	0.00	FREE		FREE	N	0.00	FREE		0.0%	0.00
ACCREDITATION FEES - ALL PAYABLE AT ENROLMENT												
• Full fee	Actual awarding body charge	N	0.00	Actual awarding body charge		Actual awarding body charge	N	0.00	Actual awarding body charge			
• Concessionary fee	FREE	N	0.00	FREE		FREE	N	0.00	FREE		0.0%	0.00
CRECHE PROVISION												
• Full fee paying learner per child, per session (crèches on main sites)	4.05	N	0.00	4.05		4.17	N	0.00	4.17		3.0%	0.12
• Concessionary fee per child per session	FREE	N	0.00	FREE		FREE	N	0.00	FREE		0.0%	0.00
COMMUNITY GROUP MEMBER USE												
• Full Fee Annual charge (40 weeks)	71.72	N	0.00	71.72		73.88	N	0.00	73.88		3.0%	2.16
• Concessionary fee (Annual charge – 40 weeks)	35.86	N	0.00	35.86		36.94	N	0.00	36.94		3.0%	1.08
• Full Fee (Annual charge reduction for 20 weeks)	35.86	N	0.00	35.86		36.94	N	0.00	36.94		3.0%	1.08
• Concessionary Fee (Annual charge reduction for 20 weeks)	17.93	N	0.00	17.93		18.47	N	0.00	18.47		3.0%	0.54
• Short term rate – weekly charge	1.85	N	0.00	1.85		1.91	N	0.00	1.91		3.2%	0.06
ROOM HIRE: INDIVIDUALS AND EXTERNAL SERVICES												
• Weekdays (per hour)	24.35	N	0.00	24.35		25.08	N	0.00	25.08		3.0%	0.73
• Weekends (per hour) Saturday (Up to 5pm)	33.68	N	0.00	33.68		34.69	N	0.00	34.69		3.0%	1.01
• Weekends (per hour) Saturday (after 5pm) + Sunday (up to 4pm)	40.58	N	0.00	40.58		41.80	N	0.00	41.80		3.0%	1.22
• Specialist space hire i.e. kitchen, I.T Rooms (per hour)	30.18	N	0.00	30.18		31.09	N	0.00	31.09		3.0%	0.91
ADULT SOCIAL CARE - PROTECTION OF PROPERTY												
• Admin fee with property search	584.23	N	0.00	584.23		595.91	N	0.00	595.91		2.0%	11.68
• Admin fee without property search	326.23	N	0.00	326.23		332.75	N	0.00	332.75		2.0%	6.52
• Burial/cremation	Cost of Service	N	0.00	Cost of service		Cost of service	N	0.00	Cost of service			
• Administration fee (per hour)	18.54	N	0.00	18.54		18.91	N	0.00	18.91		2.0%	0.37

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• Storage of property less than 28 days	FREE	N	0.00	FREE		FREE	N	0.00	FREE		0.0%	0.00
• Storage of property over 28 days	63.00	N	0.00	63.00		64.26	N	0.00	64.26		2.0%	1.26
• Deferred Payment Agreement set up fee	555.17	N	0.00	555.17		566.27	N	0.00	566.27		2.0%	11.10
• Deferred Payment Annual Fee	267.80	N	0.00	267.80		273.16	N	0.00	273.16		2.0%	5.36
• Deferred Payment Closure Fee	123.60	N	0.00	123.60		126.07	N	0.00	126.07		2.0%	2.47
• Appointeeship Charges - Residential	5.15	N	0.00	5.15		5.25	N	0.00	5.25		1.9%	0.10
• Appointeeship Charges - Community	10.30	N	0.00	10.30		10.50	N	0.00	10.50		1.9%	0.20
ADULT SOCIAL CARE - HOUSING AND CARE												
• New Health and Well-Being Charge in Extra Care Housing (per week)	Actual cost of provision	N	0.00	Actual cost of provision		Actual cost of provision	N	0.00	Actual cost of provision			
• Helpline services (per week) - Bronze	2.00	N	0.00	2.00		2.00	N	0.00	2.00		0.0%	0.00
• Helpline services (per week) - Silver	5.00	N	0.00	5.00		5.00	N	0.00	5.00		0.0%	0.00
• Helpline services (per week) - Gold	6.50	N	0.00	6.50		6.50	N	0.00	6.50		0.0%	0.00
• Housing 21 Helpline services (per week) - Silver	3.00	N	0.00	3.00		3.00	N	0.00	3.00		0.0%	0.00
• Housing 21 Helpline services (per week) - Gold	5.00	N	0.00	5.00		5.00	N	0.00	5.00		0.0%	0.00
• Installing Helpline	40.00	N	0.00	40.00		40.00	N	0.00	40.00		0.0%	0.00
• Installing a Keysafe	65.00	N	0.00	65.00		65.00	N	0.00	65.00		0.0%	0.00
• Installing Helpline and a Keysafe	95.00	N	0.00	95.00		95.00	N	0.00	95.00		0.0%	0.00
• Assistive Technology per item per week	1.00	N	0.00	1.00		1.00	N	0.00	1.00		0.0%	0.00
• Pill Dispenser (lost or damaged)	150.00	N	0.00	150.00		150.00	N	0.00	150.00		0.0%	0.00
• Lost or Missing Equipment	Dependent on Equipment	N	0.00	Dependent on Equipment		Dependent on Equipment	N	0.00	Dependent on Equipment			
COURT OF PROTECTION FEES												
• Work up to First Order	745.00	N	0.00	745.00		745.00	N	0.00	745.00		0.0%	0.00
• Lodgement of Account	216.00	N	0.00	216.00		216.00	N	0.00	216.00		0.0%	0.00
• General working first year (assets over £16K)	775.00	N	0.00	775.00		775.00	N	0.00	775.00		0.0%	0.00
• General work in any subsequent year (assets over £16K)	650.00	N	0.00	650.00		650.00	N	0.00	650.00		0.0%	0.00
• Subsequent year - Assets over £16K (3.5% of balance)	Dependent on Balance	N	0.00	Dependent on Balance		Dependent on Balance	N	0.00	Dependent on Balance			
• Annual property management fee	300.00	N	0.00	300.00		300.00	N	0.00	300.00		0.0%	0.00
• Preparation of a basic HMRC tax return on behalf of the client	70.00	N	0.00	70.00		70.00	N	0.00	70.00		0.0%	0.00
• Preparation of a complex HMRC tax return on behalf of the client	140.00	N	0.00	140.00		140.00	N	0.00	140.00		0.0%	0.00
• Travel Rates - deputy visits to client @ £40 per hour	Dependent on number of visits	N	0.00	Dependent on number of visits		Dependent on number of visits	N	0.00	Dependent on number of visits			

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
FACILITIES MANAGEMENT												
CHADDERTON TOWN HALL / FAILSWORTH TOWN HALL												
• Hourly Charge (including 1 Steward)	90.00	N	0.00	90.00		90.00	N	0.00	90.00		0.0%	0.00
• Data Projector Screen	21.50	N	0.00	21.50		21.50	N	0.00	21.50		0.0%	0.00
• Microphone	12.50	N	0.00	12.50		12.50	N	0.00	12.50		0.0%	0.00
• Screen	6.50	N	0.00	6.50		6.50	N	0.00	6.50		0.0%	0.00
• Flip Chart	6.50	N	0.00	6.50		6.50	N	0.00	6.50		0.0%	0.00
• PA System	35.00	N	0.00	35.00		35.00	N	0.00	35.00		0.0%	0.00
• Data Projector Screen	22.50	N	0.00	22.50		22.50	N	0.00	22.50		0.0%	0.00
QUEEN ELIZABETH HALL AND CHADDERTON TOWN HALL STEWARDS												
• Hourly Charge Per Steward	16.50	N	0.00	16.50		16.50	N	0.00	16.50		0.0%	0.00
• Minimum Charge 4 Hours	80.00	N	0.00	80.00		80.00	N	0.00	80.00		0.0%	0.00
• Q&A hires including Parking Provision Evening and Sundays only	266.50	Y	53.30	319.80		266.50	Y	53.30	319.80		0.0%	0.00
LINK CENTRE ROOM HIRE MEETING ROOM 1 AND 2 (PER HOUR)												
• Weekdays 8:30 -17:00	20.00	N	0.00	20.00		20.00	N	0.00	20.00		0.0%	0.00
• Evenings 17:00 - 21:30	26.50	N	0.00	26.50		26.50	N	0.00	26.50		0.0%	0.00
• Saturday	32.50	N	0.00	32.50		32.50	N	0.00	32.50		0.0%	0.00
• Sunday	40.00	N	0.00	40.00		40.00	N	0.00	40.00		0.0%	0.00
FUNCTION ROOMS (FULL ROOM - PER HOUR)												
• Weekdays 8:30 -17:00	40.00	N	0.00	40.00		40.00	N	0.00	40.00		0.0%	0.00
• Evenings 17:00 - 21:30	46.50	N	0.00	46.50		46.50	N	0.00	46.50		0.0%	0.00
• Saturday	55.00	N	0.00	55.00		55.00	N	0.00	55.00		0.0%	0.00
• Sunday	65.00	N	0.00	65.00		65.00	N	0.00	65.00		0.0%	0.00
FUNCTION ROOMS (HALF ROOM - PER HOUR)												
• Weekdays 8:30 -17:00	28.00	N	0.00	28.00		28.00	N	0.00	28.00		0.0%	0.00
• Evenings 17:00 - 21:30	35.00	N	0.00	35.00		35.00	N	0.00	35.00		0.0%	0.00
• Saturday	40.00	N	0.00	40.00		40.00	N	0.00	40.00		0.0%	0.00
• Sunday	50.00	N	0.00	50.00		50.00	N	0.00	50.00		0.0%	0.00
FUNCTION ROOMS (QUARTER ROOM - PER HOUR)												
• Weekdays 8:30 -17:00	20.00	N	0.00	20.00		20.00	N	0.00	20.00		0.0%	0.00

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
• Evenings 17:00 - 21:30	26.00	N	0.00	26.00		26.00	N	0.00	26.00		0.0%	0.00
• Saturday	35.00	N	0.00	35.00		35.00	N	0.00	35.00		0.0%	0.00
• Sunday	40.00	N	0.00	40.00		40.00	N	0.00	40.00		0.0%	0.00
INTERVIEW ROOM (PER HOUR)												
• Weekdays 8:30 -17:00	7.50	N	0.00	7.50		7.50	N	0.00	7.50		0.0%	0.00
• Evenings 17:00 - 21:30	12.00	N	0.00	12.00		12.00	N	0.00	12.00		0.0%	0.00
• Saturday	17.50	N	0.00	17.50		17.50	N	0.00	17.50		0.0%	0.00
• Sunday	22.50	N	0.00	22.50		22.50	N	0.00	22.50		0.0%	0.00
TREATMENT ROOM (PER HOUR)												
• Weekdays 8:30 -17:00	12.50	N	0.00	12.50		12.50	N	0.00	12.50		0.0%	0.00
• Evenings 17:00 - 21:30	17.50	N	0.00	17.50		17.50	N	0.00	17.50		0.0%	0.00
• Saturday	25.00	N	0.00	25.00		25.00	N	0.00	25.00		0.0%	0.00
• Sunday	35.00	N	0.00	35.00		35.00	N	0.00	35.00		0.0%	0.00
PHYSIOTHERAPY ROOM (PER HOUR)												
• Weekdays 8:30 -17:00	15.00	N	0.00	15.00		15.00	N	0.00	15.00		0.0%	0.00
• Evenings 17:00 - 21:30	20.00	N	0.00	20.00		20.00	N	0.00	20.00		0.0%	0.00
• Saturday	26.00	N	0.00	26.00		26.00	N	0.00	26.00		0.0%	0.00
• Sunday	38.00	N	0.00	38.00		38.00	N	0.00	38.00		0.0%	0.00
RELAXATION ROOM (PER HOUR)												
• Weekdays 8:30 -17:00	15.00	N	0.00	15.00		15.00	N	0.00	15.00		0.0%	0.00
• Evenings 17:00 - 21:30	20.00	N	0.00	20.00		20.00	N	0.00	20.00		0.0%	0.00
• Saturday	26.00	N	0.00	26.00		26.00	N	0.00	26.00		0.0%	0.00
• Sunday	38.00	N	0.00	38.00		38.00	N	0.00	38.00		0.0%	0.00
USE OF CAFÉ AREA (PER HOUR)												
• Evenings 17:00 - 21:30	26.50	N	0.00	26.50		26.50	N	0.00	26.50		0.0%	0.00
• Saturday	35.00	N	0.00	35.00		35.00	N	0.00	35.00		0.0%	0.00
• Sunday	40.00	N	0.00	40.00		40.00	N	0.00	40.00		0.0%	0.00
USE OF AMENITIES (PER HOUR)												
• Evenings 17:00 - 21:30	26.50	N	0.00	26.50		26.50	N	0.00	26.50		0.0%	0.00
• Saturday	35.00	N	0.00	35.00		35.00	N	0.00	35.00		0.0%	0.00
• Sunday	40.00	N	0.00	40.00		40.00	N	0.00	40.00		0.0%	0.00
ADDITIONAL EQUIPMENT / SERVICE HIRE (PER HOUR)												
• Projector(includes wide screen)	10.00	N	0.00	10.00		10.00	N	0.00	10.00		0.0%	0.00

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
• TV / DVD	13.00	N	0.00	13.00		13.00	N	0.00	13.00		0.0%	0.00
• Laptop	13.00	N	0.00	13.00		13.00	N	0.00	13.00		0.0%	0.00
• Flip Chart Stands	3.00	N	0.00	3.00		3.00	N	0.00	3.00		0.0%	0.00
• Photocopying (per sheet)	0.15	N	0.00	0.15		0.15	N	0.00	0.15		0.0%	0.00
• Large Water Boiler	6.50	N	0.00	6.50		6.50	N	0.00	6.50		0.0%	0.00
OFFICE AND ROOM LETTINGS												
HONEYWELL CENTRE - COMMERCIAL RATES PER HOUR												
• Hall	40.00	N	0.00	40.00		40.00	N	0.00	40.00		0.0%	0.00
• Youth Wing	35.00	N	0.00	35.00		35.00	N	0.00	35.00		0.0%	0.00
• Community Room 1	25.00	N	0.00	25.00		25.00	N	0.00	25.00		0.0%	0.00
• Community Room 2	25.00	N	0.00	25.00		25.00	N	0.00	25.00		0.0%	0.00
• IT Suite	30.00	N	0.00	30.00		30.00	N	0.00	30.00		0.0%	0.00
• Studio 2	35.00	N	0.00	35.00		35.00	N	0.00	35.00		0.0%	0.00
• Fitness/Dance Studio	12.50	N	0.00	12.50		12.50	N	0.00	12.50		0.0%	0.00
Discounts on the above charges will be applied for community and voluntary groups												
ON STREET CAR PARKING												
MONDAY - SATURDAY 8AM TO 6PM												
• 0 - 45 minutes	0.20	N	0.00	0.20		0.20	N	0.00	0.20		0.0%	0.00
• 0 - 1 hour	0.40	N	0.00	0.40		0.40	N	0.00	0.40		0.0%	0.00
• 0 - 1 hour 30 minutes	0.70	N	0.00	0.70		0.70	N	0.00	0.70		0.0%	0.00
• 0 - 2 hours	1.10	N	0.00	1.10		1.10	N	0.00	1.10		0.0%	0.00
• Annual Parking Waiver (On Street Only)	300.00	N	0.00	300.00		300.00	N	0.00	300.00		0.0%	0.00
• Short Term Parking Waiver 2 - 28 days	37.00	N	0.00	37.00		37.00	N	0.00	37.00		0.0%	0.00
• Short Term Parking Waiver 1 day	22.00	N	0.00	22.00		22.00	N	0.00	22.00		0.0%	0.00
OFF STREET CAR PARKING												
TOMMYFIELD MARKET CAR PARK (INC DISABLED BADGE HOLDERS)												
MONDAY - FRIDAY 8AM TO MIDNIGHT												
• 0 – 30 minutes	0.67	Y	0.13	0.80		0.67	Y	0.13	0.80		0.0%	0.00
• 0 – 1 hour	1.17	Y	0.23	1.40		1.17	Y	0.23	1.40		0.0%	0.00
• 0 – 2 hours	1.67	Y	0.33	2.00		1.67	Y	0.33	2.00		0.0%	0.00
SATURDAY AND SUNDAY												
• 0 – 3 hours	FREE	Y	FREE	FREE		FREE	Y	FREE	FREE		0.0%	0.00

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
BOW STREET/SOUTHGATE STREET/WATERLOO STREET CAR PARKS												
Disabled Badge Holders - all day	FREE	Y	FREE	FREE		FREE	Y	FREE	FREE		0.0%	0.00
MONDAY - FRIDAY 8AM TO MIDNIGHT												
• 0 – 1 hour	1.00	Y	0.20	1.20		1.00	Y	0.20	1.20		0.0%	0.00
• 0 – 2 hours	1.42	Y	0.28	1.70		1.42	Y	0.28	1.70		0.0%	0.00
• 0 – 3 hours	1.75	Y	0.35	2.10		1.75	Y	0.35	2.10		0.0%	0.00
• 0 – 5 hours	2.42	Y	0.48	2.90		2.42	Y	0.48	2.90		0.0%	0.00
• Over 5 hours	3.83	Y	0.77	4.60		3.83	Y	0.77	4.60		0.0%	0.00
SATURDAY AND SUNDAY												
• 0 – 3 hours	FREE	Y	FREE	FREE		FREE	Y	FREE	FREE		0.0%	0.00
• 0 – 5 hours	2.42	Y	0.48	2.90		2.42	Y	0.48	2.90		0.0%	0.00
• Over 5 hours	3.83	Y	0.77	4.60		3.83	Y	0.77	4.60		0.0%	0.00
CIVIC CENTRE CAR PARK												
Disabled Badge Holders 0- 3 hours	FREE	Y	FREE	FREE		FREE	Y	FREE	FREE		0.0%	0.00
MONDAY TO FRIDAY 8AM TO 7PM												
• 0 – 1 hour	1.08	Y	0.22	1.30		1.08	Y	0.22	1.30		0.0%	0.00
• 0 – 2 hours	1.50	Y	0.30	1.80		1.50	Y	0.30	1.80		0.0%	0.00
• 0 – 3 hours	2.08	Y	0.42	2.50		2.08	Y	0.42	2.50		0.0%	0.00
• 0 – 4 hours	2.92	Y	0.58	3.50		2.92	Y	0.58	3.50		0.0%	0.00
• 0 – 5 hours	3.08	Y	0.62	3.70		3.08	Y	0.62	3.70		0.0%	0.00
• Over 5 hours	6.67	Y	1.33	8.00		6.67	Y	1.33	8.00		0.0%	0.00
SATURDAY AND SUNDAY 8AM TO 7PM												
• 0 – 3 hours	FREE	Y	FREE	FREE		FREE	Y	FREE	FREE		0.0%	0.00
• 0 – 4 hours	2.92	Y	0.58	3.50		2.92	Y	0.58	3.50		0.0%	0.00
• 0 – 5 hours	3.08	Y	0.62	3.70		3.08	Y	0.62	3.70		0.0%	0.00
• Over 5 hours	6.67	Y	1.33	8.00		6.67	Y	1.33	8.00		0.0%	0.00
MONDAY - FRIDAY 7PM TO MIDNIGHT												
• 0 to 5 hours	1.00	Y	0.20	1.20		1.00	Y	0.20	1.20		0.0%	0.00
SATURDAY AND SUNDAY 7PM TO MIDNIGHT												
• 0 – 3 hours	FREE	Y	FREE	FREE		FREE	Y	FREE	FREE		0.0%	0.00
• 0 – 5 hours	1.00	Y	0.20	1.20		1.00	Y	0.20	1.20		0.0%	0.00

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
NEW RADCLIFFE STREET CAR PARK (INCL DISABLED BADGE HOLDERS)												
ALL DAYS 8AM TO MIDNIGHT												
• 0 – 3 hours	FREE	Y	FREE	FREE		FREE	Y	FREE	FREE		0.0%	0.00
• 0 – 5 hours	2.42	Y	0.48	2.90		2.42	Y	0.48	2.90		0.0%	0.00
• Over 5 hours	3.83	Y	0.77	4.60		3.83	Y	0.77	4.60		0.0%	0.00
BRADSHAW STREET CAR PARK												
MONDAY TO FRIDAY 8AM TO 6PM												
Disabled Badge Holders all day	FREE	Y	FREE	FREE		FREE	Y	FREE	FREE		0.0%	0.00
• 0 – 1 hour	1.00	Y	0.20	1.20		1.00	Y	0.20	1.20		0.0%	0.00
• 0 – 2 hours	1.42	Y	0.28	1.70		1.42	Y	0.28	1.70		0.0%	0.00
• 0 – 3 hours	1.75	Y	0.35	2.10		1.75	Y	0.35	2.10		0.0%	0.00
• 0 – 4 hours	2.33	Y	0.47	2.80		2.33	Y	0.47	2.80		0.0%	0.00
• 0 – 5 hours	2.83	Y	0.57	3.40		2.83	Y	0.57	3.40		0.0%	0.00
• Over 5 hours	5.83	Y	1.17	7.00		5.83	Y	1.17	7.00		0.0%	0.00
SATURDAY AND SUNDAY 8AM TO 6PM												
• 0 – 3 hours	FREE	Y	FREE	FREE		FREE	Y	FREE	FREE		0.0%	0.00
• 0 – 4 hours	1.00	Y	0.20	1.20		1.00	Y	0.20	1.20		0.0%	0.00
• 0 – 5 hours	2.83	Y	0.57	3.40		2.83	Y	0.57	3.40		0.0%	0.00
• Over 5 hours	5.83	Y	1.17	7.00		5.83	Y	1.17	7.00		0.0%	0.00
MONDAY - FRIDAY 6PM TO MIDNIGHT												
• 0 to 6 hours	1.25	Y	0.25	1.50		1.25	Y	0.25	1.50		0.0%	0.00
SATURDAY AND SUNDAY 6PM TO MIDNIGHT												
• 0 – 3 hours	FREE	Y	FREE	FREE		FREE	Y	FREE	FREE		0.0%	0.00
• 0 – 6 hours	1.25	Y	0.25	1.50		1.25	Y	0.25	1.50		0.0%	0.00
DOVESTONES (SADDLEWORTH) CAR PARK												
ALL DAYS 8AM TO MIDNIGHT												
• 0 – 2 hours	0.83	Y	0.17	1.00		0.83	Y	0.17	1.00		0.0%	0.00
• 2 – 4 hours	1.67	Y	0.33	2.00		1.67	Y	0.33	2.00		0.0%	0.00
• All Day	3.33	Y	0.67	4.00		3.33	Y	0.67	4.00		0.0%	0.00

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
FORMER SPORTS CENTRE CAR PARK (INCL DISABLED BADGE HOLDERS)												
MONDAY TO FRIDAY 8AM TO 6PM												
• 0 – 2 hours	1.33	Y	0.27	1.60		1.33	Y	0.27	1.60		0.0%	0.00
• 2 - 4 hours	2.25	Y	0.45	2.70		2.25	Y	0.45	2.70		0.0%	0.00
• All Day	5.50	Y	1.10	6.60		5.50	Y	1.10	6.60		0.0%	0.00
SATURDAY												
• 0 – 3 hours	FREE	Y	FREE	FREE		FREE	Y	FREE	FREE		0.0%	0.00
• 0 - 4 hours	2.25	Y	0.45	2.70		2.25	Y	0.45	2.70		0.0%	0.00
• All Day	5.50	Y	1.10	6.60		5.50	Y	1.10	6.60		0.0%	0.00
SUNDAY												
• All Day	FREE	Y	FREE	FREE		FREE	Y	FREE	FREE		0.0%	0.00
OSCOE STREET												
MONDAY TO FRIDAY 8AM TO MIDNIGHT												
0 - 1 hour	1.00	Y	0.20	1.20		1.00	Y	0.20	1.20		0.0%	0.00
0 - 2 Hours	1.42	Y	0.28	1.70		1.42	Y	0.28	1.70		0.0%	0.00
0 - 3 hours	1.75	Y	0.35	2.10		1.75	Y	0.35	2.10		0.0%	0.00
0 – 5 hours	2.42	Y	0.48	2.90		2.42	Y	0.48	2.90		0.0%	0.00
Over 5 hours	3.83	Y	0.77	4.60		3.83	Y	0.77	4.60		0.0%	0.00
SATURDAY AND SUNDAY												
0-3 hours	FREE	Y	FREE	FREE		FREE	Y	FREE	FREE		0.0%	0.00
0-5 hours	2.42	Y	0.48	2.90		2.42	Y	0.48	2.90		0.0%	0.00
Over 5 hours	3.83	Y	0.77	4.60		3.83	Y	0.77	4.60		0.0%	0.00
CONTRACT PASS CHARGES												
• Bradshaw St	650.00	Y	130.00	780.00		650.00	Y	130.00	780.00		0.0%	0.00
• Bow Street	581.67	Y	116.33	698.00		581.67	Y	116.33	698.00		0.0%	0.00
• Southgate Street	623.33	Y	124.67	748.00		623.33	Y	124.67	748.00		0.0%	0.00
• Waterloo Street	623.33	Y	124.67	748.00		623.33	Y	124.67	748.00		0.0%	0.00
HOBSON STREET CAR PARK CONTRACT PARKING												
• Annual	605.17	Y	121.03	726.20		605.17	Y	121.03	726.20		0.0%	0.00
• Disabled Badge Holders	FREE	Y	FREE	FREE		FREE	Y	FREE	FREE		0.0%	0.00

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
SUSPENSION COSTS												
• Deployment of a small suspension (up to 20 cones)	29.17	Y	5.83	35.00		29.17	Y	5.83	35.00		0.0%	0.00
• Deployment of a medium suspension (21 to 40 cones)	58.33	Y	11.67	70.00		58.33	Y	11.67	70.00		0.0%	0.00
• Deployment of a large suspension (41 to 100 cones)	87.50	Y	17.50	105.00		87.50	Y	17.50	105.00		0.0%	0.00
SCHOOL MEALS												
MAINTAINED SCHOOLS												
Meal per day for Adult (from 1st April 2021)	2.60	Y	0.52	3.12		2.75	Y	0.55	3.30		5.8%	0.15
Meal per day for Adult (from 1st September 2021)						2.80	Y	0.56	3.36		7.7%	0.20
Meal per day for Child (from 1st April 2021)	2.40	N	0.00	2.40		2.55	N	0.00	2.55		6.3%	0.15
Meal per day for Child (from 1st September 2021)						2.60	N	0.00	2.60		8.3%	0.20
PARKS AND OPEN SPACES												
• Hire of large park or playing field	365.00	Y	73.00	438.00		369.02	Y	73.80	442.82		1.1%	4.02
• Concessionary use by a Charity	230.00	Y	46.00	276.00		232.53	Y	46.51	279.04		1.1%	2.53
• Hire of small park or playing field	170.00	Y	34.00	204.00		171.87	Y	34.37	206.24		1.1%	1.87
• Concessionary use by a Charity	115.00	Y	23.00	138.00		116.27	Y	23.25	139.52		1.1%	1.27
OUTDOOR FACILITIES (CHARGES SEASONAL)												
FOOTBALL, RUGBY, LACROSSE AND HOCKEY CHANGING ACCOMMODATION												
• Grade A - Good	210.00	N	0.00	210.00		212.31	N	0.00	212.31		1.1%	2.31
• Grade B - Above Average	165.00	N	0.00	165.00		166.82	N	0.00	166.82		1.1%	1.82
• Grade C - Average	140.00	N	0.00	140.00		141.54	N	0.00	141.54		1.1%	1.54
PITCH												
• Grade A	450.00	N	0.00	450.00		454.95	N	0.00	454.95		1.1%	4.95
• Grade B	380.00	N	0.00	380.00		384.18	N	0.00	384.18		1.1%	4.18
• Grade C	330.00	N	0.00	330.00		333.63	N	0.00	333.63		1.1%	3.63
• Occasional use of pitch including accommodation	100.00	Y	20.00	120.00		101.10	Y	20.22	121.32		1.1%	1.10
• Occasional use of pitch only	75.00	Y	15.00	90.00		75.83	Y	15.17	91.00		1.1%	0.83
• Occasional use of changing accommodation per hour	22.00	Y	4.40	26.40		22.24	Y	4.45	26.69		1.1%	0.24
JUNIOR CHARGES												
• 75% of the above charges	75% of above		75% of above	75% of above		75% of above		75% of above	75% of above			

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DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
CRICKET												
• Use of pitch per season alternate Saturdays <u>without</u> changing accommodation	420.00	N	0.00	420.00		424.62	N	0.00	424.62		1.1%	4.62
• Use of pitch per season alternate Saturdays <u>with</u> changing accommodation	540.00	N	0.00	540.00		545.94	N	0.00	545.94		1.1%	5.94
• Casual use of pitch <u>and</u> changing accommodation per match	100.00	Y	20.00	120.00		101.10	Y	20.22	121.32		1.1%	1.10
• Casual use of pitch <u>without</u> changing accommodation per match	75.00	Y	15.00	90.00		75.83	Y	15.17	91.00		1.1%	0.83
CEMETERIES												
• Funerals more than 30 mins late (allowing for traffic issues)	N/A	N/A	N/A	N/A		100	N	0	100		New Charge	New Charge
• Every subsequent 30 minutes	N/A	N/A	N/A	N/A		100.00	N	0.00	100.00		New Charge	New Charge
NEW GRAVES												
• New grave for 1 or 2 people	860.00	N	0.00	860.00		900.00	N	0.00	900.00		4.7%	40.00
• (Non resident)	1,290.00	N	0.00	1,290.00		1,350.00	N	0.00	1,350.00		4.7%	60.00
• New grave for 3 interments	910.00	N	0.00	910.00		953.00	N	0.00	953.00		4.7%	43.00
• (Non resident)	1,360.00	N	0.00	1,360.00		1,424.00	N	0.00	1,424.00		4.7%	64.00
• New grave for 2 interments including foundation	1,025.00	N	0.00	1,025.00		1,073.00	N	0.00	1,073.00		4.7%	48.00
• (Non resident)	1,450.00	N	0.00	1,450.00		1,518.00	N	0.00	1,518.00		4.7%	68.00
• New grave for 3 interments including foundation	1,070.00	N	0.00	1,070.00		1,120.00	N	0.00	1,120.00		4.7%	50.00
• (Non resident)	1,520.00	N	0.00	1,520.00		1,591.00	N	0.00	1,591.00		4.7%	71.00
• Plot for cremated remains – Crompton	775.00	N	0.00	775.00		811.00	N	0.00	811.00		4.6%	36.00
• Plot for cremated remains – Crompton (non resident)	1,150.00	N	0.00	1,150.00		1,204.00	N	0.00	1,204.00		4.7%	54.00
• Plot for cremated remains – Hollinwood	370.00	N	0.00	370.00		387.00	N	0.00	387.00		4.6%	17.00
• Plot for cremated remains – Hollinwood (non resident)	545.00	N	0.00	545.00		570.00	N	0.00	570.00		4.6%	25.00
• Appointment to choose a new grave or locate a grave with staff assistance	37.50	N	0.00	37.50		38.50	N	0.00	38.50		2.7%	1.00
INTERMENT FEES FOR OPENING STANDARD PLOT GRAVES AND VAULTS WITH EXCLUSIVE RIGHT OF BURIAL AND PUBLIC GRAVES - ALL FEES FOR UNDER 18YRS ARE FUNDED BY THE GOVERNMENT.												
• Interment Fee	840.00	N	0.00	840.00		880.00	N	0.00	880.00		4.8%	40.00
• Interment Fee (non resident)	1,250.00	N	0.00	1,250.00		1,313.00	N	0.00	1,313.00		5.0%	63.00

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• Still born and Non-viable foetus	No charge to the public	N	0.00	No charge to the public		No charge to the public	N	0.00	No charge to the public		0.0%	0.00
• Exhumation fees	1,175.00	N	0.00	1,175.00		1,210.00	N	0.00	1,210.00		3.0%	35.00
SURCHARGES FOR BURIALS												
• Monday to Friday between 2.30pm and 4.00pm	52.50	N	0.00	52.50		54.00	N	0.00	54.00		2.9%	1.50
• Monday to Friday after 4.00pm	210.00	N	0.00	210.00		218.00	N	0.00	218.00		3.8%	8.00
• Burials (Saturday, Sunday or Bank Holidays)	540.00	N	0.00	540.00		562.00	N	0.00	562.00		4.1%	22.00
INTERMENT OF CREMATED REMAINS												
• Interment in earthen graves or vaults	230.00	N	0.00	230.00		235.00	N	0.00	235.00		2.2%	5.00
• Strewing of cremated remains (Non Oldham resident)	52.00	N	0.00	52.00		53.50	N	0.00	53.50		2.9%	1.50
MONUMENTAL FEES												
• Permission to erect a memorial not exceeding 3' in height	180.00	N	0.00	180.00		184.00	N	0.00	184.00		2.2%	4.00
• Permission to erect a memorial not exceeding 3' in height (non resident)	255.00	N	0.00	255.00		260.00	N	0.00	260.00		2.0%	5.00
• Permission to install kerbs (Maximum 6ft x 3ft) designated areas only	260.00	N	0.00	260.00		267.00	N	0.00	267.00		2.7%	7.00
• Permission to add an additional inscription	48.00	N	0.00	48.00		49.00	N	0.00	49.00		2.1%	1.00
• Provision of memorial under 2'	68.00	N	0.00	68.00		70.00	N	0.00	70.00		2.9%	2.00
OTHER CHARGES												
• Bricked Grave for 2 persons	775.00	N	0.00	775.00		790.00	N	0.00	790.00		1.9%	15.00
• Bricked Grave for 2 persons (non resident)	1,150.00	N	0.00	1,150.00		1,170.00	N	0.00	1,170.00		1.7%	20.00
• Bricks to seal grave	112.00	N	0.00	112.00		115.00	N	0.00	115.00		2.7%	3.00
• Concrete lining for graves	288.00	N	0.00	288.00		295.00	N	0.00	295.00		2.4%	7.00
• Timber lining for graves	190.00	N	0.00	190.00		195.00	N	0.00	195.00		2.6%	5.00
• Test dig to confirm depth	68.00	N	0.00	68.00		70.00	N	0.00	70.00		2.9%	2.00
• Certified extracts from burial register	25.00	N	0.00	25.00		25.50	N	0.00	25.50		2.0%	0.50
• Transfer of grant of exclusive right of burial	70.00	N	0.00	70.00		72.00	N	0.00	72.00		2.9%	2.00
• Transfer of grant of exclusive right of burial (to a non resident)	100.00	N	0.00	100.00		102.50	N	0.00	102.50		2.5%	2.50
• Issue duplicate of grant of exclusive right of burial	68.00	N	0.00	68.00		70.00	N	0.00	70.00		2.9%	2.00
• Issue duplicate of grant of exclusive right of burial (non resident)	105.00	N	0.00	105.00		108.00	N	0.00	108.00		2.9%	3.00
• Use of Crematorium Chapel (Inc. recorded music or use of organ)	210.00	N	0.00	210.00		215.00	N	0.00	215.00		2.4%	5.00
• Re-open niche	68.00	N	0.00	68.00		70.00	N	0.00	70.00		2.9%	2.00

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• Grave search	17.50	N	0.00	17.50		18.00	N	0.00	18.00		2.9%	0.50
• Register search	42.00	N	0.00	42.00		43.00	N	0.00	43.00		2.4%	1.00
• Bronze memorial plaque lease for 10 years	285.00	N	0.00	285.00		292.00	N	0.00	292.00		2.5%	7.00
• Renewal of memorial position for 10 years	180.00	N	0.00	180.00		185.00	N	0.00	185.00		2.8%	5.00
• Renewal of memorial position for 5 years	105.00	N	0.00	105.00		108.00	N	0.00	108.00		2.9%	3.00
• Bronze memorial plaque including lettering	115.00	Y	21.27	136.27		118.33	Y	23.67	142.00		2.9%	3.33
• Double Bronze memorial plaque including lettering	150.00	Y	27.95	177.95		153.33	Y	30.67	184.00		2.2%	3.33
• Granite memorial plaque including lettering	210.00	Y	40.00	250.00		215.83	Y	43.17	259.00		2.8%	5.83
• Lease position on shared bench (to be introduced as available)	290.00	N	0.00	290.00		297.00	N	0.00	297.00		2.4%	7.00
CREMATION FEES - ALL FEES FOR UNDER 18YRS ARE FUNDED BY THE GOVERNMENT.												
• Cremation Fee (includes recorded music or use of the organ)	645.00	N	0.00	645.00		680.00	N	0.00	680.00		5.4%	35.00
• Direct (No service) Cremation Fee (only available between 9am-9.30am)	N/A	N/A	N/A	N/A		408.00	N/A	0.00	408.00		New Charge	New Charge
• Cremation environmental levy charge (Mercury Abatement legislation)	58.00	N	0.00	58.00		61.00	N	0.00	61.00		5.2%	3.00
• Medical Referee Charge	29.00	N	0.00	29.00		31.00	N	0.00	31.00		6.9%	2.00
• Live streaming of chapel service	N/A	N/A	N/A	N/A		40.00	N	0.00	40.00		New Charge	New Charge
• Cremation of Stillborn or non-viable foetus	No charge to the public	N	0.00	No charge to the public		No charge to the public	N	0.00	No charge to the public		0.0%	0.00
OTHER CHARGES												
• Certified extracts from crematorium register	22.50	N	0.00	22.50		23.00	N	0.00	23.00		2.2%	0.50
• Surcharge for cremation after 3.30 pm and extended services (per 30mins)	97.00	N	0.00	97.00		100.00	N	0.00	100.00		3.1%	3.00
FEES FOR INSCRIPTION IN THE BOOK OF REMEMBRANCE												
• Standard 2 line entry	78.00	Y	14.58	92.58		80.00	Y	16.00	96.00		2.6%	2.00
• 5 line entry	140.00	Y	26.07	166.07		144.17	Y	28.83	173.00		3.0%	4.17
• 8 line entry	230.00	Y	43.39	273.39		235.00	Y	47.00	282.00		2.2%	5.00
• 5 line entry with floral emblem	285.00	Y	54.02	339.02		290.00	Y	58.00	348.00		1.8%	5.00
• 5 line entry with badge, crest, shield, illuminated Capital or 8 Line entry with floral emblem.	350.00	Y	66.20	416.20		355.00	Y	71.00	426.00		1.4%	5.00
• 8 line entry with badge, crest, shield or illuminated capital	375.00	Y	71.00	446.00		380.00	Y	76.00	456.00		1.3%	5.00
• 8 line entry with full coat of arms	390.00	Y	74.09	464.09		395.00	Y	79.00	474.00		1.3%	5.00

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MEMORIAL CARDS												
• Standard 2 line entry	41.66	Y	7.03	48.69		42.50	Y	8.50	51.00		2.0%	0.84
• 5 line entry	46.50	Y	8.58	55.08		47.50	Y	9.50	57.00		2.2%	1.00
• 8 line entry	62.50	Y	11.60	74.10		64.17	Y	12.83	77.00		2.7%	1.67
• 5 line entry with motif	77.50	Y	14.37	91.87		79.17	Y	15.83	95.00		2.2%	1.67
• 8 line entry with motif	88.33	Y	16.12	104.45		90.00	Y	18.00	108.00		1.9%	1.67
SKIP LICENCE												
SKIP PERMITS												
• Registration (per 28 days)	165.00	N	0.00	165.00		169.00	N	0.00	169.00		2.4%	4.00
• Application when registration is in place (per 28 days)	32.00	N	0.00	32.00		33.00	N	0.00	33.00		3.1%	1.00
ANNUAL PERMISSIONS												
• Up to 100 skips	1,215.00	N	0.00	1,215.00		1,245.00	N	0.00	1,245.00		2.5%	30.00
• Up to 300 skips	3,630.00	N	0.00	3,630.00		3,721.00	N	0.00	3,721.00		2.5%	91.00
• Up to 500 skips	6,045.00	N	0.00	6,045.00		6,196.00	N	0.00	6,196.00		2.5%	151.00
• Over 500 - each skip thereafter	12.50	N	0.00	12.50		13.00	N	0.00	13.00		4.0%	0.50
• Retrospective application following officer visit	105.00	N	0.00	105.00		108.00	N	0.00	108.00		2.9%	3.00
SCAFFOLDING LICENCE												
• Application (per 28 days)	85.00	N	0.00	85.00		87.00	N	0.00	87.00		2.4%	2.00
• Renewal (per 28 days)	50.00	N	0.00	50.00		51.00	N	0.00	51.00		2.0%	1.00
• Annual Permission	1,325.00	N	0.00	1,325.00		1,358.00	N	0.00	1,358.00		2.5%	33.00
• Retrospective application following officer visit	105.00	N	0.00	105.00		108.00	N	0.00	108.00		2.9%	3.00
HOARDING LICENCE												
• Application (per 28 days)	68.00	N	0.00	68.00		70.00	N	0.00	70.00		2.9%	2.00
• Renewal (per 28 days)	48.00	N	0.00	48.00		49.00	N	0.00	49.00		2.1%	1.00
• Retrospective application following officer visit	105.00	N	0.00	105.00		108.00	N	0.00	108.00		2.9%	3.00
• Inspections of hoardings	Cost recovery +5%	N	0.00	Cost recovery +5%		Cost recovery +5%	N	0.00	Cost recovery +5%			
• Storage Container Licence (per 28 days)	N/A	N/A	N/A	N/A		315.00	N	0.00	315.00			
• Duplicate licences (Any Licence)	16.00	N	0.00	16.00		16.50	N	0.00	16.50		3.1%	0.50
TRAFFIC AND HIGHWAYS												
• Construction under the Highway	567.30	N	0.00	567.30		581.00	N	0.00	581.00		2.4%	13.70
• Access to cellars	567.30	N	0.00	567.30		581.00	N	0.00	581.00		2.4%	13.70
• Cellar lights	567.30	N	0.00	567.30		581.00	N	0.00	581.00		2.4%	13.70

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HIGHWAYS												
• Placing material on	68.00	N	0.00	68.00		70.00	N	0.00	70.00		2.9%	2.00
• Excavation of	240.00	N	0.00	240.00		246.00	N	0.00	246.00		2.5%	6.00
• Application for pavement café licence	187.00	N	0.00	187.00		192.00	N	0.00	192.00		2.7%	5.00
• Renewal of above	105.00	N	0.00	105.00		108.00	N	0.00	108.00		2.9%	3.00
VEHICLE CROSSINGS												
• Light Duty Vehicle Crossing Application (non-refundable)	45.00	N	0.00	45.00		46.00	N	0.00	46.00		2.2%	1.00
• Light Duty	Based on Individual Quotation	N	0.00	Based on Individual Quotation		Based on Individual Quotation	N	0.00	Based on Individual Quotation			
• Heavy Duty	As above	N	0.00	As above		As above	N	0.00	As above			
• Heavy Duty (Supervision only)	878.59	Y	175.72	1,054.31		900.00	Y	180.00	1,080.00		2.4%	21.41
• Removal of accident debris	Cost Recovery + £156 Admin Cost	N	0.00	Cost Recovery + £156 Admin Cost		Cost Recovery + £156 Admin Cost	N	0.00	Cost Recovery + £156 Admin Cost			
• Variation of a parking place order	Recovery + 12.5%	N	0.00	Recovery + 12.5%		Recovery + 12.5%	N	0.00	Recovery + 12.5%			
• Exemption from or variation to a traffic regulation order	As above	N	0.00	As above		As above	N	0.00	As above			
TEMPORARY TRAFFIC ORDERS												
• Temporary (plus cost of advertising)	1,651.71	N	0.00	1,651.71		1,693.00	N	0.00	1,693.00		2.5%	41.29
• Emergency Road Closures	855.00	N	0.00	855.00		876.00	N	0.00	876.00		2.5%	21.00
• Temporary Traffic Regulation Notice	855.00	N	0.00	855.00		876.00	N	0.00	876.00		2.5%	21.00
• Special events on the Highway	Cost Recovery + 12.5%	N	0.00	Cost Recovery + 12.5%		Cost Recovery + 12.5%	N	0.00	Cost Recovery + 12.5%			
SUSPENSION OF PARKING PLACES												
• Parking Budget	Loss of Income + Cost Recovery + 12.5%	N	0.00	Loss of Income + Cost Recovery + 12.5%		Loss of Income + Cost Recovery + 12.5%	N	0.00	Loss of Income + Cost Recovery + 12.5%			
PERMIT TO ERECT NON-STANDARD DIRECTION SIGNS												
• Consideration of request	228.00	N	0.00	228.00		234.00	N	0.00	234.00		2.6%	6.00

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
• Erection of signs	Cost Recovery + 12.5%	N	0.00	Cost Recovery + 12.5%		Cost Recovery + 12.5%	N	0.00	Cost Recovery + 12.5%			
• Removal of signs	118.00	N	0.00	118.00		121.00	N	0.00	121.00		2.5%	3.00
• Court fees associated with the above	Included in the above	N	0.00	Included in the above		Included in the above	N	0.00	Included in the above			
PERMITS GIVING EXEMPTION TO TRAFFIC ORDERS												
• Per month	38.00	N	0.00	38.00		39.00	N	0.00	39.00		2.6%	1.00
• Per three months	120.00	N	0.00	120.00		123.00	N	0.00	123.00		2.5%	3.00
• Per twelve months	438.00	N	0.00	438.00		449.00	N	0.00	449.00		2.5%	11.00
SECTION 50 ROAD OPENING LICENCE												
• Maintain existing apparatus	445.00	N	0.00	445.00		456.00	N	0.00	456.00		2.5%	11.00
• Install new service (Initial cost)	890.00	N	0.00	890.00		912.00	N	0.00	912.00		2.5%	22.00
• Install new service (Per additional 200 meters)	305.00	N	0.00	305.00		313.00	N	0.00	313.00		2.6%	8.00
• New Development (Initial cost)	1,940.00	N	0.00	1,940.00		1,988.00	N	0.00	1,988.00		2.5%	48.00
• New Development (Per additional 200 meters)	356.00	N	0.00	356.00		365.00	N	0.00	365.00		2.5%	9.00
SEWER CONNECTIONS												
• Junction : normal working hours	Based on Individual Quotation + 20%	Y	Based on Individual Quotation + 20%	Based on Individual Quotation + 20%		Based on Individual Quotation + 20%	Y	Based on Individual Quotation + 20%	Based on Individual Quotation + 20%			
• Junction: outside working hours	As above	Y	As above	As above		As above	Y	As above	As above			
• Manhole construction	As above	Y	As above	As above		As above	Y	As above	As above			
SEARCHES BY LETTER												
• First 5 questions	58.33	Y	11.67	70.00		60.00	Y	12.00	72.00		2.9%	1.67
• Per question after	15.00	Y	3.00	18.00		15.50	Y	3.10	18.60		3.3%	0.50
ACCESS PROTECTION MARKING												
• Fee for application	58.00	N	0.00	58.00		60.00	N	0.00	60.00		3.4%	2.00
• Fee for implementation of application	115.00	N	0.00	115.00		118.00	N	0.00	118.00		2.6%	3.00
ROAD CLOSURE : STOPPING UP ORDERS												
• Stopping up orders (including court fees)	2,620.00	N	0.00	2,620.00		2,685.00	N	0.00	2,685.00		2.5%	65.00

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SECTION 38 AND SECTION 278 ADOPTION FEE - BOND												
• £0 - £49k (Charge as % bond value)	9.0%	N	0.00	9.0%		9.0%	N	0.00	9.0%		0.0%	0.00
• £50k - £100k bond value	9.0%	N	0.00	9.0%		9.0%	N	0.00	9.0%		0.0%	0.00
• £100k < bond value	9.0%	N	0.00	9.0%		9.0%	N	0.00	9.0%		0.0%	0.00
HIGHWAYS ADOPTION FEE												
• Adoption Fee - minimum charge	2,700.00	N	0.00	2,700.00		2,700.00	N	0.00	2,700.00		0.0%	0.00
Note : Whichever is the greatest of the above applies												
Supply of official copies of Section 38 and Section 278 documentation	35.00 + postage fees	N	0.00	35.00 + postage fees		36.00 + postage fees	N	0.00	36.00 + postage fees		2.9%	1.00
STREET NAMING												
• Street Naming	262.00	N	0.00	262.00		269.00	N	0.00	269.00		2.7%	7.00
HIGHWAY LICENCE ENFORCEMENT VISIT												
Highway Licence Enforcement Visit	104.45	N	0.00	104.45		107.00	N	0.00	107.00		2.4%	2.55
INVESTIGATION WORK FOR SOLICITORS, INSURANCE AND OTHER PROFESSIONAL SERVICES												
• First Hour	52.75	N	0.00	52.75		54.00	N	0.00	54.00		2.4%	1.25
• Each subsequent hour or part thereof	36.86	N	0.00	36.86		38.00	N	0.00	38.00		3.1%	1.14
• Not for profit or public sector organisations (such as police, law enforcement and fraud investigations)	FREE	N	0.00	FREE		FREE	N	0.00	FREE		0.0%	0.00
LANDOWNER DEPOSIT												
• Deposit a Map, Landowner Statement & Statutory Declaration Under S31(6) of the Highways Act 1980	358.40	N	0.00	358.40		367.50	N	0.00	367.50		2.5%	9.10
• Deposit a Map and Landowner Statement under S15A of the Commons Act 2006	358.40	N	0.00	358.40		367.50	N	0.00	367.50		2.5%	9.10
ENVIRONMENTAL INFORMATION REGULATIONS (EIR)												
• Requests for Information Included in the Environmental Information Regulations 2004 (per hour)	25.00	N	0.00	25.00		26.00	N	0.00	26.00		4.0%	1.00

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PLANNING												
PRE-APPLICATION ADVICE FOR PLANNING PROPOSALS												
HOUSEHOLDER												
• Extensions/ alterations/ outbuildings to single-family dwellings only (including 1 flat but not a listed building) - MEETING	70.83	Y	14.17	85.00		70.83	Y	14.17	85.00		0.0%	0.00
Letter Only	41.67	Y	8.33	50.00		41.67	Y	8.33	50.00		0.0%	0.00
MINOR PLANNING PROPOSALS												
• Residential - 1 unit	291.67	Y	58.33	350.00		291.67	Y	58.33	350.00		0.0%	0.00
• Non-residential up to 99sqm	291.67	Y	58.33	350.00		291.67	Y	58.33	350.00		0.0%	0.00
• Agricultural Buildings up to 540sqm	291.67	Y	58.33	350.00		291.67	Y	58.33	350.00		0.0%	0.00
• Glasshouses up to 465sqm	291.67	Y	58.33	350.00		291.67	Y	58.33	350.00		0.0%	0.00
• Plant and machinery	291.67	Y	58.33	350.00		291.67	Y	58.33	350.00		0.0%	0.00
• Car Parks	291.67	Y	58.33	350.00		291.67	Y	58.33	350.00		0.0%	0.00
• Advertisements	291.67	Y	58.33	350.00		291.67	Y	58.33	350.00		0.0%	0.00
• Demolition of Buildings	291.67	Y	58.33	350.00		291.67	Y	58.33	350.00		0.0%	0.00
• CLEUDs	291.67	Y	58.33	350.00		291.67	Y	58.33	350.00		0.0%	0.00
• Discharge of conditions	291.67	Y	58.33	350.00		291.67	Y	58.33	350.00		0.0%	0.00
• Non-material alterations	291.67	Y	58.33	350.00		291.67	Y	58.33	350.00		0.0%	0.00
• Minor-material alterations	291.67	Y	58.33	350.00		291.67	Y	58.33	350.00		0.0%	0.00
• Change of use	291.67	Y	58.33	350.00		291.67	Y	58.33	350.00		0.0%	0.00
• Shop fronts	291.67	Y	58.33	350.00		291.67	Y	58.33	350.00		0.0%	0.00
Minor Planning Proposals (above) Follow up meeting	166.67	Y	33.33	200.00		166.67	Y	33.33	200.00		0.0%	0.00
MEDIUM PLANNING PROPOSALS												
• 2-9 dwellings	416.67	Y	83.33	500.00		416.67	Y	83.33	500.00		0.0%	0.00
• 100-999sqm commercial floorspace	416.67	Y	83.33	500.00		416.67	Y	83.33	500.00		0.0%	0.00
• Telecommunication	416.67	Y	83.33	500.00		416.67	Y	83.33	500.00		0.0%	0.00
• Minerals or Waste less than 0.5ha	416.67	Y	83.33	500.00		416.67	Y	83.33	500.00		0.0%	0.00
Medium Planning Proposals (above) Follow up meeting	250.00	Y	50.00	300.00		250.00	Y	50.00	300.00		0.0%	0.00
SMALL MAJOR PLANNING PROPOSALS												
• 10-20 dwellings	625.00	Y	125.00	750.00		625.00	Y	125.00	750.00		0.0%	0.00
• 1,000- 1,999 sqm commercial floorspace	625.00	Y	125.00	750.00		625.00	Y	125.00	750.00		0.0%	0.00
• 0.5-1ha site area	625.00	Y	125.00	750.00		625.00	Y	125.00	750.00		0.0%	0.00
Small Major Planning Proposals (above) Follow Up Meeting	333.33	Y	66.67	400.00		333.33	Y	66.67	400.00		0.0%	0.00

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MAJOR PLANNING PROPOSALS												
• 21-49 dwellings	833.33	Y	166.67	1,000.00		833.33	Y	166.67	1,000.00		0.0%	0.00
• 2,000-9,999 sqm commercial floorspace	833.33	Y	166.67	1,000.00		833.33	Y	166.67	1,000.00		0.0%	0.00
• 1-2 ha + site area	833.33	Y	166.67	1,000.00		833.33	Y	166.67	1,000.00		0.0%	0.00
Major Planning Proposals (above) Follow Up Meeting	416.67	Y	83.33	500.00		416.67	Y	83.33	500.00		0.0%	0.00
LARGE MAJOR PLANNING PROPOSALS												
• 50-200 dwellings	1,666.67	Y	333.33	2,000.00		1,666.67	Y	333.33	2,000.00		0.0%	0.00
• Over 10,000sqm commercial floorspace	1,666.67	Y	333.33	2,000.00		1,666.67	Y	333.33	2,000.00		0.0%	0.00
• Over 2ha site area	1,666.67	Y	333.33	2,000.00		1,666.67	Y	333.33	2,000.00		0.0%	0.00
• Energy projects	1,666.67	Y	333.33	2,000.00		1,666.67	Y	333.33	2,000.00		0.0%	0.00
Large Major Planning Proposals (above) Follow Up Meeting	833.33	Y	166.67	1,000.00		833.33	Y	166.67	1,000.00		0.0%	0.00
PLANNING PERFORMANCE AGREEMENT												
• Bespoke service - written advice, a series of meetings, fast track validation & determination	Charge on Individual Basis	Y	Charge on Individual Basis	Charge on Individual Basis		Charge on Individual Basis	Y	Charge on Individual Basis	Charge on Individual Basis			
VARY, MODIFY OR DISCHARGE LEGAL AGREEMENT												
• 1 dwelling	250.00	Y	50.00	300.00		250.00	Y	50.00	300.00		0.0%	0.00
• Agreement for commercial development or more than 1 dwelling	416.67	Y	83.33	500.00		416.67	Y	83.33	500.00		0.0%	0.00
PLANNING HISTORY SEARCH												
• Per property - PER HOUR	41.67	Y	8.33	50.00		41.67	Y	8.33	50.00		0.0%	0.00
PERMITTED DEVELOPMENT ENQUIRY												
• As an alternative to applying for a Certificate, an informal opinion will be offered	41.67	Y	8.33	50.00		41.67	Y	8.33	50.00		0.0%	0.00
SPECIALIST OFFICER REQUESTED TO ATTEND MEETINGS												
• Per Officer	125.00	Y	25.00	150.00		125.00	Y	25.00	150.00		0.0%	0.00
FOOD SAFETY												
• Export Certification - Standard Fee	62.00	N	0.00	62.00		62.00	N	0.00	62.00		0.0%	0.00
• Export Certification - With Samples Taken	125.00	N	0.00	125.00		125.00	N	0.00	125.00		0.0%	0.00

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• Food safety re- inspection visit	145.83	Y	29.17	175.00		145.83	Y	29.17	175.00		0.0%	0.00
• Advisory visit charge per hour	81.00	Y	16.20	97.20		81.00	Y	16.20	97.20		0.0%	0.00
• Charge for each 30 minutes or part thereof of staff time	50.00	N	0.00	50.00		50.00	N	0.00	50.00		0.0%	0.00
FOOD HYGIENE TRAINING RSPH												
• Level 1 Award in Food Hygiene Awareness	25.00	Y	5.00	30.00		25.00	Y	5.00	30.00		0.0%	0.00
• Level 2 Award in Food Safety in Catering	45.83	Y	9.17	55.00		45.83	Y	9.17	55.00		0.0%	0.00
• Level 2 Award in Identifying and Controlling Food Allergy Risks	42.50	Y	8.50	51.00		42.50	Y	8.50	51.00		0.0%	0.00
• Level 2 Award in Food Safety and Hygiene	42.50	Y	8.50	51.00		42.50	Y	8.50	51.00		0.0%	0.00
• Level 2 Award in Food Safety Manufacturing	55.00	Y	11.00	66.00		55.00	Y	11.00	66.00		0.0%	0.00
PRIVATE WATER SUPPLIES												
• Risk Assesment (per hour, maximum charge £500)	50.00	N	0.00	50.00		50.00	N	0.00	50.00		0.0%	0.00
• Investigation (per investigation)	100.00	N	0.00	100.00		100.00	N	0.00	100.00		0.0%	0.00
• Granting an authorisation (per investigation)	100.00	N	0.00	100.00		100.00	N	0.00	100.00		0.0%	0.00
• Analysing a water sample under Regulation 10 (Private water Supplies (England) Regulations 2016)	25.00	N	0.00	25.00		25.00	N	0.00	25.00		0.0%	0.00
• Analysing a water sample taken during check monitoring	At Cost to a Maximum of £100	N	0.00	At Cost to a Maximum of £100		At Cost to a Maximum of £100	N	0.00	At Cost to a Maximum of £100		0.0%	0.00
• Analysing a sample taken during audit monitoring and monitoring under Regulation 11 (Private water Supplies (England) Regulations 2016)	At Cost to a Maximum of £500	N	0.00	At Cost to a Maximum of £500		At Cost to a Maximum of £500	N	0.00	At Cost to a Maximum of £500		0.0%	0.00
ENVIRONMENTAL HEALTH												
Application fee for a permit for an installation. Part B activity or solvent emission activity (fee payable for each activity)												
• Any Part 1 reduced fee activity (other than those in items II and vehicle refinishers)	158.00	N	0.00	158.00		158.00	N	0.00	158.00		0.0%	0.00
• PVR 1 and PVR II activities carried on at the same service station	260.00	N	0.00	260.00		260.00	N	0.00	260.00		0.0%	0.00
• Vehicle refinishers (b), any Part 2, Part 3 or Part 4 reduced fee activity	365.00	N	0.00	365.00		365.00	N	0.00	365.00		0.0%	0.00
• Any other Part B activity or any other solvent emission activity	1,670.00	N	0.00	1,670.00		1,670.00	N	0.00	1,670.00		0.0%	0.00

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Application fee for grant of a permit for mobile plant (Fee payable for each permit to operate mobile plant)												
• 1 st & 2 nd Permit	1,670.00	N	0.00	1,670.00		1,670.00	N	0.00	1,670.00		0.0%	0.00
• 3 rd – 7 th Permit	995.00	N	0.00	995.00		995.00	N	0.00	995.00		0.0%	0.00
• 8 th and subsequent permits	510.00	N	0.00	510.00		510.00	N	0.00	510.00		0.0%	0.00
Additional fees for a late application for an installation												
• Reduced fee activity	75.00	N	0.00	75.00		75.00	N	0.00	75.00		0.0%	0.00
• Any other Part B activity or any other solvent emission activity	1,195.00	N	0.00	1,195.00		1,195.00	N	0.00	1,195.00		0.0%	0.00
Additional fees for a late application for a mobile plant	1,195.00	N	0.00	1,195.00		1,195.00	N	0.00	1,195.00		0.0%	0.00
Fee for substantial change variation of permit												
• Reduced fee activity	105.00	N	0.00	105.00		105.00	N	0.00	105.00		0.0%	0.00
• Any other Part B activity or any other solvent emission activity	1,055.00	N	0.00	1,055.00		1,055.00	N	0.00	1,055.00		0.0%	0.00
• Substantial change in the operation of an installation for a Part B activity or solvent emission activity	1,655.00	N	0.00	1,655.00		1,655.00	N	0.00	1,655.00		0.0%	0.00
Transfer of a Permit												
• Partial transfer (no fee for total transfer) for a reduced fee activity	50.00	N	0.00	50.00		50.00	N	0.00	50.00		0.0%	0.00
• Partial transfer, £169 for a total transfer for any other part B activity or any other solvent emission activity	500.00	N	0.00	500.00		500.00	N	0.00	500.00		0.0%	0.00
• Part B mobile plant for fixed period of hire	55.00	N	0.00	55.00		55.00	N	0.00	55.00		0.0%	0.00
• Subsequent applications if plant user, operator and authority different	55.00	N	0.00	55.00		55.00	N	0.00	55.00		0.0%	0.00
Subsistence Annual Charge for Installations Low Risk												
• Any part 1 reduced fee activity (other than those in items II and vehicle refinishers)	82.00	N	0.00	82.00		82.00	N	0.00	82.00		0.0%	0.00
• PVR I and PVR II activities carried on at the same service station	115.00	N	0.00	115.00		115.00	N	0.00	115.00		0.0%	0.00
• Vehicle refinishers (b), any Part 2, Part 3 or Part 4 reduced fee activity	230.00	N	0.00	230.00		230.00	N	0.00	230.00		0.0%	0.00
• Any other Part B activity or any other solvent emission activity	775.00	N	0.00	775.00		775.00	N	0.00	775.00		0.0%	0.00

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Medium Risk												
• Any part 1 reduced fee activity (other than those in items II and vehicle refinishers)	160.00	N	0.00	160.00		160.00	N	0.00	160.00		0.0%	0.00
• PVR I and PVR II activities carried on at the same service station	230.00	N	0.00	230.00		230.00	N	0.00	230.00		0.0%	0.00
• Vehicle refinishers (b), any Part 2, Part 3 or Part 4 reduced fee activity	370.00	N	0.00	370.00		370.00	N	0.00	370.00		0.0%	0.00
• Any other Part B activity or any other solvent emission activity	1,165.00	N	0.00	1,165.00		1,165.00	N	0.00	1,165.00		0.0%	0.00
High Risk												
• Any part 1 reduced fee activity (other than those in items II and vehicle refinishers)	240.00	N	0.00	240.00		240.00	N	0.00	240.00		0.0%	0.00
• PVR I and PVR II activities carried on at the same service station	345.00	N	0.00	345.00		345.00	N	0.00	345.00		0.0%	0.00
• Vehicle refinishers (b), any Part 2, Part 3 or Part 4 reduced fee activity	550.00	N	0.00	550.00		550.00	N	0.00	550.00		0.0%	0.00
• Any other Part B activity or any other solvent emission activity	1,750.00	N	0.00	1,750.00		1,750.00	N	0.00	1,750.00		0.0%	0.00
Subsistence Annual Charge for installations												
Low Risk												
• 1 st & 2 nd Permit	630.00	N	0.00	630.00		630.00	N	0.00	630.00		0.0%	0.00
• 3 rd – 7 th Permit	390.00	N	0.00	390.00		390.00	N	0.00	390.00		0.0%	0.00
• 8 th and subsequent permits	202.00	N	0.00	202.00		202.00	N	0.00	202.00		0.0%	0.00
Medium Risk												
• 1 st & 2 nd Permit	1,038.00	N	0.00	1,038.00		1,038.00	N	0.00	1,038.00		0.0%	0.00
• 3 rd – 7 th Permit	620.00	N	0.00	620.00		620.00	N	0.00	620.00		0.0%	0.00
• 8 th and subsequent permits	320.00	N	0.00	320.00		320.00	N	0.00	320.00		0.0%	0.00
High Risk												
• 1 st & 2 nd Permit	1,555.00	N	0.00	1,555.00		1,555.00	N	0.00	1,555.00		0.0%	0.00
• 3 rd – 7 th Permit	928.00	N	0.00	928.00		928.00	N	0.00	928.00		0.0%	0.00
• 8 th and subsequent permits	475.00	N	0.00	475.00		475.00	N	0.00	475.00		0.0%	0.00
• Late Payment Charge	55.00	N	0.00	55.00		55.00	N	0.00	55.00		0.0%	0.00

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
HEALTH & SAFETY												
• Charge for each 30 minutes or part thereof of staff time	50.00	N	0.00	50.00		50.00	N	0.00	50.00		0.0%	0.00
COSMETIC PIERCING, TATTOOING, ACUPUNCTURE & ELECTROLYSIS												
• Registration fee per application	115.00	N	0.00	115.00		115.00	N	0.00	115.00		0.0%	0.00
• Registration fee per individual	68.00	N	0.00	68.00		68.00	N	0.00	68.00		0.0%	0.00
NEIGHBOURHOOD ENFORCEMENT												
ENVIRONMENTAL INFORMATION & REGULATIONS												
• Charge for each 30 minutes, or part thereof, of staff time	51.50	N	0.00	51.50		51.50	N	0.00	51.50		0.0%	0.00
CHARGES FOR PHOTOCOPYING:												
• Additional charge if number of sheets exceeds 25 or if retrieval of the copies takes more than 15 minutes, based on each 30 minutes, or part thereof, of staff time	22.50	N	0.00	22.50		22.50	N	0.00	22.50		0.0%	0.00
HOUSING												
SELECTIVE LICENSING												
HOUSES IN MULTIPLE OCCUPATION LICENCE FEE												
• Licence application fee for 5 bedroom HMO	590.00	N	0.00	590.00		590.00	N	0.00	590.00		0.0%	0.00
• Additional charge per additional bedroom	25.00	N	0.00	25.00		25.00	N	0.00	25.00		0.0%	0.00
• Compliance and enforcement fee	270.00	N	0.00	270.00		270.00	N	0.00	270.00		0.0%	0.00
PUBLIC HEALTH												
CONTAMINATED LAND INVESTIGATION												
• Provision of information from files	116.00	N	0.00	116.00		116.00	N	0.00	116.00		0.0%	0.00
• File/record search	238.00	N	0.00	238.00		238.00	N	0.00	238.00		0.0%	0.00
• Monitoring/Sampling on a time and materials charge	At cost	Y	At cost	At cost		At cost	Y	At cost	At cost			

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
ANIMAL HEALTH LICENCES												
Selling Animals												
• Selling animals as pets application fee	306.00 (£261.00 renewal)	N	0.00	306.00 (£261.00 renewal)		306.00 (£261.00 renewal)	N	0.00	306.00 (£261.00 renewal)		0.0%	0.00
• Selling animals as pets grant fee - 1 year	213.00 (£168.00 renewal)	N	0.00	213.00 (£168.00 renewal)		213.00 (£168.00 renewal)	N	0.00	213.00 (£168.00 renewal)		0.0%	0.00
• Selling animals as pets grant fee - 2 years	264.00 (£219.00 renewal)	N	0.00	264.00 (£219.00 renewal)		264.00 (£219.00 renewal)	N	0.00	264.00 (£219.00 renewal)		0.0%	0.00
• Selling animals as pets grant fee - 3 years	315.00 (£270.00 renewal)	N	0.00	315.00 (£270.00 renewal)		315.00 (£270.00 renewal)	N	0.00	315.00 (£270.00 renewal)		0.0%	0.00
• Selling animals as pets variation fee (per hour)	50.00	N	0.00	50.00		50.00	N	0.00	50.00		0.0%	0.00
Animal Boarding												
• Animal boarding - Home boarding licence application fee	199.00 (£186.00 renewal)	N	0.00	199.00 (£186.00 renewal)		199.00 (£186.00 renewal)	N	0.00	199.00 (£186.00 renewal)		0.0%	0.00
• Animal boarding - Home boarding licence grant fee - 1 year	144.00 (£131.00 renewal)	N	0.00	144.00 (£131.00 renewal)		144.00 (£131.00 renewal)	N	0.00	144.00 (£131.00 renewal)		0.0%	0.00
• Animal boarding - Home boarding licence grant fee - 2 years	195.00 (£182.00 renewal)	N	0.00	195.00 (£182.00 renewal)		195.00 (£182.00 renewal)	N	0.00	195.00 (£182.00 renewal)		0.0%	0.00
• Animal boarding - Home boarding licence grant fee - 3 years	246.00 (£233.00 renewal)	N	0.00	246.00 (£233.00 renewal)		246.00 (£233.00 renewal)	N	0.00	246.00 (£233.00 renewal)		0.0%	0.00
• Animal boarding - Home boarding licence variation fee (per hour)	50.00	N	0.00	50.00		50.00	N	0.00	50.00		0.0%	0.00
• Boarding of cats or dogs - Application fee <10 animals	305.00 (£236.00 renewal)	N	0.00	305.00 (£236.00 renewal)		305.00 (£236.00 renewal)	N	0.00	305.00 (£236.00 renewal)		0.0%	0.00
• Boarding of cats or dogs - Application fee 10 - 29 animals	330.00 (£261.00 renewal)	N	0.00	330.00 (£261.00 renewal)		330.00 (£261.00 renewal)	N	0.00	330.00 (£261.00 renewal)		0.0%	0.00
• Boarding of cats or dogs - Application fee >30 animals	355.00 (£286.00 renewal)	N	0.00	355.00 (£286.00 renewal)		355.00 (£286.00 renewal)	N	0.00	355.00 (£286.00 renewal)		0.0%	0.00

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
• Boarding of cats <i>or</i> dogs - Application fee >60 animals	380.00 (£311.00 renewal)	N	0.00	380.00 (£311.00 renewal)		380.00 (£311.00 renewal)	N	0.00	380.00 (£311.00 renewal)		0.0%	0.00
• Boarding of cats <i>or</i> dogs - Grant fee 1 Year <10 animals	225.00 (£156.00 renewal)	N	0.00	225.00 (£156.00 renewal)		225.00 (£156.00 renewal)	N	0.00	225.00 (£156.00 renewal)		0.0%	0.00
• Boarding of cats <i>or</i> dogs - Grant fee 1 Year 10 - 29 animals	337.00 (£268.00 renewal)	N	0.00	337.00 (£268.00 renewal)		337.00 (£268.00 renewal)	N	0.00	337.00 (£268.00 renewal)		0.0%	0.00
• Boarding of cats <i>or</i> dogs - Grant fee 1 Year >30 animals	375.00 (£306.00 renewal)	N	0.00	375.00 (£306.00 renewal)		375.00 (£306.00 renewal)	N	0.00	375.00 (£306.00 renewal)		0.0%	0.00
• Boarding of cats <i>or</i> dogs - Grant fee 1 Year >60 animals	412.00 (£343.00 renewal)	N	0.00	412.00 (£343.00 renewal)		412.00 (£343.00 renewal)	N	0.00	412.00 (£343.00 renewal)		0.0%	0.00
• Boarding of cats <i>or</i> dogs - Grant fee 2 Year <10 animals	276.00 (£207.00 renewal)	N	0.00	276.00 (£207.00 renewal)		276.00 (£207.00 renewal)	N	0.00	276.00 (£207.00 renewal)		0.0%	0.00
• Boarding of cats <i>or</i> dogs - Grant fee 2 Year 10 - 29 animals	388.00 (£319.00 renewal)	N	0.00	388.00 (£319.00 renewal)		388.00 (£319.00 renewal)	N	0.00	388.00 (£319.00 renewal)		0.0%	0.00
• Boarding of cats <i>or</i> dogs - Grant fee 2 Year >30 animals	426.00 (£357.00 renewal)	N	0.00	426.00 (£357.00 renewal)		426.00 (£357.00 renewal)	N	0.00	426.00 (£357.00 renewal)		0.0%	0.00
• Boarding of cats <i>or</i> dogs - Grant fee 2 Year >60 animals	463.00 (£394.00 renewal)	N	0.00	463.00 (£394.00 renewal)		463.00 (£394.00 renewal)	N	0.00	463.00 (£394.00 renewal)		0.0%	0.00
• Boarding of cats <i>or</i> dogs - Grant fee 3 Year <10 animals	327.00 (£258.00 renewal)	N	0.00	327.00 (£258.00 renewal)		327.00 (£258.00 renewal)	N	0.00	327.00 (£258.00 renewal)		0.0%	0.00
• Boarding of cats <i>or</i> dogs - Grant fee 3 Year 10 - 29 animals	439.00 (£370.00 renewal)	N	0.00	439.00 (£370.00 renewal)		439.00 (£370.00 renewal)	N	0.00	439.00 (£370.00 renewal)		0.0%	0.00
• Boarding of cats <i>or</i> dogs - Grant fee 3 Year >30 animals	477.00 (£408.00 renewal)	N	0.00	477.00 (£408.00 renewal)		477.00 (£408.00 renewal)	N	0.00	477.00 (£408.00 renewal)		0.0%	0.00
• Boarding of cats <i>or</i> dogs - Grant fee 3 Year >60 animals	514.00 (£445.00 renewal)	N	0.00	514.00 (£445.00 renewal)		514.00 (£445.00 renewal)	N	0.00	514.00 (£445.00 renewal)		0.0%	0.00
• Boarding of cats <i>or</i> dogs - Variation fee (per hour)	50.00	N	0.00	50.00		50.00	N	0.00	50.00		0.0%	0.00

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DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
• Boarding of cats <i>and</i> dogs - Application fee <10 animals	355.00 (£286.00 renewal)	N	0.00	355.00 (£286.00 renewal)		355.00 (£286.00 renewal)	N	0.00	355.00 (£286.00 renewal)		0.0%	0.00
• Boarding of cats <i>and</i> dogs - Application fee 10 - 29 animals	380.00 (£311.00 renewal)	N	0.00	380.00 (£311.00 renewal)		380.00 (£311.00 renewal)	N	0.00	380.00 (£311.00 renewal)		0.0%	0.00
• Boarding of cats <i>and</i> dogs - Application fee >30 animals	405.00 (£336.00 renewal)	N	0.00	405.00 (£336.00 renewal)		405.00 (£336.00 renewal)	N	0.00	405.00 (£336.00 renewal)		0.0%	0.00
• Boarding of cats <i>and</i> dogs - Application fee >60 animals	430.00 (£361.00 renewal)	N	0.00	430.00 (£361.00 renewal)		430.00 (£361.00 renewal)	N	0.00	430.00 (£361.00 renewal)		0.0%	0.00
• Boarding of cats <i>and</i> dogs - Grant fee 1 Year <10 animals	250.00 (£181.00 renewal)	N	0.00	250.00 (£181.00 renewal)		250.00 (£181.00 renewal)	N	0.00	250.00 (£181.00 renewal)		0.0%	0.00
• Boarding of cats <i>and</i> dogs - Grant fee 1 Year 10 - 29 animals	262.00 (£193.00 renewal)	N	0.00	262.00 (£193.00 renewal)		262.00 (£193.00 renewal)	N	0.00	262.00 (£193.00 renewal)		0.0%	0.00
• Boarding of cats <i>and</i> dogs - Grant fee 1 Year >30 animals	275.00 (£206.00 renewal)	N	0.00	275.00 (£206.00 renewal)		275.00 (£206.00 renewal)	N	0.00	275.00 (£206.00 renewal)		0.0%	0.00
• Boarding of cats <i>and</i> dogs - Grant fee 1 Year >60 animals	289.00 (£220.00 renewal)	N	0.00	289.00 (£220.00 renewal)		289.00 (£220.00 renewal)	N	0.00	289.00 (£220.00 renewal)		0.0%	0.00
• Boarding of cats <i>and</i> dogs - Grant fee 2 Year <10 animals	301.00 (£232.00 renewal)	N	0.00	301.00 (£232.00 renewal)		301.00 (£232.00 renewal)	N	0.00	301.00 (£232.00 renewal)		0.0%	0.00
• Boarding of cats <i>and</i> dogs - Grant fee 2 Year 10 - 29 animals	352.00 (£283.00 renewal)	N	0.00	352.00 (£283.00 renewal)		352.00 (£283.00 renewal)	N	0.00	352.00 (£283.00 renewal)		0.0%	0.00
• Boarding of cats <i>and</i> dogs - Grant fee 2 Year >30 animals	403.00 (£334.00 renewal)	N	0.00	403.00 (£334.00 renewal)		403.00 (£334.00 renewal)	N	0.00	403.00 (£334.00 renewal)		0.0%	0.00
• Boarding of cats <i>and</i> dogs - Grant fee 2 Year >60 animals	454.00 (£385.00 renewal)	N	0.00	454.00 (£385.00 renewal)		454.00 (£385.00 renewal)	N	0.00	454.00 (£385.00 renewal)		0.0%	0.00
• Boarding of cats <i>and</i> dogs - Grant fee 3 Year <10 animals	352.00 (£283.00 renewal)	N	0.00	352.00 (£283.00 renewal)		352.00 (£283.00 renewal)	N	0.00	352.00 (£283.00 renewal)		0.0%	0.00
• Boarding of cats <i>and</i> dogs - Grant fee 3 Year 10 - 29 animals	403.00 (£334.00 renewal)	N	0.00	403.00 (£334.00 renewal)		403.00 (£334.00 renewal)	N	0.00	403.00 (£334.00 renewal)		0.0%	0.00

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DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
• Boarding of cats <i>and</i> dogs - Grant fee 3 Year >30 animals	454.00 (£385.00 renewal)	N	0.00	454.00 (£385.00 renewal)		454.00 (£385.00 renewal)	N	0.00	454.00 (£385.00 renewal)		0.0%	0.00
• Boarding of cats <i>and</i> dogs - Grant fee 3 Year >60 animals	505.00 (£436.00 renewal)	N	0.00	505.00 (£436.00 renewal)		505.00 (£436.00 renewal)	N	0.00	505.00 (£436.00 renewal)		0.0%	0.00
• Boarding of cats <i>and</i> dogs - Variation fee (per hour)	50.00	N	0.00	50.00		50.00	N	0.00	50.00		0.0%	0.00
Providing Day Care for Dogs												
• Day care for dogs - Application fee	340.00 (£236.00 renewal)	N	0.00	340.00 (£236.00 renewal)		340.00 (£236.00 renewal)	N	0.00	340.00 (£236.00 renewal)		0.0%	0.00
• Day care for dogs - Grant fee - 1 year	260.00 (£156.00 renewal)	N	0.00	260.00 (£156.00 renewal)		260.00 (£156.00 renewal)	N	0.00	260.00 (£156.00 renewal)		0.0%	0.00
• Day care for dogs - Grant fee - 2 years	311.00 (£207.00 renewal)	N	0.00	311.00 (£207.00 renewal)		311.00 (£207.00 renewal)	N	0.00	311.00 (£207.00 renewal)		0.0%	0.00
• Day care for dogs - Grant fee - 3 years	362.00 (£258.00 renewal)	N	0.00	362.00 (£258.00 renewal)		362.00 (£258.00 renewal)	N	0.00	362.00 (£258.00 renewal)		0.0%	0.00
• Day care for dogs - Variation fee	50.00	N	0.00	50.00		50.00	N	0.00	50.00		0.0%	0.00
Dog Breeding												
• Breeding of dogs licence	107.00 267.00	N	0.00	107.00 267.00		107.00 267.00	N	0.00	107.00 267.00		0.0%	0.00
• Dog breeding licence - Residential application fee	(£236.00 renewal) 317.00	N	0.00	(£236.00 renewal) 317.00		(£236.00 renewal) 317.00	N	0.00	(£236.00 renewal) 317.00		0.0%	0.00
• Dog breeding licence - Commercial application fee	(£286.00 renewal) 187.00	N	0.00	(£286.00 renewal) 187.00		(£286.00 renewal) 187.00	N	0.00	(£286.00 renewal) 187.00		0.0%	0.00
• Dog breeding licence - Residential grant fee - 1 year	(£156.00 renewal) 238.00	N	0.00	(£156.00 renewal) 238.00		(£156.00 renewal) 238.00	N	0.00	(£156.00 renewal) 238.00		0.0%	0.00
• Dog breeding licence - Residential grant fee - 2 years	(£207.00 renewal) 289.00	N	0.00	(£207.00 renewal) 289.00		(£207.00 renewal) 289.00	N	0.00	(£207.00 renewal) 289.00		0.0%	0.00
• Dog breeding licence - Residential grant fee - 3 years	(£258.00 renewal)	N	0.00	(£258.00 renewal)		(£258.00 renewal)	N	0.00	(£258.00 renewal)		0.0%	0.00

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DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
• Dog breeding licence - Commercial grant fee - 1 year	212.00 (£181.00 renewal)	N	0.00	212.00 (£181.00 renewal)		212.00 (£181.00 renewal)	N	0.00	212.00 (£181.00 renewal)		0.0%	0.00
• Dog breeding licence - Commercial grant fee - 2 years	263.00 (£232.00 renewal)	N	0.00	263.00 (£232.00 renewal)		263.00 (£232.00 renewal)	N	0.00	263.00 (£232.00 renewal)		0.0%	0.00
• Dog breeding licence - Commercial grant fee - 3 years	314.00 (£283.00 renewal)	N	0.00	314.00 (£283.00 renewal)		314.00 (£283.00 renewal)	N	0.00	314.00 (£283.00 renewal)		0.0%	0.00
• Dog breeding licence - Variation fee (per hour)	50.00	N	0.00	50.00		50.00	N	0.00	50.00		0.0%	0.00
Hiring out Horses												
• Hiring out horses - Application fee <10 horses	281.00 (£236.00 renewal)	N	0.00	281.00 (£236.00 renewal)		281.00 (£236.00 renewal)	N	0.00	281.00 (£236.00 renewal)		0.0%	0.00
• Hiring out horses - Application fee <49 horses	381.00 (£336.00 renewal)	N	0.00	381.00 (£336.00 renewal)		381.00 (£336.00 renewal)	N	0.00	381.00 (£336.00 renewal)		0.0%	0.00
• Hiring out horses - Application fee >50 horses	481.00 (£436.00 renewal)	N	0.00	481.00 (£436.00 renewal)		481.00 (£436.00 renewal)	N	0.00	481.00 (£436.00 renewal)		0.0%	0.00
• Hiring out horses - Grant fee - 1 year	101.00 (£56.00 renewal)	N	0.00	101.00 (£56.00 renewal)		101.00 (£56.00 renewal)	N	0.00	101.00 (£56.00 renewal)		0.0%	0.00
• Hiring out horses - Grant fee <10 horses - 2 years	251.00 (£206.00 renewal)	N	0.00	251.00 (£206.00 renewal)		251.00 (£206.00 renewal)	N	0.00	251.00 (£206.00 renewal)		0.0%	0.00
• Hiring out horses - Grant fee <49 horses - 2 years	351.00 (£306.00 renewal)	N	0.00	351.00 (£306.00 renewal)		351.00 (£306.00 renewal)	N	0.00	351.00 (£306.00 renewal)		0.0%	0.00
• Hiring out horses - Grant fee >50 horses - 2 years	451.00 (£406.00 renewal)	N	0.00	451.00 (£406.00 renewal)		451.00 (£406.00 renewal)	N	0.00	451.00 (£406.00 renewal)		0.0%	0.00
• Hiring out horses - Grant fee <10 horses - 3 years	502.00 (£457.00 renewal)	N	0.00	502.00 (£457.00 renewal)		502.00 (£457.00 renewal)	N	0.00	502.00 (£457.00 renewal)		0.0%	0.00
• Hiring out horses - Grant fee <49 horses - 3 years	702.00 (£657.00 renewal)	N	0.00	702.00 (£657.00 renewal)		702.00 (£657.00 renewal)	N	0.00	702.00 (£657.00 renewal)		0.0%	0.00
• Hiring out horses - Grant fee >50 horses - 3 years	902.00 (£857.00 renewal)	N	0.00	902.00 (£857.00 renewal)		902.00 (£857.00 renewal)	N	0.00	902.00 (£857.00 renewal)		0.0%	0.00

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	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
TRADING STANDARDS												
The cost of any material used will be added to each of these charges												
WEIGHING & MEASURING EQUIPMENT (VERIFICATION)												
Non Automatic weighing machines – UK verification												
The fee per instrument or (if fitted with two or more weighing tables or platforms connected to one or more indicating mechanism) the fee per weight table or platform.												
• Not exceeding 30 kg	35.00	N	0.00	35.00		35.00	N	0.00	35.00		0.0%	0.00
• Exceeding 30 kg but not exceeding 250 kg	60.00	N	0.00	60.00		60.00	N	0.00	60.00		0.0%	0.00
• Exceeding 250 kg but not exceeding 1 tonne	95.00	N	0.00	95.00		95.00	N	0.00	95.00		0.0%	0.00
• Exceeding 1 tonne but not exceeding 5 tonne	150.00	N	0.00	150.00		150.00	N	0.00	150.00		0.0%	0.00
• Exceeding 5 tonne but not exceeding 30 tonne	290.00	N	0.00	290.00		290.00	N	0.00	290.00		0.0%	0.00
• Exceeding 30 tonne	460.00	N	0.00	460.00		460.00	N	0.00	460.00		0.0%	0.00
Where labour and equipment are provided to facilitate the test the appropriate fee is reduced by 50%.												
MEASURING INSTRUMENTS												
Measuring instruments for liquid fuel or lubricants or mixtures thereof.												
• Container types (unsubdivided)	70.00	N	0.00	70.00		70.00	N	0.00	70.00		0.0%	0.00
SINGLE / MULTI GRADE TYPES												
• First nozzle tested, per visit per site	90.00	N	0.00	90.00		90.00	N	0.00	90.00		0.0%	0.00
• Each additional nozzle tested	70.00	N	0.00	70.00		70.00	N	0.00	70.00		0.0%	0.00
WEIGHTS												
• Not exceeding 5 kg	8.00	N	0.00	8.00		8.00	N	0.00	8.00		0.0%	0.00
• Exceeding 5 kg	12.00	N	0.00	12.00		12.00	N	0.00	12.00		0.0%	0.00
LINEAR MEASURES												
• Not exceeding 3 metres	14.00	N	0.00	14.00		14.00	N	0.00	14.00		0.0%	0.00
• Exceeding 3 metres	18.00	N	0.00	18.00		18.00	N	0.00	18.00		0.0%	0.00
CAPACITY MEASURES												
• Unsubdivided Per measure	10.00	N	0.00	10.00		10.00	N	0.00	10.00		0.0%	0.00

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
• Subdivided Per measure	14.00	N	0.00	14.00		14.00	N	0.00	14.00		0.0%	0.00
OTHER WEIGHING AND MEASURING EQUIPMENT												
• All other weighing and measuring equipment (per person per hour)	70.00	N	0.00	70.00		70.00	N	0.00	70.00		0.0%	0.00
TESTING OF WEIGHING AND MEASURING EQUIPMENT (CALIBRATION) WEIGHTS (WITH CERTIFICATE OF TEST)												
• Not exceeding 5kg (10 lb)	10.00	N	0.00	10.00		10.00	N	0.00	10.00		0.0%	0.00
• Exceeding 5 kg (10 lb) but not exceeding 25 kg (56 lb)	14.00	N	0.00	14.00		14.00	N	0.00	14.00		0.0%	0.00
• Exceeding 25 kg (56 lb)	25.00	N	0.00	25.00		25.00	N	0.00	25.00		0.0%	0.00
• Adjustment service per weight	6.50	N	0.00	6.50		6.50	N	0.00	6.50		0.0%	0.00
A surcharge of 10% is applicable if the submission is fewer than 5 items in total.												
LINEAR MEASURES (with certificate of test)												
• Not exceeding 3 metres (10 feet)	15.00	N	0.00	15.00		15.00	N	0.00	15.00		0.0%	0.00
• Exceeding 3 metres (10 feet)	20.00	N	0.00	20.00		20.00	N	0.00	20.00		0.0%	0.00
A surcharge of 10% is applicable if the submission is fewer than 5 items in total.												
OTHER												
• Request tests of trade equipment	As per verification fees	N	0.00	As per verification fees		As per verification fees	N	0.00	As per verification fees			
• All other weighing and measuring equipment incl. the provision of certificate of accuracy (Per person per hour)	70.00	N	0.00	70.00		70.00	N	0.00	70.00		0.0%	0.00
• Additional copies of certificate of accuracy	10.00	N	0.00	10.00		10.00	N	0.00	10.00		0.0%	0.00
Do You Pass Training Course												
• 1st attendee	55.00	N	0.00	55.00		55.00	N	0.00	55.00		0.0%	0.00
• 2nd and subsequent attendees from same premises	45.00	N	0.00	45.00		45.00	N	0.00	45.00		0.0%	0.00
• Business Advice hourly rate	50.00	N	0.00	50.00		50.00	N	0.00	50.00		0.0%	0.00

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
TAXI LICENCES												
TAXI VEHICLE AND DRIVERS LICENCE												
• Hackney Vehicle Licence - Full Year One Test	180.00	N	0.00	180.00		180.00	N	0.00	180.00		0.0%	0.00
• Hackney Vehicle Licence - Full Year Two Tests	225.00	N	0.00	225.00		225.00	N	0.00	225.00		0.0%	0.00
• Hackney Vehicle Licence - Full Year Three Tests	270.00	N	0.00	270.00		270.00	N	0.00	270.00		0.0%	0.00
• Taxi Marshall Levy	175.00	N	0.00	175.00		175.00	N	0.00	175.00		0.0%	0.00
• Vehicle Change	95.00	N	0.00	95.00		95.00	N	0.00	95.00		0.0%	0.00
• Vehicle Re-tests (full)	45.00	N	0.00	45.00		45.00	N	0.00	45.00		0.0%	0.00
• Vehicle Re-tests (part)	20.00	N	0.00	20.00		20.00	N	0.00	20.00		0.0%	0.00
• Owner Change	16.00	N	0.00	16.00		16.00	N	0.00	16.00		0.0%	0.00
• Drivers Licence - Online - New (1 year)	114.00	N	0.00	114.00		114.00	N	0.00	114.00		0.0%	0.00
• Drivers Licence - Online - Renewal (1 year)	68.00	N	0.00	68.00		68.00	N	0.00	68.00		0.0%	0.00
• Drivers Licence - Online - Grant (3 year)	207.00	N	0.00	207.00		207.00	N	0.00	207.00		0.0%	0.00
• Drivers Licence - Online - Renewal (3 year)	161.00	N	0.00	161.00		161.00	N	0.00	161.00		0.0%	0.00
• Drivers Proficiency Re-tests	36.00	N	0.00	36.00		36.00	N	0.00	36.00		0.0%	0.00
• DBS Application - Paper	44.00	N	0.00	44.00		44.00	N	0.00	44.00		0.0%	0.00
• DBS Application - Online	Cost	N	0.00	Cost		Cost	N	0.00	Cost			
• Drivers Awareness Course (fail to attend fee)	Recovery			Recovery		Recovery			Recovery			
• DBS	N/A	N/A	N/A	N/A		15.00	N	0.00	15.00		New Charge	New Charge
PRIVATE HIRE OPERATOR LICENCE - ONE YEAR FEE												
OPERATORS LICENCE - NO STARS												
• 1 Vehicle	413.00	N	0.00	413.00		413.00	N	0.00	413.00		0.0%	0.00
• 2 – 10 Vehicles	678.00	N	0.00	678.00		678.00	N	0.00	678.00		0.0%	0.00
• 11 – 30 Vehicles	1,410.00	N	0.00	1,410.00		1,410.00	N	0.00	1,410.00		0.0%	0.00
• 31 – 60 Vehicles	1,794.00	N	0.00	1,794.00		1,794.00	N	0.00	1,794.00		0.0%	0.00
• 61+ Vehicles	2,317.00	N	0.00	2,317.00		2,317.00	N	0.00	2,317.00		0.0%	0.00
OPERATORS LICENCE - ONE STAR												
• 1 Vehicle	332.00	N	0.00	332.00		332.00	N	0.00	332.00		0.0%	0.00
• 2 – 10 Vehicles	580.00	N	0.00	580.00		580.00	N	0.00	580.00		0.0%	0.00
• 11 – 30 Vehicles	1,242.00	N	0.00	1,242.00		1,242.00	N	0.00	1,242.00		0.0%	0.00
• 31 – 60 Vehicles	1,528.00	N	0.00	1,528.00		1,528.00	N	0.00	1,528.00		0.0%	0.00
• 61+ Vehicles	2,027.00	N	0.00	2,027.00		2,027.00	N	0.00	2,027.00		0.0%	0.00
OPERATORS LICENCE - TWO STARS												
• 1 Vehicle	237.00	N	0.00	237.00		237.00	N	0.00	237.00		0.0%	0.00
• 2 – 10 Vehicles	473.00	N	0.00	473.00		473.00	N	0.00	473.00		0.0%	0.00
• 11 – 30 Vehicles	994.00	N	0.00	994.00		994.00	N	0.00	994.00		0.0%	0.00
• 31 – 60 Vehicles	1,235.00	N	0.00	1,235.00		1,235.00	N	0.00	1,235.00		0.0%	0.00

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
• 61+ Vehicles	1,415.00	N	0.00	1,415.00		1,415.00	N	0.00	1,415.00		0.0%	0.00
OPERATORS LICENCE - THREE STARS												
• 1 Vehicle	197.00	N	0.00	197.00		197.00	N	0.00	197.00		0.0%	0.00
• 2 – 10 Vehicles	349.00	N	0.00	349.00		349.00	N	0.00	349.00		0.0%	0.00
• 11 – 30 Vehicles	720.00	N	0.00	720.00		720.00	N	0.00	720.00		0.0%	0.00
• 31 – 60 Vehicles	868.00	N	0.00	868.00		868.00	N	0.00	868.00		0.0%	0.00
• 61+ Vehicles	995.00	N	0.00	995.00		995.00	N	0.00	995.00		0.0%	0.00
OPERATORS LICENCE - FOUR STARS												
• 1 Vehicle	162.00	N	0.00	162.00		162.00	N	0.00	162.00		0.0%	0.00
• 2 – 10 Vehicles	269.00	N	0.00	269.00		269.00	N	0.00	269.00		0.0%	0.00
• 11 – 30 Vehicles	576.00	N	0.00	576.00		576.00	N	0.00	576.00		0.0%	0.00
• 31 – 60 Vehicles	734.00	N	0.00	734.00		734.00	N	0.00	734.00		0.0%	0.00
• 61+ Vehicles	900.00	N	0.00	900.00		900.00	N	0.00	900.00		0.0%	0.00
OPERATORS LICENCE - WITHOUT STAR RATING												
ONE YEAR												
• 1 Vehicle	197.00	N	0.00	197.00		197.00	N	0.00	197.00		0.0%	0.00
• 2-10 Vehicles	349.00	N	0.00	349.00		349.00	N	0.00	349.00		0.0%	0.00
• 11-50 Vehicles	720.00	N	0.00	720.00		720.00	N	0.00	720.00		0.0%	0.00
• 51-99 Vehicles	995.00	N	0.00	995.00		995.00	N	0.00	995.00		0.0%	0.00
• 100-199 Vehicles	1,125.00	N	0.00	1,125.00		1,125.00	N	0.00	1,125.00		0.0%	0.00
• 200-299 Vehicles	1,345.00	N	0.00	1,345.00		1,345.00	N	0.00	1,345.00		0.0%	0.00
• 300-399 Vehicles	1,595.00	N	0.00	1,595.00		1,595.00	N	0.00	1,595.00		0.0%	0.00
• 400+ Vehicles	1,855.00	N	0.00	1,855.00		1,855.00	N	0.00	1,855.00		0.0%	0.00
OPERATORS LICENCE - WITHOUT STAR RATING												
FIVE YEAR												
• 1 Vehicle	505.00	N	0.00	505.00		505.00	N	0.00	505.00		0.0%	0.00
• 2-10 Vehicles	1,265.00	N	0.00	1,265.00		1,265.00	N	0.00	1,265.00		0.0%	0.00
• 11-50 Vehicles	3,120.00	N	0.00	3,120.00		3,120.00	N	0.00	3,120.00		0.0%	0.00
• 51-99 Vehicles	4,495.00	N	0.00	4,495.00		4,495.00	N	0.00	4,495.00		0.0%	0.00
• 100-199 Vehicles	5,145.00	N	0.00	5,145.00		5,145.00	N	0.00	5,145.00		0.0%	0.00
• 200-299 Vehicles	6,245.00	N	0.00	6,245.00		6,245.00	N	0.00	6,245.00		0.0%	0.00
• 300 -399 Vehicles	7,495.00	N	0.00	7,495.00		7,495.00	N	0.00	7,495.00		0.0%	0.00
• 400+ Vehicles	8,795.00	N	0.00	8,795.00		8,795.00	N	0.00	8,795.00		0.0%	0.00

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
PRIVATE HIRE OPERATOR LICENCE - FIVE YEAR FEE												
OPERATORS LICENCE - NO STARS												
• 1 Vehicle	1,955.00	N	0.00	1,955.00		1,955.00	N	0.00	1,955.00		0.0%	0.00
• 2 – 10 Vehicles	3,280.00	N	0.00	3,280.00		3,280.00	N	0.00	3,280.00		0.0%	0.00
• 11 – 30 Vehicles	6,940.00	N	0.00	6,940.00		6,940.00	N	0.00	6,940.00		0.0%	0.00
• 31 – 60 Vehicles	8,860.00	N	0.00	8,860.00		8,860.00	N	0.00	8,860.00		0.0%	0.00
• 61+ Vehicles	11,475.00	N	0.00	11,475.00		11,475.00	N	0.00	11,475.00		0.0%	0.00
OPERATORS LICENCE - ONE STAR												
• 1 Vehicle	1,550.00	N	0.00	1,550.00		1,550.00	N	0.00	1,550.00		0.0%	0.00
• 2 – 10 Vehicles	2,790.00	N	0.00	2,790.00		2,790.00	N	0.00	2,790.00		0.0%	0.00
• 11 – 30 Vehicles	6,100.00	N	0.00	6,100.00		6,100.00	N	0.00	6,100.00		0.0%	0.00
• 31 – 60 Vehicles	7,530.00	N	0.00	7,530.00		7,530.00	N	0.00	7,530.00		0.0%	0.00
• 61+ Vehicles	10,025.00	N	0.00	10,025.00		10,025.00	N	0.00	10,025.00		0.0%	0.00
OPERATORS LICENCE - TWO STARS												
• 1 Vehicle	1,085.00	N	0.00	1,085.00		1,085.00	N	0.00	1,085.00		0.0%	0.00
• 2 – 10 Vehicles	2,265.00	N	0.00	2,265.00		2,265.00	N	0.00	2,265.00		0.0%	0.00
• 11 – 30 Vehicles	4,870.00	N	0.00	4,870.00		4,870.00	N	0.00	4,870.00		0.0%	0.00
• 31 – 60 Vehicles	6,075.00	N	0.00	6,075.00		6,075.00	N	0.00	6,075.00		0.0%	0.00
• 61+ Vehicles	6,975.00	N	0.00	6,975.00		6,975.00	N	0.00	6,975.00		0.0%	0.00
OPERATORS LICENCE - THREE STARS												
• 1 Vehicle	885.00	N	0.00	885.00		885.00	N	0.00	885.00		0.0%	0.00
• 2 – 10 Vehicles	1,645.00	N	0.00	1,645.00		1,645.00	N	0.00	1,645.00		0.0%	0.00
• 11 – 30 Vehicles	3,500.00	N	0.00	3,500.00		3,500.00	N	0.00	3,500.00		0.0%	0.00
• 31 – 60 Vehicles	4,240.00	N	0.00	4,240.00		4,240.00	N	0.00	4,240.00		0.0%	0.00
• 61+ Vehicles	4,875.00	N	0.00	4,875.00		4,875.00	N	0.00	4,875.00		0.0%	0.00
OPERATORS LICENCE - FOUR STARS												
• 1 Vehicle	710.00	N	0.00	710.00		710.00	N	0.00	710.00		0.0%	0.00
• 2 – 10 Vehicles	1,245.00	N	0.00	1,245.00		1,245.00	N	0.00	1,245.00		0.0%	0.00
• 11 – 30 Vehicles	2,780.00	N	0.00	2,780.00		2,780.00	N	0.00	2,780.00		0.0%	0.00
• 31 – 60 Vehicles	3,570.00	N	0.00	3,570.00		3,570.00	N	0.00	3,570.00		0.0%	0.00
• 61+ Vehicles	4,400.00	N	0.00	4,400.00		4,400.00	N	0.00	4,400.00		0.0%	0.00
PRIVATE HIRE VEHICLE LICENCE												
• Private Hire Vehicle Licence - (Full year - Three Tests)	306.00	N	0.00	306.00		306.00	N	0.00	306.00		0.0%	0.00
• Private Hire Vehicle Licence – (Full Year Fee – Two Tests)	261.00	N	0.00	261.00		261.00	N	0.00	261.00		0.0%	0.00

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
• Private Hire Vehicle Licence - (Full Year Fee – One Test)	216.00	N	0.00	216.00		216.00	N	0.00	216.00		0.0%	0.00
SUPPLEMENTARY CHARGES												
• Replacement Plates (Each)	8.00	N	0.00	8.00		8.00	N	0.00	8.00		0.0%	0.00
• Plates Securing Bracket (L Shape)	12.00	N	0.00	12.00		12.00	N	0.00	12.00		0.0%	0.00
• Plates Securing Bracket (Flat Shape)	6.00	N	0.00	6.00		6.00	N	0.00	6.00		0.0%	0.00
• Plate holders - each	9.00	N	0.00	9.00		9.00	N	0.00	9.00		0.0%	0.00
• Cancelled/Failed to Attend Vehicle Test (Less than 48 hours notice given)	45.00	N	0.00	45.00		45.00	N	0.00	45.00		0.0%	0.00
• Cancelled/Failed to Attend Driver Proficiency Test (Less than 48 hours notice given)	36.00	N	0.00	36.00		36.00	N	0.00	36.00		0.0%	0.00
• Fee to be deducted for a withdrawn/refused application & amendments to licences	33.00	N	0.00	33.00		33.00	N	0.00	33.00		0.0%	0.00
• Pre-application advice per hour	30.00	N	0.00	30.00		30.00	N	0.00	30.00		0.0%	0.00
• Hackney Carriage door signs	5.00	N	0.00	5.00		5.00	N	0.00	5.00		0.0%	0.00
• Star Rating door signs	1.00	N	0.00	1.00		1.00	N	0.00	1.00		0.0%	0.00
STREET TRADING LICENCES												
• Street trading consents and licences - (Ice Cream / Veg) - Yearly	690.00	N	0.00	690.00		690.00	N	0.00	690.00		0.0%	0.00
• Street trading consents and licences - (Ice Cream / Veg) - 6 Months	345.00	N	0.00	345.00		345.00	N	0.00	345.00		0.0%	0.00
• Street trading consents (Other traders) - Yearly	590.00	N	0.00	590.00		590.00	N	0.00	590.00		0.0%	0.00
• Street trading consents (Other traders) - 6 Months	295.00	N	0.00	295.00		295.00	N	0.00	295.00		0.0%	0.00
• Street trading assistant	21.00	N	0.00	21.00		21.00	N	0.00	21.00		0.0%	0.00
• Street trading licences Town Centre - Per Quarter	995.00	N	0.00	995.00		995.00	N	0.00	995.00		0.0%	0.00
STREET TRADING - DAILY FEES:												
• 1st Day	57.00	N	0.00	57.00		57.00	N	0.00	57.00		0.0%	0.00
• 2nd and Subsequent Days	32.00	N	0.00	32.00		32.00	N	0.00	32.00		0.0%	0.00
STREET TRADING – MISCELLANEOUS												
• Uppermill Weekly Market	110.00	N	0.00	110.00		110.00	N	0.00	110.00		0.0%	0.00
CAR BOOT / TABLE TOP SALES												
• Up to 20 stalls	42.00	N	0.00	42.00		42.00	N	0.00	42.00		0.0%	0.00
• Additional stalls - per stall	2.00	N	0.00	2.00		2.00	N	0.00	2.00		0.0%	0.00

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
SCRAP METAL LICENCES												
SCRAP METAL DEALER SITE LICENCE												
• New	630.00	N	0.00	630.00		630.00	N	0.00	630.00		0.0%	0.00
• Per additional site	565.00	N	0.00	565.00		565.00	N	0.00	565.00		0.0%	0.00
• Renewal	465.00	N	0.00	465.00		465.00	N	0.00	465.00		0.0%	0.00
• Renewal per additional site	400.00	N	0.00	400.00		400.00	N	0.00	400.00		0.0%	0.00
• Minor variation	30.00	N	0.00	30.00		30.00	N	0.00	30.00		0.0%	0.00
SCRAP METAL COLLECTORS LICENCE												
• New	265.00	N	0.00	265.00		265.00	N	0.00	265.00		0.0%	0.00
• Renewal	225.00	N	0.00	225.00		225.00	N	0.00	225.00		0.0%	0.00
• Minor Variation	30.00	N	0.00	30.00		30.00	N	0.00	30.00		0.0%	0.00
BETTING AND ADULT ENTERTAINMENT LICENCES												
GAMBLING ACT 2005												
BINGO PREMISES												
• New	2,450.00	N	0.00	2,450.00		2,450.00	N	0.00	2,450.00		0.0%	0.00
• Annual Fee	620.00	N	0.00	620.00		620.00	N	0.00	620.00		0.0%	0.00
• Variation	1,200.00	N	0.00	1,200.00		1,200.00	N	0.00	1,200.00		0.0%	0.00
• Provisional Statement	930.00	N	0.00	930.00		930.00	N	0.00	930.00		0.0%	0.00
• Transfer	627.00	N	0.00	627.00		627.00	N	0.00	627.00		0.0%	0.00
• Reinstatement	627.00	N	0.00	627.00		627.00	N	0.00	627.00		0.0%	0.00
BETTING PREMISES (EXCLUDING TRACKS)												
• New	2,250.00	N	0.00	2,250.00		2,250.00	N	0.00	2,250.00		0.0%	0.00
• Annual Fee	495.00	N	0.00	495.00		495.00	N	0.00	495.00		0.0%	0.00
• Variation	1,200.00	N	0.00	1,200.00		1,200.00	N	0.00	1,200.00		0.0%	0.00
• Provisional Statement	930.00	N	0.00	930.00		930.00	N	0.00	930.00		0.0%	0.00
• Transfer	627.00	N	0.00	627.00		627.00	N	0.00	627.00		0.0%	0.00
• Reinstatement	627.00	N	0.00	627.00		627.00	N	0.00	627.00		0.0%	0.00
TRACKS												
• New	1,875.00	N	0.00	1,875.00		1,875.00	N	0.00	1,875.00		0.0%	0.00
• Annual Fee	750.00	N	0.00	750.00		750.00	N	0.00	750.00		0.0%	0.00
• Variation	930.00	N	0.00	930.00		930.00	N	0.00	930.00		0.0%	0.00
• Provisional Statement	930.00	N	0.00	930.00		930.00	N	0.00	930.00		0.0%	0.00
• Transfer	627.00	N	0.00	627.00		627.00	N	0.00	627.00		0.0%	0.00
• Reinstatement	627.00	N	0.00	627.00		627.00	N	0.00	627.00		0.0%	0.00
FAMILY ENTERTAINMENT CENTRE												
• New	1,500.00	N	0.00	1,500.00		1,500.00	N	0.00	1,500.00		0.0%	0.00
• Annual Fee	562.00	N	0.00	562.00		562.00	N	0.00	562.00		0.0%	0.00

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
• Variation	750.00	N	0.00	750.00		750.00	N	0.00	750.00		0.0%	0.00
• Provisional Statement	930.00	N	0.00	930.00		930.00	N	0.00	930.00		0.0%	0.00
• Transfer	627.00	N	0.00	627.00		627.00	N	0.00	627.00		0.0%	0.00
• Reinstatement	627.00	N	0.00	627.00		627.00	N	0.00	627.00		0.0%	0.00
ADULT GAMING CENTRE												
• New	1,750.00	N	0.00	1,750.00		1,750.00	N	0.00	1,750.00		0.0%	0.00
• Annual Fee	495.00	N	0.00	495.00		495.00	N	0.00	495.00		0.0%	0.00
• Variation	627.00	N	0.00	627.00		627.00	N	0.00	627.00		0.0%	0.00
• Provisional Statement	627.00	N	0.00	627.00		627.00	N	0.00	627.00		0.0%	0.00
• Transfer	627.00	N	0.00	627.00		627.00	N	0.00	627.00		0.0%	0.00
• Reinstatement	627.00	N	0.00	627.00		627.00	N	0.00	627.00		0.0%	0.00
• Notification of change	50.00	N	0.00	50.00		50.00	N	0.00	50.00		0.0%	0.00
• Sex Shop Licence	380.00	N	0.00	380.00		380.00	N	0.00	380.00		0.0%	0.00
• Sexual entertainment venue	760.00	N	0.00	760.00		760.00	N	0.00	760.00		0.0%	0.00
OTHER LICENCES												
DISTRIBUTION OF FREE PRINTED MATTER												
• Daily Licence	45.00	N	0.00	45.00		45.00	N	0.00	45.00		0.0%	0.00
• Quarterly Licence	220.00	N	0.00	220.00		220.00	N	0.00	220.00		0.0%	0.00
• Yearly Licence	440.00	N	0.00	440.00		440.00	N	0.00	440.00		0.0%	0.00
• Additional Badge	15.00	N	0.00	15.00		15.00	N	0.00	15.00		0.0%	0.00
• Replacement Badge	15.00	N	0.00	15.00		15.00	N	0.00	15.00		0.0%	0.00
HIGHWAYS PERMITS												
Pavement Café Licence												
• Grant	175.00	N	0.00	175.00		175.00	N	0.00	175.00		0.0%	0.00
• Renewal	98.00	N	0.00	98.00		98.00	N	0.00	98.00		0.0%	0.00
• Pavement licence - Business & Planning Act	50.00	N	0.00	50.00		50.00	N	0.00	50.00		0.0%	0.00
• Placing materials on	62.00	N	0.00	62.00		62.00	N	0.00	62.00		0.0%	0.00
PEST CONTROL												
DOMESTIC PREMISES												
• Treatment for public health pests - rats, mice, cockroaches	37.50	Y	7.50	45.00		38.00	Y	7.60	45.60		1.3%	0.50
• Treatment for bed bugs	72.50	Y	14.50	87.00		75.00	Y	15.00	90.00		3.4%	2.50
• Treatment for non-public health pests	62.50	Y	12.50	75.00		65.00	Y	13.00	78.00		4.0%	2.50
• Treatment for wasps nests	47.50	Y	9.50	57.00		48.00	Y	9.60	57.60		1.1%	0.50

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• Treatment for squirrels (including the lure of traps and one return visit)	91.67	Y	18.33	110.00		93.00	Y	18.60	111.60		1.5%	1.33
• Treatment for fleas	72.50	Y	14.50	87.00		75.00	Y	15.00	90.00		3.4%	2.50
• Subsequent visits	27.50	Y	5.50	33.00		28.50	Y	5.70	34.20		3.6%	1.00
• Callout charge - no treatment necessary	22.00	Y	4.40	26.40		23.00	Y	4.60	27.60		4.5%	1.00
• Key 7 collection charge	22.00	Y	4.40	26.40		23.00	Y	4.60	27.60		4.5%	1.00
COMMERCIAL PREMISES												
• Treatment for public health pests - rats, mice, cockroaches in privately rented properties	N/A	N/A	N/A	N/A		100.00	Y	20.00	120.00		New Charge	New Charge
BASIC/STARTER CONTRACT												
• Cover for rodents only. Includes 4 x visits per year	225.00	Y	45.00	270.00		235.00	Y	47.00	282.00		4.4%	10.00
INTERMEDIATE CONTRACT												
• Cover is for rodents and includes 6 x visits and 2 free insect treatments (Non food pests & wood boring beetles)	300.00	Y	60.00	360.00		310.00	Y	62.00	372.00		3.3%	10.00
INTERMEDIATE PLUS CONTRACT												
• Cover includes 6 visits per year and covers rodents and 2 insect treatments (Includes all food pests, wasps & bees, but does not include wood boring beetles)	400.00	Y	80.00	480.00		420.00	Y	84.00	504.00		5.0%	20.00
ADVANCED CONTRACT												
• Cover includes rodents and most insects (does not include wood boring beetles). Includes 8 visits per year	525.00	Y	105.00	630.00		550.00	Y	110.00	660.00		4.8%	25.00
ADDITIONAL HOURLY RATES FOR VISITS/TREATMENTS												
• Hourly rate for all treatments	80.00	Y	16.00	96.00		81.00	Y	16.20	97.20		1.3%	1.00
ADDITIONAL OPERATIVE												
• Hourly rate	40.00	Y	8.00	48.00		41.00	Y	8.20	49.20		2.5%	1.00
• Reclamation fee for the recovery of dogs from the Manchester and district home for lost dogs (price fixed by Law)	25.00	N	0.00	25.00		25.00	N	0.00	25.00		0.0%	0.00
• Kennelling and detention costs	45.00	N	0.00	45.00		45.00	N	0.00	45.00		0.0%	0.00

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DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
• Kennelling and detention costs - out of hours	55.00	N	0.00	55.00		55.00	N	0.00	55.00		0.0%	0.00
• Admin costs	59.00	N	0.00	59.00		59.00	N	0.00	59.00		0.0%	0.00
• Administrative charge for default work at a maximum of £300	25.0%	N	0.00	25.0%		25.0%	N	0.00	25.0%		0.0%	0.00
• Formal responses to requests for technical information from Insurance companies etc. relative to drainage investigations etc. Per letter	158.10	N	0.00	158.10		158.10	N	0.00	158.10		0.0%	0.00
SECURITY												
PATROLLING AND GUARDING SERVICES												
BUILDING SERVICES												
• Opening of a building (must also be a key holder) (per opening)	22.50	Y	4.50	27.00		23.25	Y	4.65	27.90		3.3%	0.75
CLOSING OF A BUILDING INCLUDING SECURITY SWEEP (MUST ALSO BE A KEY HOLDER) - (PER CLOSING)												
• Small building	28.93	Y	5.79	34.72		29.80	Y	5.96	35.76		3.0%	0.87
• Medium building	61.08	Y	12.22	73.30		62.91	Y	12.58	75.49		3.0%	1.83
• Large building	122.17	Y	24.43	146.60		125.84	Y	25.17	151.01		3.0%	3.67
• Internal postal courier service (includes returning external post to central post room) (per pickup)	11.79	Y	2.36	14.15		12.50	Y	2.50	15.00		6.0%	0.71
• Annual patrolling contract (public/third sector)	2,159.35	Y	431.87	2,591.22		2,224.13	Y	444.83	2,668.96		3.0%	64.78
• Annual patrolling contract (private sector)	2,558.00	Y	511.60	3,069.60		2,634.74	Y	526.95	3,161.69		3.0%	76.74
EMERGENCY BOARDING SERVICES												
• Call out (free when paying for Patrolling Services) (per hour/part thereof)	112.52	Y	22.50	135.02		116.00	Y	23.20	139.20		3.1%	3.48
WINDOW BOARDING												
• Standard window	50.37	Y	10.07	60.44		52.00	Y	10.40	62.40		3.2%	1.63
• Large window	112.52	Y	22.50	135.02		115.00	Y	23.00	138.00		2.2%	2.48
• Steel sheeting (per sheet)	95.38	Y	19.08	114.46		100.00	Y	20.00	120.00		4.8%	4.62
DOOR BOARDING												
• Wooden cover	61.08	Y	12.22	73.30		63.00	Y	12.60	75.60		3.1%	1.92
• Steel door (rental per week)	28.93	Y	5.79	34.72		30.00	Y	6.00	36.00		3.7%	1.07
• Boarded Up Property Inspection (free when paying for patrolling services) (per weekly inspection)	126.45	Y	25.29	151.74		130.00	Y	26.00	156.00		2.8%	3.55

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STATIC SECURITY GUARDING												
SPOT HIRE (<7 DAYS) (PER HOURS)												
• > 28 days notice; > 24 hours per operative	12.25	Y	2.45	14.70		16.75	Y	3.35	20.10		36.7%	4.50
• > 28 days notice; 12-24 hours per operative	12.25	Y	2.45	14.70		16.75	Y	3.35	20.10		36.7%	4.50
• > 28 days notice; 4-12 hours per operative	13.38	Y	2.68	16.06		16.75	Y	3.35	20.10		25.2%	3.37
• > 28 days notice; 0-4 hours per operative	14.50	Y	2.90	17.40		16.75	Y	3.35	20.10		15.5%	2.25
• 7-28 days notice; 24 hours per operative	12.25	Y	2.45	14.70		16.75	Y	3.35	20.10		36.7%	4.50
• 7-28 days notice; 12-24 hours per operative	13.38	Y	2.68	16.06		16.75	Y	3.35	20.10		25.2%	3.37
• 7-28 days notice; 4-12 hours per operative	14.50	Y	2.90	17.40		16.75	Y	3.35	20.10		15.5%	2.25
• 7-28 days notice; 0-4 hours per operative	15.60	Y	3.12	18.72		16.75	Y	3.35	20.10		7.4%	1.15
• 2-7 days notice; > 24 hours per operative	13.38	Y	2.68	16.06		16.75	Y	3.35	20.10		25.2%	3.37
• 2-7 days notice; 12-24 hours per operative	14.50	Y	2.90	17.40		16.75	Y	3.35	20.10		15.5%	2.25
• 2-7 days notice; 4-12 hours per operative	15.60	Y	3.12	18.72		16.75	Y	3.35	20.10		7.4%	1.15
• 2-7 days notice; 0-4 hours per operative	17.83	Y	3.57	21.40		16.75	Y	3.35	20.10		-6.1%	-1.08
• < 48 hours notice; > 24 hours per operative	14.50	Y	2.90	17.40		16.75	Y	3.35	20.10		15.5%	2.25
• < 48 hours notice; 12-24 hours per operative	15.60	Y	3.12	18.72		16.75	Y	3.35	20.10		7.4%	1.15
• < 48 hours notice; 4-12 hours per operative	17.83	Y	3.57	21.40		16.75	Y	3.35	20.10		-6.1%	-1.08
• < 48 hours notice; 0-4 hours per operative	18.93	Y	3.79	22.72		16.75	Y	3.35	20.10		-11.5%	-2.18
CONTRACT HIRE (> 7 DAYS) (PER HOUR)												
• > 366 days; 30-40 hours per week per operative	12.25	Y	2.45	14.70		16.75	Y	3.35	20.10		36.7%	4.50
• > 366 days; 20-30 hours per week per operative	12.25	Y	2.45	14.70		16.75	Y	3.35	20.10		36.7%	4.50
• > 366 days; 8-20 hours per week per operative	13.38	Y	2.68	16.06		16.75	Y	3.35	20.10		25.2%	3.37
• > 366 days; 0-4 hours per week per operative	14.50	Y	2.90	17.40		16.75	Y	3.35	20.10		15.5%	2.25
• 91-365 days; 30-40 hours per week per operative	12.25	Y	2.45	14.70		16.75	Y	3.35	20.10		36.7%	4.50
• 91-365 days; 20-30 hours per week per operative	13.38	Y	2.68	16.06		16.75	Y	3.35	20.10		25.2%	3.37
• 91-365 days; 8-20 hours per week per operative	14.50	Y	2.90	17.40		16.75	Y	3.35	20.10		15.5%	2.25
• 91-365 days; 0-4 hours per week per operative	15.60	Y	3.12	18.72		16.75	Y	3.35	20.10		7.4%	1.15
• 29-90 days; 30-40 hours per week per operative	13.38	Y	2.68	16.06		16.75	Y	3.35	20.10		25.2%	3.37
• 29-90 days; 20-30 hours per week per operative	14.50	Y	2.90	17.40		16.75	Y	3.35	20.10		15.5%	2.25
• 29-90 days; 8-20 hours per week per operative	15.60	Y	3.12	18.72		16.75	Y	3.35	20.10		7.4%	1.15
• 39-90 days; 0-4 hours per week per operative	17.83	Y	3.57	21.40		16.75	Y	3.35	20.10		-6.1%	-1.08
• 0-28 days; 30-40 hours per week per operative	14.50	Y	2.90	17.40		16.75	Y	3.35	20.10		15.5%	2.25
• 0-28 days; 20-30 hours per week per operative	15.60	Y	3.12	18.72		16.75	Y	3.35	20.10		7.4%	1.15
• 0-28 days; 8-20 hours per week per operative	17.83	Y	3.57	21.40		16.75	Y	3.35	20.10		-6.1%	-1.08
• 0-28 days; 0-4 hours per week per operative	18.95	Y	3.79	22.74		16.75	Y	3.35	20.10		-11.6%	-2.20
ADJUSTMENTS ON SPOT/CONTRACT HIRE												
• Permanent Staff Allocation (contract hire per hour)	2.14	Y	0.43	2.57		2.14	Y	0.43	2.57		0.0%	0.00
• Permanent Staff Allocation (spot hire per hour)	7.61	Y	1.52	9.13		7.61	Y	1.52	9.13		0.0%	0.00

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VEHICLE HIRE												
• Response Vehicle (per hour)	11.14	Y	2.23	13.37		11.50	Y	2.30	13.80		3.2%	0.36
• Unmarked Vehicle (per hour)	5.57	Y	1.11	6.68		5.75	Y	1.15	6.90		3.2%	0.18
• Mileage (per mile)	0.64	Y	0.13	0.77		0.70	Y	0.14	0.84		9.4%	0.06
DEISTER POINTS												
• Installation (per point)	39.33	Y	7.87	47.20		39.33	Y	7.87	47.20		0.0%	0.00
• (Hire (per day)	0.33	Y	0.07	0.40		0.33	Y	0.07	0.40		0.0%	0.00
• Attendance Reports (per report)	39.33	Y	7.87	47.20		39.33	Y	7.87	47.20		0.0%	0.00
ANY OTHER ASSISTANCE												
• Per Hour Per Operative	68.86	Y	13.77	82.63		70.00	Y	14.00	84.00		1.7%	1.14
CCTV AND RADIO COMMUNICATION SERVICES												
CCTV SERVICES												
ANNUAL REGISTRATION AND COMPLIANCE AUDIT												
• Static Camera	11.79	Y	2.36	14.15		11.79	Y	2.36	14.15		0.0%	0.00
• ANPR Camera	18.22	Y	3.64	21.86		18.22	Y	3.64	21.86		0.0%	0.00
• PTZ Camera	32.15	Y	6.43	38.58		32.15	Y	6.43	38.58		0.0%	0.00
• Non public space per system	Variable	Y	Variable	Variable		Variable	Y	Variable	Variable			
ANNUAL MAINTENANCE FEE												
• ANPR Camera	180.04	Y	36.01	216.05		180.04	Y	36.01	216.05		0.0%	0.00
• Public Space Camera	721.21	Y	144.24	865.45		721.21	Y	144.24	865.45		0.0%	0.00
• Non public space per system	Variable	Y	Variable	Variable		Variable	Y	Variable	Variable			
PASSIVE MONITORING ON ACTIVATION PER SITE (SEE FEE FOR VISUAL VERIFICATION ABOVE)												
• Active Live Monitoring Only – Public Space without telemetry (per camera per day) (including transmission fees)	1.29	Y	0.26	1.55		1.29	Y	0.26	1.55		0.0%	0.00
• Active Live Monitoring Only – Public Space with telemetry (per camera per day) (including transmission fees)	3.32	Y	0.66	3.98		3.32	Y	0.66	3.98		0.0%	0.00
• Active Live Monitoring and Recording – Public Space without telemetry (per camera per day) (including transmission fees)	3.54	Y	0.71	4.25		3.54	Y	0.71	4.25		0.0%	0.00

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• Active Live Monitoring and Recording – Public Space with telemetry (per camera per day) (including transmission fees)	9.75	Y	1.95	11.70		9.75	Y	1.95	11.70		0.0%	0.00
• Automatic Number Plate Recognition Camera (per camera per day) (including transmission fees and connection to ANPR network) NOTE: The Service does not undertake active live monitoring on private space systems.	8.41	Y	1.68	10.09		8.41	Y	1.68	10.09		0.0%	0.00
CCTV DEVELOPMENT SERVICES												
CCTV ADVICE AND CONSULTANCY												
• Private Sector (per hour)	66.44	Y	13.29	79.73		66.44	Y	13.29	79.73		0.0%	0.00
• Up to 4 Camera System (per camera per annum)	1,678.18	Y	335.64	2,013.82		1,678.18	Y	335.64	2,013.82		0.0%	0.00
• 5-8 Camera System (per annum)	5,913.30	Y	1,182.66	7,095.96		5,913.30	Y	1,182.66	7,095.96		0.0%	0.00
• 9-12 Camera System (per annum)	8,280.54	Y	1,656.11	9,936.65		8,280.54	Y	1,656.11	9,936.65		0.0%	0.00
• 13-19 Camera System (per annum)	10,646.72	Y	2,129.34	12,776.06		10,646.72	Y	2,129.34	12,776.06		0.0%	0.00
• 20 or over Camera System (per annum)	14,193.84	Y	2,838.77	17,032.61		14,193.84	Y	2,838.77	17,032.61		0.0%	0.00
• Non Public Space	Variable	Y	Variable	Variable		Variable	Y	Variable	Variable			
RADIO COMMUNICATIONS EQUIPMENT												
• Radio Equipment and hire fee	27.86	Y	5.57	33.43		15.00	Y	3.00	18.00		-46.2%	-12.86
• Radio Equipment (airtime)	5.36	Y	1.07	6.43		15.00	Y	3.00	18.00		179.9%	9.64
REMOTE SECURITY SERVICES												
• Remote Operation of Traffic Control Barriers (per barrier)	4,372.28	Y	874.46	5,246.74		4,372.28	Y	874.46	5,246.74		0.0%	0.00
• Remote Operation of Visual Display Signage (including Snow Signs) (per sign)	1,858.22	Y	371.64	2,229.86		1,858.22	Y	371.64	2,229.86		0.0%	0.00
CONCIERGE SERVICE												
• Concierge Service per unit (Vetting by tenant)	204.68	Y	40.94	245.62		204.68	Y	40.94	245.62		0.0%	0.00
• Concierge Service per unit (Vetting by Control Room)	410.44	Y	82.09	492.53		410.44	Y	82.09	492.53		0.0%	0.00
EMERGENCY CONTROL CENTRE												
• Provision of Emergency Control Centre, Emergency Response and Command Rooms (per year)	8,241.96	Y	1,648.39	9,890.35		8,241.96	Y	1,648.39	9,890.35		0.0%	0.00

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
CCTV, SECURITY AND FIRST RESPONSE SERVICES												
ALARM RECEIVING CENTRE - PROTECTOR PACKAGES												
• GOLD – Including alarm and sound monitoring, alarm response and patrols, primary key holding, Line Guard and visual verification,	4,532.24	Y	906.45	5,438.69		4,668.21	Y	933.64	5,601.85		3.0%	135.97
• SILVER – Including alarm and sound monitoring, alarm response and patrols, secondary key holding and Line Guard.	3,636.25	Y	727.25	4,363.50		3,745.34	Y	749.07	4,494.41		3.0%	109.09
• BRONZE 1 – Including conventional alarm monitoring, alarm response and patrols and secondary key holding.	2,819.00	Y	563.80	3,382.80		2,903.57	Y	580.71	3,484.28		3.0%	84.57
• BRONZE 2 – Including alarm and sound monitoring, alarm response and patrols and primary key holding.	3,423.00	Y	684.60	4,107.60		3,525.69	Y	705.14	4,230.83		3.0%	102.69
ALARM MONITORING												
• Sentinel Alarm Monitoring	1,400.00	Y	280.00	1,680.00		1,442.00	Y	288.40	1,730.40		3.0%	42.00
• Galaxy Gold Alarm Monitoring	1,066.41	Y	213.28	1,279.69		1,098.40	Y	219.68	1,318.08		3.0%	31.99
• Conventional Alarm Monitoring	810.00	Y	162.00	972.00		834.30	Y	166.86	1,001.16		3.0%	24.30
STAFF HOME ALARM MONITORING												
• Monitoring and Advisor Only	110.00	Y	22.00	132.00		110.00	Y	22.00	132.00		0.0%	0.00
• Monitoring with Police Response	270.00	Y	54.00	324.00		270.00	Y	54.00	324.00		0.0%	0.00
• Monitoring with Police, Fire and Panic Attack Modes	420.00	Y	84.00	504.00		420.00	Y	84.00	504.00		0.0%	0.00
• Line Guard (was Paknet – replaced with a cheaper system)	285.00	Y	57.00	342.00		285.00	Y	57.00	342.00		0.0%	0.00
• Visual Verification	850.00	Y	170.00	1,020.00		850.00	Y	170.00	1,020.00		0.0%	0.00
• Trap Alarm Hire (per week)	28.50	Y	5.70	34.20		28.50	Y	5.70	34.20		0.0%	0.00
SMOKE ALARMS												
• Smoke Alarm not returned or damaged beyond repair	41.00	N	0.00	41.00		41.00	N	0.00	41.00		0.0%	0.00
KEYHOLDING												
• Primary key holder	420.00	Y	84.00	504.00		420.00	Y	84.00	504.00		0.0%	0.00
• Secondary key holder	290.00	Y	58.00	348.00		290.00	Y	58.00	348.00		0.0%	0.00
• Alarm call out if FRS is secondary key holder, but primary key • holder unavailable within 30 minutes	32.50	Y	6.50	39.00		32.50	Y	6.50	39.00		0.0%	0.00

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
• Alarm call out if FRS is not a key holder and no key holder is available within 30 minutes. After 30 minutes, charged at spot hire rate for static guard.	60.00	Y	12.00	72.00		60.00	Y	12.00	72.00		0.0%	0.00
• Key cutting (standard key)	5.50	Y	1.10	6.60		5.50	Y	1.10	6.60		0.0%	0.00
• Key cutting (specialist key – including master keys)	22.00	Y	4.40	26.40		22.00	Y	4.40	26.40		0.0%	0.00
KEY SAFE												
• Key Safe - supply and installation (£10 discount if installed at the same time as the helpline)	65.00	N	0.00	65.00		65.00	N	0.00	65.00		0.0%	0.00
• Installation charges - Helpline	40.00	N	0.00	40.00		40.00	N	0.00	40.00		0.0%	0.00
• Base unit and pendant - recharge for equipment lost or not returned or damaged beyond repair	149.00	N	0.00	149.00		149.00	N	0.00	149.00		0.0%	0.00
• Replacement Pendants (lost or damaged)	50.00	N	0.00	50.00		50.00	N	0.00	50.00		0.0%	0.00
LONE WORKER PROTECTION												
• Mobile device set up fee	58.55	Y	11.71	70.26		60.30	Y	12.06	72.36		3.0%	1.75
• GOLD risk device tracking (per month)	34.50	Y	6.90	41.40		35.54	Y	7.11	42.65		3.0%	1.04
• SILVER risk device tracking (per month)	23.00	Y	4.60	27.60		23.69	Y	4.74	28.43		3.0%	0.69
• BRONZE risk device tracking (per month)	12.55	Y	2.51	15.06		12.93	Y	2.59	15.52		3.0%	0.38
FLEET MOT CHARGES												
• MOT of Car	45.00	N	0.00	45.00		45.00	N	0.00	45.00		0.0%	0.00
• MOT of Minibus	55.00	N	0.00	55.00		55.00	N	0.00	55.00		0.0%	0.00
TRADE WASTE												
REFUSE COLLECTION												
• Sacks: 52 sacks (per year)	112.56	N	0.00	112.56		116.00	N	0.00	116.00		3.1%	3.44
• 140 Litre Wheeled Bins (per bin per year)	160.72	N	0.00	160.72		165.00	N	0.00	165.00		2.7%	4.28
• Second And Subsequent Bins (per bin per year)	119.85	N	0.00	119.85		123.00	N	0.00	123.00		2.6%	3.15
• 240 Litre Wheeled Bins (per bin per year)	237.24	N	0.00	237.24		244.00	N	0.00	244.00		2.8%	6.76
• Second And Subsequent Bins (per bin per year)	196.49	N	0.00	196.49		202.00	N	0.00	202.00		2.8%	5.51
• 360 Litre Wheeled Bins (per bin per year)	323.61	N	0.00	323.61		332.00	N	0.00	332.00		2.6%	8.39
• Second And Subsequent Bins (per bin per year)	287.58	N	0.00	287.58		295.00	N	0.00	295.00		2.6%	7.42
• 770 Litre Wheeled Bins (per bin per year)	682.84	N	0.00	682.84		700.00	N	0.00	700.00		2.5%	17.16
• Second And Subsequent Bins (per bin per year)	575.16	N	0.00	575.16		590.00	N	0.00	590.00		2.6%	14.84
• 1100 Litre Wheeled Bins (per bin per year)	878.07	N	0.00	878.07		899.00	N	0.00	899.00		2.4%	20.93
• Second And Subsequent Bins (per bin per year)	772.65	N	0.00	772.65		793.00	N	0.00	793.00		2.6%	20.35
RECYCLING (Trade Waste)												
• 140 Litre Wheeled Bins (per bin per year)	79.81	N	0.00	79.81		81.00	N	0.00	81.00		1.5%	1.19
• Second And Subsequent Bins (per bin per year)	59.50	N	0.00	59.50		61.00	N	0.00	61.00		2.5%	1.50
• 240 Litre Wheeled Bins (per bin per year)	117.84	N	0.00	117.84		120.00	N	0.00	120.00		1.8%	2.16

	2020/21 CHARGES					PROPOSED 2021/22 CHARGES					NET VARIANCE FROM PREVIOUS YEAR EXCL. VAT	
DESCRIPTION OF FEES	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)		% CHANGE	£ CHANGE EXCL. VAT
• Second And Subsequent Bins (per bin per year)	97.56	N	0.00	97.56		100.00	N	0.00	100.00		2.5%	2.44
• 360 Litre Wheeled Bins (per bin per year)	160.62	N	0.00	160.62		164.00	N	0.00	164.00		2.1%	3.38
• Second And Subsequent Bins (per bin per year)	142.89	N	0.00	142.89		146.00	N	0.00	146.00		2.2%	3.11
• 770 Litre Wheeled Bins (per bin per year)	339.28	N	0.00	339.28		347.00	N	0.00	347.00		2.3%	7.72
• Second And Subsequent Bins (per bin per year)	285.63	N	0.00	285.63		292.00	N	0.00	292.00		2.2%	6.37
• 1100 Litre Wheeled Bins (per bin per year)	436.24	N	0.00	436.24		447.00	N	0.00	447.00		2.5%	10.76
• Second And Subsequent Bins (per bin per year)	383.74	N	0.00	383.74		393.00	N	0.00	393.00		2.4%	9.26
DOMESTIC WASTE												
REPLACEMENT BINS												
• New Wheeled Bin 140l (Refuse)	29.75	N	0.00	29.75		30.00	N	0.00	30.00		0.8%	0.25
• New Wheeled Bin 140l (Recycling)	FREE	N	0.00	FREE		FREE	N	0.00	FREE		0.0%	0.00
• New Wheeled Bin 240l (Refuse)	33.05	N	0.00	33.05		34.00	N	0.00	34.00		2.9%	0.95
• New Wheeled Bin 240l (Recycling)	FREE	N	0.00	FREE		FREE	N	0.00	FREE		0.0%	0.00
• New Wheeled Bin 360l (Refuse) Standard	60.29	N	0.00	60.29		61.00	N	0.00	61.00		1.2%	0.71
• New Wheeled Bin 360l (Refuse) Lockable	79.76	N	0.00	79.76		80.00	N	0.00	80.00		0.3%	0.24
• New Wheeled Bin 360l (Recycling) Standard & Lockable	FREE	N	0.00	FREE		FREE	N	0.00	FREE		0.0%	0.00
• New Wheeled Bin 770l (Refuse)	306.58	N	0.00	306.58		314.00	N	0.00	314.00		2.4%	7.42
• New Wheeled Bin 770l (Recycling)	FREE	N	0.00	FREE		FREE	N	0.00	FREE		0.0%	0.00
• New Wheeled Bin 1100l (Refuse)	315.62	N	0.00	315.62		322.00	N	0.00	322.00		2.0%	6.38
• New Wheeled Bin 1100l (Recycling)	FREE	N	0.00	FREE		FREE	N	0.00	FREE		0.0%	0.00
• Reconditioned Wheeled Bin 140l (Refuse)	15.42	N	0.00	15.42		16.00	N	0.00	16.00		3.8%	0.58
• Reconditioned Wheeled Bin 140l (Recycling)	FREE	N	0.00	FREE		FREE	N	0.00	FREE		0.0%	0.00
• Reconditioned Wheeled Bin 240l (Refuse)	19.83	N	0.00	19.83		20.00	N	0.00	20.00		0.9%	0.17
• Reconditioned Wheeled Bin 240l (Recycling)	FREE	N	0.00	FREE		FREE	N	0.00	FREE		0.0%	0.00
• Delivery Charge for all Bin Delivery	FREE	N	0.00	FREE		FREE	N	0.00	FREE		0.0%	0.00
BULKY ITEM COLLECTION												
• Upto 3 bulky items (additional charge for white goods below)	19.00	N	0.00	19.00		19.00	N	0.00	19.00		0.0%	0.00
• Fee per additional bulky item thereafter	6.20	N	0.00	6.20		6.20	N	0.00	6.20		0.0%	0.00
• Additional charge per item (white goods only)	10.00	N	0.00	10.00		10.00	N	0.00	10.00		0.0%	0.00
• One free collection per year for residents on the Council's assist list	FREE	N	0.00	FREE		FREE	N	0.00	FREE		0.0%	0.00
WASTE ADMINISTRATION CHARGES												
• Redelivery of bin after suspension (trade waste)	30.00	N	0.00	30.00		35.00	N	0.00	35.00		16.7%	5.00
• Reducing contract (trade waste)	30.00	N	0.00	30.00		30.00	N	0.00	30.00		0.0%	0.00

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Appendix 8 - Budget Position 2021/22 post Budget Proposals

Estimated revenue position 2021/22	2021/22 £000
Prior Year Net Revenue Budget	292,845
Adjustment for new one off funding in 2020/21	(58,712)
Prior Year Adjusted Net Revenue Budget	234,133
2021/22 Adjustments to the Base Budget	
Adjustment for one off funding in 2020/21 Rough Sleeping Initiative	(37)
Adjustment for one off expenditure in 2020/21 - Creating a Better Place	(750)
Ringfence Flexible Homelessness Support Grant	(194)
Ringfence Homeless Reduction Grant	(164)
Flexible use of Capital Receipts 2020/21	3,750
Flexible use of Capital Receipts 2021/22	(2,000)
Total Adjustments to the Base Budget	605
Revised Base Position	234,738
Additional Expenditure Pressures for 2021/22 and future years	
Expenditure Pressures	
Unachieved budget reductions	2,089
Educational Services	421
Early Payment Scheme	120
Loss of Treasury Management Income	6,850
Covid Legacy - Income reductions / cost pressures	3,000
Covid Legacy - Home to School Transport	741
Covid Legacy - Other	3,996
Investment Fund	2,250
Pay Inflation	833
Contractual and Service Inflation	1,700
Childrens Social Care Growth	1,500
Adult Social Care Pressures demographics	1,500
Development Fund	0
Support for Third Party Provider	1,000
Inherent Liabilities	265
Software Licenses	125
Coroners Service	0
Passporting of Adult Social Care Precept (ASCP)	1,844
Revised Parish Precept	(1)
Total Expenditure Pressures	28,233
Impact of Levies	
GMCA - Waste Disposal Levy	(236)
GMCA - Transport Levy	0
Contributions to GM-Wide Activities	0
Environment Agency Levy	2
Total Impact of Levies	(234)
Budget Reductions	
Proposed Budget Reduction Proposals	(8,793)
Total Budget Reductions	(8,793)
Total Expenditure	253,944

Estimated revenue position 2021/22	2021/22 £000
Funded By:	
Government Grant	
Business Rates Top Up	41,748
Grants in Lieu of Business Rates	11,437
Improved Better Care Fund Grant	10,858
2021/22 Social Care Support Grant	8,947
Lower Tier Services Support Grant	407
Local Council Tax Support Grant	3,183
Covid Grant	7,737
Flexible Homelessness Support Grant	0
Homeless Reduction Grant	0
New Homes Bonus Grant	171
Lead Local Flood Authority Grant	0
Independent Living Fund (ILF) Grant	2,500
Housing Benefit Administration Grant	778
Council Tax Administration Grant	360
Total Government Grant Funding	88,126
Locally Generated Income	
Retained Business Rates	50,022
Council Tax Income	88,029
Adult Social Care Precept 2016/17	1,593
Adult Social Care Precept 2017/18	1,653
Adult Social Care Precept 2018/19	1,718
Adult Social Care Precept 2019/20	1,787
Adult Social Care Precept 2020/21	1,858
Adult Social Care Precept 2021/22	1,914
Parish Precepts	290
Collection Fund Defecit (20/21)	(161)
Total Locally Generated Income	148,703
Total Funding	236,829
Budget Reduction Requirement	17,115
Collection Fund Deficit – impact of Business Rates Reliefs	25,463
Adjusted Budget Reduction Requirement	42,578
Use of Reserves	
Collection Fund Deficit – Business Rates compensation	(25,463)
Budget Reduction REF-BR1-432	(127)
Specific Reserve - Local Tax Income Guarantee	(1,000)
General Use of Reserves	(15,988)
Total Use of Reserves	(42,578)
Net Gap/Budget Reduction Requirement	0

Appendix 9 - Summary MTFS Position 2021/22 to 2023/24 post Budget Proposals

Estimated revenue position 2021/22	2021/22 £000	2022/23 £000	2023/24 £000
Prior Year Net Revenue Budget	292,845	236,829	228,794
Adjustment for new one off funding in 2020/21	(58,712)		
Prior Year Adjusted Net Revenue Budget	234,133	236,829	228,794
Total Adjustments to the Base Budget	605	11,378	12,012
Revised Base Position	234,738	248,207	240,806
Total Expenditure Pressures	28,233	12,424	14,249
Total Impact of Levies	(234)	348	247
Total Budget Reductions	(8,793)	0	0
Total Expenditure	253,944	260,979	255,302
Total Government Grant Funding	88,126	77,325	77,245
Total Locally Generated Income	148,703	151,469	156,493
Total Funding	236,829	228,794	233,738
Budget Reduction Requirement	17,115	32,185	21,564
Collection Fund Deficit – impact of Business Rates Reliefs	25,463	0	0
Adjusted Budget Reduction Requirement	42,578	32,185	21,564
Total Use of Reserves	(42,578)	(12,012)	0
Net Gap/Budget Reduction Requirement	0	20,173	21,564
Future Years Budget Reductions		(6,050)	(4,756)
Net Gap/Budget Reduction Requirement	0	14,123	16,808

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PAY POLICY STATEMENT 2021/22

Introduction & Purpose

1. Under section 112 of the Local Government Act 1972, the Council has the 'power to appoint officers on such reasonable terms and conditions as the Authority thinks fit'. This Pay Policy Statement (the 'Statement') sets out the Council's approach to pay policy in accordance with the requirements of Section 38 to 43 of the Localism Act 2011.
2. The purpose of the Statement is to provide transparency and accountability with regard to the Council's approach to setting the pay of its employees (excluding teaching and other school staff working for the Local Authority under the purview of the School Governing Body) by identifying;
 - the methods by which salaries of employees are determined;
 - the detail and level of remuneration of its most senior staff, i.e. 'chief officers', as defined by the relevant legislation; and
 - the Committee(s) responsible for ensuring the provisions set out in this statement are applied consistently throughout the Council and recommending any amendments to the full Council.

Publication

3. This statement will be reviewed and prepared for each financial year then approved by full Council, usually by the end of March each year, or at the earliest Council in the financial year for which it applies. It will be published on the Council's website as soon as it is reasonably practical following any amendment and approval. For 2021/22 the approval will be at the Budget Council meeting of 04 March 2021.
4. Alongside this statement will be full details of all senior employees of the Council (excluding teachers and school-based staff) that have a salary over the threshold outlined in the Localism Act 2011 and any associated Codes of Practice, including the Local Government Transparency Code 2015. This Statement is linked to Council's Annual Statement of Accounts where we are required to publish the full-time equivalent salaries which are at least £50,000 per annum. It should be noted that an updated version of the appendices attached to this Statement may be published during 2021/20 to allow for any pay award that is agreed at a national level and therefore, other roles across the organisation may be subject to inclusion at a later stage.

Other Legislation Relevant To Pay And Remuneration

5. In determining the pay and remuneration for all of its employees, the Council will comply with all relevant employment legislation. This includes legislation such as the Equality Act 2010, inclusive of the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 which specifies Gender Pay Gap Reporting for public bodies with 250 employees or more, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, and where relevant, the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE).
6. The Council is committed to the principles of equal pay for all employees, and to ensure consistency and fairness within its pay structures. Differentials in grades can be objectively justified using analytical job evaluation mechanisms, which determine the relativities between posts according to the requirements, demands, skills and responsibilities of the role.

Pay Structure

7. The Council uses nationally negotiated pay spines with a defined list of salary points as the basis for its local pay structure. These salary scales determine the salaries of the majority of its non-schools workforce, together with the use of locally determined grades where these do not apply. The current salary scales in use by the Council are available to view on the Council's website.
8. The Council adopts the national pay bargaining arrangements in respect of the establishment and revision of the national pay spines. All other pay related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery.
9. Most staff at Oldham Council are employed under the National Joint Council (NJC) terms and conditions (Green Book) and salaries for job roles are determined by the points score associated with the job role through the appropriate job evaluation scheme. For employees within grades 1 to 10, the NJC Job Evaluation Scheme is used, created specifically for jobs within Local Government. Employees on senior management grades are evaluated through the HAY Scheme, widely used for evaluating senior jobs, in both the private and public sector, nationally and internationally. Single Status, harmonising former officers and former manual workers, was implemented by the Council on 1 January 2011.
10. In determining its grading structure and setting remuneration levels for any posts which fall outside this scope, the Council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees who are able to meet the requirements of providing high quality services to the community, delivered effectively and efficiently and at times when those services are required.
11. New appointments will normally be made at the minimum of the grade for the relevant pay scale, although this can be varied where the successful candidate is

currently on a spinal column point/salary that is higher than minimum of the grade/salary of the job being recruited to. Where this occurs, there is guidance in the Council's Starting Salary Policy to ensure consistency of application across the organisation.

12. From time to time it may be necessary to take account of the external pay levels in the labour market in order to attract and retain employees with particular experience, skills and capability. Where necessary, the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators and benchmark information, using data sources available from within the Local Government sector and outside, as appropriate.

Pension Contributions

13. Where employees have exercised their statutory right to membership of the Local Government Pension Scheme, the Council is required to contribute to the scheme representing a percentage of the pensionable remuneration due under the contract of employment for that employee. The rate of contribution is set by Actuaries advising the Greater Manchester Pension Fund and is reviewed on a triennial basis in order to ensure the scheme is appropriately funded. The current triennial period began on 1 April 2020, and rates for employer's contributions can be found in the Actuarial Valuation Reports on the Greater Manchester Pensions Fund (GMPF) website. The employee contribution rates are banded at 5.5% to 12.5%, depending on the level of annual salary.
14. Oldham Council has a flexible retirement scheme which is run in accordance with the Local Government Pension Scheme and Regulation 18 of the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (SI 2007/1166) as amended by the Local Government Pension Scheme (Miscellaneous) Regulations 2012 (SI 2012/1989).
15. There are other pension schemes which are in operation at the Council. There is a separate pension scheme for Teachers and a separate pension scheme for transferred NHS staff that still remain on their existing TUPE terms and conditions.

Senior Salaries

16. Under the Accounts and Audit Regulations 2015 (Statutory Instrument 2015/234), the Council already publishes the number of employees where their remuneration was at least £50,000 over the year, in brackets of £5,000. In line with the Local Government Transparency Code 2015, Table 1 states for Directors and above; their grade, type of contract, salary, allowances, services directed and the approximate number of staff they are responsible for. An overview of budget responsibilities can be found in the Council's 'Budget Book', which is published on its website.

17. For other senior managers covered in the scope of this Pay Policy Statement, Table 1 gives details of their pay in brackets of £5,000, grade, services managed and their contract type. Chart 1 shows the organisational chart of the job roles set out in Table 1, which are linked using common job titles.

Chief Officer Remuneration

18. For the purposes of this statement, senior management means ‘chief officers’ as defined within the Localism Act. This includes the Chief Executive, as Head of Paid Service, the Deputy Chief Executive, statutory chief officers, plus chief officers reporting directly to the Chief Executive.
19. It is the policy of the Council to establish a salary for each chief officer post that is sufficient to attract and retain an employee with the appropriate knowledge, experience, skills and abilities that are needed, at that time, by the Council.
20. The arrangements and factors considered in determining, where appropriate, an individual’s progression through the relevant grade pay scale are set out at the time of appointment, with the individual ‘chief officer’. The level of remuneration does not vary depending on the achievement of defined targets, although progression through the incremental scale of the relevant grade is subject to satisfactory performance, which is assessed on an annual basis. Oldham Council does not pay bonus payments.
21. To meet specific operational requirements, it may be necessary for an individual chief officer to temporarily take on additional duties to their identified role. The Council authorises such additional payments which may be relevant to those duties through the Selection Committee, or other constitutionally approved mechanism.
22. Some chief officer posts carry additional payments. These additional payments are supplementary to basic salary and may represent a contractual obligation. The amounts and types of additional payments are shown in Table 1.
23. The Chief Executive’s salary does include payment for local election duties and no additional remuneration is made for those duties. Separate payments are received for any returning officer duties arising from parliamentary elections, regional elections and referendums. It should be noted that payments for such elections are not funded by the Council.
24. The Chief Executive is employed on JNC Chief Executive terms and conditions, and other chief officers are employed on JNC Chief Officer terms and conditions, as are other senior management posts within the Council. These conditions of service have national collective bargaining to determine their pay rise for the cost of living, which is applied when awarded.

Recruitment Of Chief Officers

25. The Council's procedure with regard to the recruitment of chief officers is outlined within Part 4, Officer Employment Procedure Rules within the Council's Constitution and is undertaken by a Selection Committee, or other constitutionally approved mechanism. There is a copy of the Council's Constitution on the Council's website to view for further details.
26. When recruiting to all posts, the Council will take full and proper account of all provisions of relevant employment and equality law and its own Recruitment and Redeployment Policies.
27. When recruiting to a chief officer vacancy the Council may engage a recruitment agency to provide external objectivity to the process. In that event, the agency may be used to: determine the market rate for the role, in the market quartile the Council is seeking to compete in at that time; generate interest in the role from potential applicants from inside and outside the sector; conduct the long listing exercise; co-ordinate any personality assessment, group and technical exercises; conduct the short listing exercise with members of the Selection Committee, or other constitutionally approved mechanism, and facilitate the interview sessions, providing a technical advisor to the interview panel when necessary.
28. The selection of a chief officer is made by a panel of Elected Members and the Selection Committee, or other constitutionally approved mechanism, who have delegated authority to appoint through the Council's Scheme of Delegation. The only exception to this is the appointment of the Chief Executive (Head of Paid Service) whose appointment must be recommended to and approved by full Council. The Selection Committee, or other constitutionally approved mechanism, is supported by the line manager of the post being recruited to and/or advised where necessary by a technical adviser on the service area in addition to the Director of Workforce & Organisational Development (Council & CCG) (or their nominee).
29. Full Council will consider the case for any salary in excess of £100,000, prior to any appointment to the 'chief officer' posts that it relates. The salary package will be defined as basic salary, any performance related pay, fees, routinely payable allowances and benefits in kind, that are due under the contract.
30. Where the Council is unable to recruit chief officers, or there is a need for interim support to provide cover for a substantive chief officer post, the Council may, where necessary, consider engaging individuals under a 'contract for service' rather than making a temporary appointment. These individuals will be sourced through a relevant procurement process ensuring the Council is able to demonstrate the maximum value for money in securing the relevant service. In assessing such it should be noted that in respect of such engagements the Council will be fully compliant with the 'off payroll' working rules and will only engage such workers where an arrangement is in place to deduct tax and national insurance contributions in line with 'off payroll' working rules. The contractual arrangements for each of our chief officers are highlighted within Table 1.

Payments On Termination

31. The Council's approach to statutory and discretionary payments on termination of employment of chief officers and its other employees, prior to reaching normal retirement age, and is covered within the Redundancy Policy, in accordance with regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 and Regulation 12 of the Local Government Pension Scheme (Benefits, Membership and Contribution) Regulations 2007. This excludes teachers where there are different pension arrangements. The Council's current Redundancy Policy is available to view on the Council's website.
32. Any payments falling outside these provisions or the relevant periods of notice within the contract of employment shall be subject to a rigorous risk assessment, as they would be for any member of staff within the Council, and a formal decision will be made by the Director of Workforce and Organisational Design (Council & CCG) and the Director of Legal Services of the Council.
33. The Council is fully compliant on regulations and frameworks regarding exit payments, including the Restriction of Public Sector Exit Payments Regulations 2020, which ensures a fair and appropriate level of compensation is provided for employees who are required to leave public sector jobs. The 2020 Regulations apply an overall 'cap' to limit the value of exit payments when employment in a public sector job is terminated. The types of exit payments include redundancy payments (inclusive of statutory redundancy payments) and 'pension strain' costs, where an additional employer contribution is made if an employee is leaving through early retirement, which will reduce/eliminate an actuarial reduction in their pension. Currently the Government has set the exit cap at £95,000.

Lowest Paid Employees

34. Oldham Council is committed to tackling positively the socio-economic and health inequalities associated with low pay. The Council has chosen to pay the Living Wage since April 2015 and has recently been accredited as a Living Wage Employer by the Living Wage Foundation. Increases in the Foundation Living Wage are announced each November, in line with the latest research, and the Council implements the rise in its minimum hourly rate (if required) within six months.
35. Full time hours at Oldham Council are 36 hours and 40 minutes per week for employees on NJC terms and conditions.
36. The relationship between the rate of pay for the lowest paid and the Chief Executive is determined by the processes used for determining pay and grading structures, as set out earlier in this policy statement. The Council runs a successful apprenticeship and paid traineeship programme, offering opportunities in a number of different careers across the Council, and these roles are not considered to be within the definition of the 'lowest paid' employees. This relationship is expressed as a ratio in Table 2, which also shows the multiple between the median

full-time equivalent earnings and the earnings of the Chief Executive. Oldham Council has a commitment that the ratio between its highest earner, the Chief Executive, and those who are the lowest paid, will not exceed 1:11.

Accountability And Decision Making

37. In accordance with the constitution of the Council, the Selection Committee, or other constitutionally approved mechanism, is responsible for decision making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to chief officers. Accountability and decision making for all other employees of the Council is the responsibility of the Deputy Chief Executive, Strategic and Managing Directors through the Council's Scheme of Delegation.

Re-Employment / Re-Engagement Of Former Employees

38. Oldham Council has an obligation to ensure that it is managing public monies responsibly against any requirements to achieve savings and reductions in posts through voluntary or compulsory redundancy, efficiency release or employer consent retirement which results in a cost to the Council.
39. The Council will not re-engage ex-employees who have left their prime employment with the Council on the grounds of voluntary or compulsory redundancy, efficiency release or employer consent retirement (where there is a cost to the Council) for a period of 12 months with effect from the date of leaving. This policy does not cover those employees who access their pension via the Council's Flexible Retirement Scheme, as those employees remain employed by the Council, or to employees who early retire where there is no cost to the Council.

Table 1 - Senior Management Remuneration

Executive Management Team						2020/21
Job Title	Grade	Salary Range	Contract Type	Additional Payments	Responsibilities:	No. of Employees
Chief Executive, Oldham Council and Accountable Officer (NHS Oldham CCG) <i>Note: 50% of this post is funded by NHS Oldham CCG</i>	Chief Executive	£185,169	Permanent	–	Executive direction for the Council to achieve its co-operative vision through: ▪ Accountable for the overall performance of the Council and the Council's net revenue budget ▪ Head of Paid Service ▪ Returning Officer for the Elections	2,637
Deputy Chief Executive <i>Note: 20% of this post is funded by Unity Partnership Ltd</i>	Deputy Chief Executive	£130,000 - £140,000	Permanent	–	Executive direction for the following services: ▪ Environmental Management ▪ Economy ▪ Regeneration ▪ Interim Managing Director for Unity Partnership Ltd	1,079
Strategic Director of Communities & Reform	Chief Officer	£122,000 - £130,000	Permanent	–	Executive direction for the following services: ▪ Transformation, Human Resources & Organisational Development ▪ Public Health ▪ Communities, Youth & Leisure Services ▪ Libraries, Heritage & Arts ▪ Strategy, Communications, Policy & Performance	382
Managing Director for Children and Young People (DCS)	Chief Officer	£120,000 - £130,000	Permanent	–	Executive direction for the following services: ▪ Statutory Officer for Children's Services (DCS) ▪ Children's social services & Early Help ▪ Education & Early Years, plus Employment & Skills	772
Managing Director for Community Health & Adult Social Care (DASS) <i>Note: 50% of this post is funded by the Northern Care Alliance NHS Group</i>	Chief Officer	£110,000 - £130,000	Permanent	–	Executive direction for the following services: ▪ Statutory Officer for Adult Social Care (DASS) ▪ Community health and social care services including specialist services, i.e. Learning Disabilities & Mental Health ▪ Integrated Commissioning of Adult Social Care (Joint responsibility) ▪ Community Business Services	241

Executive Management Team						2020/21
Job Title	Grade	Salary Range	Contract Type	Additional Payments	Responsibilities:	No. of Employees
Strategic Director Joint Commissioning / Chief Operating Officer (CCG) <i>Note: 50% of this post is funded by NHS Oldham CCG</i>	NHS	£127,500	Permanent	–	Executive direction for the following services: ▪ Corporate Finance, Corporate Financial Planning & Corporate Financial Management ▪ Corporate Governance & Procurement ▪ Integrated Commissioning of Adult Social Care (Joint responsibility)	100

Senior Managers							2020/21
Directorate	Job Title	Grade	Salary Range	Contract Type	Additional Payments	Responsibilities:	No. of Employees
Chief Executive	Director of Legal Services	Director	£101,205	Permanent	–	Executive direction for the following services: ▪ Legal Service ▪ Statutory Monitoring Officer ▪ Constitutional & Democratic Services ▪ Registrars ▪ Elections & Member Services	51
People & Place	Director of Environmental Management	Director	£84,658 - £93,411	Permanent & Part-time	£4,129 Additional Hours	Strategic direction for the following services: ▪ Waste, Fleet & Highways Operation ▪ Street Scene & Parks ▪ Strategic Transportation, Highways (Unity Client) & Street Lighting (Client) ▪ Public Protection & Building Control	439
People & Place	Director of Economy	Director	£84,658 - £93,411	Permanent	–	Strategic direction for the following services: ▪ Physical regeneration development (including Joint Ventures & Education Capital Programme) ▪ Asset management (Client) ▪ Corporate Landlord (including Facilities Management) & Car Parking ▪ Catering & Cleaning ▪ Strategic Housing, Development & Homelessness ▪ Strategic Planning & Development Control	637
Communities and Reform	Director of Public Health	Director	£84,658 - £94,235	Permanent	–	Holds the Statutory role for the Director of Public Health, plus: ▪ Youth, Leisure, Sports Development & Communities ▪ Heritage, Libraries & Arts	266
Communities and Reform	Director of Workforce & Organisational Design (Council & CCG)	Director	£102,750	Permanent	–	Strategic direction for the following services: ▪ Workforce Strategy ▪ Transformation and Reserve ▪ Unity Client for Human Resource Services ▪ Organisational Development and Design	64
Communities and Reform	Assistant Director for Communications, Strategy & Performance	Asst. Director	£72,983 - £81,738	Permanent	–	Management direction for the following services: ▪ Communications & Research ▪ Strategy and Performance	52

Senior Managers							2020/21
Directorate	Job Title	Grade	Salary Range	Contract Type	Additional Payments	Responsibilities:	No. of Employees
Children and Young People	Director of Education, Skills & Early Years	Director	£84,658 - £93,411	Permanent	–	Strategic direction for the following services: ▪ Education Improvement ▪ Inclusion ▪ SEND & SEN Support ▪ Employment & Skills ▪ Education Provision - Post 16 ▪ Post 16 & Business Development	344
Children and Young People	Director of Children's Social Care	Director	£96,585	Permanent	–	Strategic direction for the following services: ▪ Early Help & Family Connect ▪ Children's Social Care Management ▪ Children's Commissioning ▪ Children's Safeguarding	428
Community Health & Adult Social Care	Deputy Managing Director - Community Health & Adult Social Care	Asst. Director	£72,983 - £81,738	Permanent	–	Strategic direction for the following services: ▪ Adult Social Care ▪ Learning Disabilities & Mental Health ▪ Strategic Safeguarding	158
Community Health & Adult Social Care	Interim Assistant Director for Joint Commissioning	Asst. Director	£72,983 - £81,738	Acting	–	Management direction for the following services: ▪ Joint commissioning ▪ Develop comprehensive range of evidence based services commissioned with available resource	16
Legal Services	Assistant Borough Solicitor	Asst. Director	£72,983 - £81,738	Permanent	£5,000 Honorarium for Greater Manchester Combined Authority responsibilities	Management direction for the following services: ▪ Policy Legal team ▪ Community Legal team ▪ Environment Legal team ▪ Family Legal team	33
Commissioning	Director of Finance	Director	£101,205	Permanent	–	Holds the Statutory role for the Chief Finance and Section 151 Officer and Strategic direction for the following services: ▪ Financial Planning & Financial Management ▪ Traded service for Schools Budget Support ▪ Internal Audit, Fraud, Risk Management & Insurance ▪ Corporate Complaints ▪ Information Governance ▪ Client function for Unity Exchequer Services ▪ Welfare Rights	94

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
Chief Executive	Executive Office	Head of Executive Services and Special Projects (Council and NHS Oldham CCG)	SM1	£60,001 - £65,000	Permanent	–	Management direction of: - Executive Office / Executive Support - Corporate Affairs and support (CCG) - Special Projects and Corporate Priorities
People & Place	Environmental Management	Head of Public Protection	SM1	£65,001 - £70,000	Permanent	£500 - Car Allowance £1,313 - Standby	Management direction for the following services: ▪ Environmental Health ▪ Health & Safety ▪ Trading Standards ▪ Licencing ▪ Building Control
People & Place	Environmental Management	Environmental Health Manager	SM2	£50,001 - £55,000	Permanent	£500 - Car Allowance £4,913 - Standby £3,898 - Additional Hours	Operational direction for the following services: ▪ Environmental Health ▪ Health & Safety
People & Place	Environmental Management	Trading Standards & Licencing Manager	SM3	£50,001 - £55,000	Permanent	£500 - Car Allowance £2,539 - Unsocial Hours Banding £750 - Standby	Operational direction for the following services: ▪ Trading Standards ▪ Licencing ▪ Animal welfare
People & Place	Environmental Management	Response Services Manager	SM3	£50,001 - £55,000	Permanent	£500 - Car Allowance £3,025 - Standby £80 - Plain time	Operational direction for the following services: ▪ First Response Security Services & CCTV ▪ Emergency Planning ▪ Pest Control & Dog Wardens ▪ Home Improvement Equity Loan Scheme
People & Place	Environmental Management	Principal Building Control Manager	SM3	£50,001 - £55,000	Permanent	£500 - Car Allowance	Operational direction for the following services: ▪ Building Regulations ▪ Dangerous Buildings

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
People & Place	Environmental Management	Head of Operational Services	SM1	£65,001 - £70,000	Permanent	£500 - Car Allowance	Management direction for the following services: ▪ Waste management services including trade waste & recycling ▪ Highways operations ▪ Fleet management ▪ Strategic Transport Policy ▪ Delivery of contracts for the Greater Manchester Combined Authority
People & Place	Environmental Management	Principal Transport & Highways Policy Officer	SM3	£50,001 - £55,000	Permanent	–	Operational direction for the following services: ▪ Highways and Transport policy and strategy, including public transport ▪ Manage the highways client function
People & Place	Environmental Management	Joint Authority Streetlighting PFI Project Manager	SM3	£50,001 - £55,000	Permanent	£500 - Car Allowance	Operational direction for the following services: ▪ Project management of the streetlighting PFI contract for both Oldham and Rochdale local authorities
People & Place	Environmental Management	Head of Environmental Services	SM1	£65,001 - £70,000	Permanent	£500 - Car Allowance £300 - Standby	Management direction for the following services: ▪ Parks and open spaces ▪ Street Cleansing ▪ Countryside Service ▪ Cemeteries and crematorium
People & Place	Economy	Head of Planning & Development Control	SM1	£60,001 - £65,000	Interim	–	Management direction for the following services: ▪ Planning applications & development control ▪ Enforce planning contraventions ▪ Strategic Planning
People & Place	Economy	Principal Highways Engineer (Planning)	SM3	£50,001 - £55,000	Permanent	£500 - Car Allowance	Assesses highways implications of planning applications and provides appropriate comments, plus co-ordinates highways engineering input into the preparation of planning briefs.
People & Place	Economy	Development Management Team Leader	SM3	£50,001 - £55,000	Permanent	£500 - Car Allowance	Operational direction for the following services: ▪ Provision of technical input and advice to support the council's planning and development control obligations

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
People & Place	Economy	Principal Planning Officer (Strategy)	SM3	£50,001 - £55,000	Permanent	–	Operational direction for the following services: ▪ Provision of technical input and advice to support the council's strategic planning obligations
People & Place	Economy	Head of Strategic Asset Management & Facilities Management	SM1	£65,001 - £70,000	Permanent	£500 - Car Allowance	Management direction for the following services: ▪ Leading on "One Public Estate" work on behalf of the Council ▪ Client Manager for Unity Partnership Ltd function including Corporate Landlord ▪ Facilities Management, Cleaning, Catering & Car Parking
People & Place	Economy	Catering Manager	SM3	£50,001 - £55,000	Permanent	£500 - Car Allowance	Operational direction for the following services: ▪ The traded service of School Meals across the Borough as a viable, commercial business
People & Place	Economy	Head of Strategic Regeneration & Development	SM1	£65,001 - £70,000	Permanent	£500 - Car Allowance	Management direction for the following services: ▪ Delivery of key projects identified within the Council's capital programme ▪ Delivery of major high quality regeneration projects, covering both the Town Centre and the Borough of Oldham
People & Place	Economy	Team Leader: Capital Projects	SM2	£50,001 - £55,000	Permanent	£500 - Car Allowance	Operational direction for the following services: ▪ Managing the Capital Projects team ▪ Assisting in the development of the Council's regeneration strategies and managing their implementation through the delivery of a programme of physical regeneration projects
People & Place	Economy	Team Leader: Town Centre Masterplan	SM2	£50,001 - £55,000	Permanent	–	Operational direction for the following services: ▪ Managing the Town Centre Regeneration team ▪ Assisting in the development of the Council's regeneration strategies and managing their implementation through the delivery of a programme of physical regeneration projects

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
People & Place	Economy	Principal Regeneration Surveyor	SM3	£50,001 - £55,000	Permanent	–	Provision of specialist property and valuation advice, plus undertake detailed valuations of land and property for development projects, acquisitions and disposals, in addition to managing regeneration projects.
People & Place	Economy	Principal Regeneration Officer	SM3	£50,001 - £55,000	Permanent	£500 - Car Allowance	Implementing the council's regeneration strategy through delivering a programme of physical regeneration projects, undertaking end to end programme management, including project plans, consultation and budget management.
People & Place	Economy	Capital Programmes & Special Projects Manager	SM3	£50,001 - £55,000	Permanent	–	Responsibility for project management of the council's capital investment programme; monitoring milestones, management of budgets and risk, and that outputs are being delivered effectively, plus giving advice to the Capital Investment Partnership Board.
People & Place	Economy	Town Centre & Markets Manager	SM3	£50,001 - £55,000	Permanent	£2,539 - Unsocial Hours Banding	Develop and deliver the strategy for the town centre and Oldham markets from both an operational and commercial excellence perspective to contribute towards the economic prosperity of the Borough.
People & Place	Economy	Head of Housing & Property Partnerships	SM1	£60,001 - £65,000	Permanent	£500 - Car Allowance	Management direction for the following services: ▪ Delivery of successful private sector development & other physical investment in the Borough ▪ Leading on appraisals for major property development, obtain property evaluations and advise on all property matters in connection to the Council's physical regeneration programme
People & Place	Economy	Team Leader: Housing Strategy	SM2	£50,001 - £55,000	Permanent	–	Operational direction for the following services: ▪ Managing the Strategic Housing team ▪ Assisting to development the Council's housing strategies and managing their implementation through the delivery of a variety of programmes, contracts and initiatives

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
People & Place	Economy	Principal Surveyor - Regeneration	SM3	£50,001 - £55,000	Permanent	£500 - Car Allowance	Provision of specialist property and valuation advice, plus undertake detailed valuations of land and property for development projects, acquisitions and disposals, in addition to managing regeneration projects.
People & Place	Economy	Principal Regeneration Officer	SM3	£50,001 - £55,000	Permanent	£500 - Car Allowance	Implementing the council's regeneration strategy through delivering a programme of physical regeneration projects, undertaking end to end programme management, including project plans, consultation and budget management.
Communities and Reform	Public Health	Head of Covid-19 Test & Trace	SM1	£60,001 - £65,000	Fixed Term	–	Responsible for the design and implementation of the local testing strategy for Covid-19 and the Borough's contact tracing arrangements. Managing the consequences of local outbreaks in complex settings and amongst vulnerable populations, linking in with the national track and trace programme
Communities and Reform	Public Health	Consultant in Public Health	Asst. Director	£80,001 - £85,000 Actual Salary £40,869	Fixed Term	–	Management direction for the following services: ▪ Provision of expert public health advice and leadership ▪ Developing and utilising information and intelligence systems to underpin public health action across Oldham ▪ Development and delivery of national, regional and local policies, and interdisciplinary strategic plans and programmes
Communities and Reform	Public Health	Public Health Specialist - Primary Care, Community Services, Respiratory	SM2	£50,001 - £55,000	Permanent	–	Management of the following areas: ▪ Plan, design and lead the development and delivery of public health programmes of work ▪ Public health promotion ▪ Manage a significant portfolio of commissioned services, setting budgets and ensuring value for public money

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
Communities and Reform	Public Health	Public Health Specialist - Vascular	SM2	£50,001 - £55,000 Actual salary £49,247	Permanent	–	Management of the following areas: - Plan, design and lead the development and delivery of public health programmes of work - Public health promotion - Manage a significant portfolio of commissioned services, setting budgets and ensuring value for public money
Communities and Reform	Public Health	Senior Nurse - Health Protection	SM2	£50,001 - £55,000	Permanent	£500 - Car Allowance	Contributing to the development and effective implementation of robust plans for health protection within Oldham, act as the lead source of information for: Health Protection issues, infection control, communicable disease, non-communicable environmental hazards and screening & immunisation
Communities and Reform	Public Health	Consultant in Public Health (Healthcare & Public Health)	Asst. Director	£80,001 - £85,000	Permanent	–	Management direction for the following services: - Provision of expert public health advice and leadership - Developing and utilising information and intelligence systems to underpin public health action across Oldham - Development and delivery of national, regional and local policies, and interdisciplinary strategic plans and programmes
Communities and Reform	Public Health	Consultant in Public Health (Health & Wellbeing)	Asst. Director	£70,001 - £75,000	Vacant	–	Management direction for the following services: - Provision of expert public health advice and leadership - Developing and utilising information and intelligence systems to underpin public health action across Oldham - Development and delivery of national, regional and local policies, and interdisciplinary strategic plans and programmes

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
Communities and Reform	Public Health	Public Health Specialist - Primary Care, Community Services, Respiratory	SM2	£50,001 - £55,000	Permanent	–	Management of the following areas: - Plan, design and lead the development and delivery of public health programmes of work - Public health promotion - Manage a significant portfolio of commissioned services, setting budgets and ensuring value for public money
Communities and Reform	Public Health	Assistant Director for Youth, Leisure & Communities	Asst. Director	£75,001 - £80,000	Permanent	–	Management direction for the following services: - Youth Services - Sports Development and Coaching - Outdoor Education - Study Support - Stronger Communities & Community Cohesion - Community Safety - District Partnerships
Communities and Reform	Public Health	Study Support Manager	Soulbury	£50,001 - £55,000	Permanent	£500 - Car Allowance	Management direction for creative, innovative and bespoke outreach education programmes at Laticzone. Contributing to raising aspirations and standards in both attainment and personal/social achievement
Communities and Reform	Public Health	Head of Violence Reduction	SM2	£50,001 - £55,000	Seconded	£500 - Car Allowance £650 - Standby	Leading on the development and introduction of a strategic model for partnership responses to serious violence and the community safety element of complex and contextual safeguarding
Communities and Reform	Public Health	Assistant Head of Youth and Leisure	SM3	£50,001 - £55,000	Permanent	£500 - Car Allowance	Operational direction for the following services: - Sports development service - Running programmes for schools to encourage healthy lifestyles and provide positive opportunities for young people to be more physically active in their everyday life

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
Communities and Reform	Public Health	Youth Service Manager	SM3	£50,001 - £55,000	Permanent	–	Operational direction for the following services: ▪ Youth service ▪ Providing opportunities for young people to be actively engaged in decision making through forums such as the Oldham Youth Council, Children in Care Council and Barrier Breakers Group
Communities and Reform	Public Health	Stronger Communities Manager	SM3	£50,001 - £55,000	Permanent	£800 - Standby	Operational direction for the following services: ▪ Stronger Communities team ▪ Leading on workstreams relating to community cohesion, working with emerging communities, commissioning third sector infrastructure support and maintaining strong working relationships with key third sector organisations.
Communities and Reform	Public Health	District Co-ordinator	SM3	£50,001 - £55,000	Permanent	£450 - Standby	Operational direction for the following services: ▪ Support for Elected Members in their role to be effective local leaders ▪ Services that have been devolved to the district level ▪ Collaboration and partnership development with public and private sector providers including Parish Councils, local businesses, social enterprises, community and voluntary sector organisations
Communities and Reform	Public Health	District Co-ordinator	SM3	£50,001 - £55,000	Permanent	£450 - Standby	Operational direction for the following services: ▪ Support for Elected Members in their role to be effective local leaders ▪ Services that have been devolved to the district level ▪ Collaboration and partnership development with public and private sector providers including Parish Councils, local businesses, social enterprises, community and voluntary sector organisations

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
Communities and Reform	Public Health	District Co-ordinator	SM3	£50,001 - £55,000	Permanent	–	Operational direction for the following services: ▪ Support for Elected Members in their role to be effective local leaders ▪ Services that have been devolved to the district level ▪ Collaboration and partnership development with public and private sector providers including Parish Councils, local businesses, social enterprises, community and voluntary sector organisations
Communities and Reform	Public Health	District Co-ordinator	SM3	£50,001 - £55,000	Permanent	£450 - Standby	Operational direction for the following services: ▪ Support for Elected Members in their role to be effective local leaders ▪ Services that have been devolved to the district level ▪ Collaboration and partnership development with public and private sector providers including Parish Councils, local businesses, social enterprises, community and voluntary sector organisations
Communities and Reform	Public Health	District Co-ordinator	SM3	£50,001 - £55,000	Permanent	£450 - Standby	Operational direction for the following services: ▪ Support for Elected Members in their role to be effective local leaders ▪ Services that have been devolved to the district level ▪ Collaboration and partnership development with public and private sector providers including Parish Councils, local businesses, social enterprises, community and voluntary sector organisations
Communities and Reform	Public Health	District Co-ordinator	SM3	£50,001 - £55,000	Permanent	£450 - Standby	Operational direction for the following services: ▪ Support for Elected Members in their role to be effective local leaders ▪ Services that have been devolved to the district level ▪ Collaboration and partnership development with public and private sector providers including Parish Councils, local businesses, social enterprises, community and voluntary sector organisations

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
Communities and Reform	Public Health	Head of Libraries, Heritage & Arts	SM1	£65,001 - £70,000	Permanent	–	Management direction for the following services: ▪ Library & Lending Services ▪ Local Studies & Archives ▪ Gallery Oldham ▪ Arts development & delivery
Communities and Reform	Public Health	Head of Music Service	Soulbury	£60,001 - £65,000	Permanent	£500 - Car Allowance	Management direction for the following services: ▪ Music in Schools ▪ Music services delivered at the Lyceum Music Centre
Communities and Reform	Public Health	Deputy Head of Music Service	Deputy Head Teacher	£50,001 - £55,000	Permanent	–	Operational direction for the following services: ▪ Music in Schools ▪ Music services delivered at the Lyceum Music Centre
Communities and Reform	Public Health	Deputy Head of Music Service	Deputy Head Teacher	£50,001 - £55,000	Permanent	–	Operational direction for the following services: ▪ Music in Schools ▪ Music services delivered at the Lyceum Music Centre
Communities and Reform	Public Health	Libraries & Information Manager	SM2	£50,001 - £55,000	Permanent	–	Management direction for the following services: ▪ Strategic management of Library Services ▪ Management of the central and district libraries ▪ Management of specialist library services, e.g. Home Library service and Children's Library
Communities and Reform	Transformation & Reform	Assistant Director for Transformation & Reform	Asst. Director	£90,001 - £95,000	Fixed Term	–	Organisational lead for the Council's outcome led transformation and reform programme, acting as the principal advisor on change and transformation and providing visible leadership to promote an outcome focused approach and innovation in service delivery
Communities and Reform	Transformation & Reform	Head of Reform	SM2	£50,001 - £55,000	Permanent	–	Lead and manage the Council's Public Service Reform programme including the development and delivery of Oldham's integrated, place-based delivery approach

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
Communities and Reform	Transformation & Reform	Transformation Programme Manager	SM2	£50,001 - £55,000	Permanent	£5,753 - Pay Protection	Responsible for both designing and delivering transformational change projects within a designated area of responsibility to ensure benefits realisation for the communities of Oldham and achieve value for money
Communities and Reform	Transformation & Reform	Transformation Programme Manager	SM2	£50,001 - £55,000	Permanent	–	Responsible for both designing and delivering transformational change projects within a designated area of responsibility to ensure benefits realisation for the communities of Oldham and achieve value for money
Communities and Reform	Transformation & Reform	Transformation Programme Manager	SM2	£50,001 - £55,000	Permanent	–	Responsible for both designing and delivering transformational change projects within a designated area of responsibility to ensure benefits realisation for the communities of Oldham and achieve value for money
Communities and Reform	Transformation & Reform	Policy & Delivery Manager - Green New Deal	SM3	£50,001 - £55,000	Permanent	–	Preparation of a new strategy that will support the council and the borough to become a centre for environmental excellence, business opportunity and carbon neutrality, in consultation with residents, businesses, partners, staff and Elected Members.
Communities and Reform	People Services	Assistant Director of Organisational Development	AD2	£70,001 - £75,000	Vacant	–	Management direction for the following services: ▪ Learning & Development - including leadership, management and apprentices ▪ Organisational development and change management ▪ Workforce design & Remuneration ▪ HR strategy
Communities and Reform	People Services	Assistant Director of HR Operations	AD2	£70,001 - £75,000	Permanent	–	Management direction for the following services: ▪ Workforce Metrics and Contract Management ▪ Employment policies ▪ HR advice, case work and business partnering ▪ Recruitment

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
Communities and Reform	People Services	Senior Strategic HR Business Partner	SM2	£50,001 - £55,000	Permanent	–	Operational direction for the following services: ▪ HR Business Partners ▪ HR advice and casework ▪ Schools HR advice and casework
Communities and Reform	People Services	Strategic HR Business Partner	SM3	£50,001 - £55,000	Permanent	–	Key relationship managers with senior leaders within #TeamOldham, ensuring that there is a clear understanding of business strategy and the operational performance of core business functions being supported by HR, and relating this to the Workforce Strategy.
Communities and Reform	People Services	Strategic HR Business Partner	SM3	£50,001 - £55,000	Permanent	–	Key relationship managers with senior leaders within #TeamOldham, ensuring that there is a clear understanding of business strategy and the operational performance of core business functions being supported by HR, and relating this to the Workforce Strategy.
Communities and Reform	People Services	Workforce Analytics Manager	SM3	£50,001 - £55,000	Permanent	–	Design and development workforce analytical capability, plus contract commissioning and management to support the delivery of #TeamOldham's Workforce Strategy.
Communities and Reform	Communications, Strategy & Performance	Head of Communications & Research	SM2	£50,001 - £55,000	Permanent	–	Management direction for the following services: ▪ Corporate communications, research, marketing and media management
Communities and Reform	Communications, Strategy & Performance	Head of Strategy & Performance	SM1	£60,001 - £65,000	Permanent	–	Management direction for the following services: ▪ Business intelligence relating to the Borough of Oldham ▪ Performance monitoring of services & service improvement ▪ Support for external inspections & assessment ▪ Strategic policy and business planning

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
Communities and Reform	Communications, Strategy & Performance	Corporate Policy Lead	SM3	£50,001 - £55,000	Permanent	–	Management direction for the following services: ▪ Developing the council's core corporate policies and strategies, including the Corporate & Oldham Plan ▪ Oversee the delivery of the council's wider policy function
Communities and Reform	Communications, Strategy & Performance	Thriving Communities Hub Lead	SM2	£50,001 - £55,000	Fixed Term	–	Responsible for developing and leading the strategic development of the Thriving Communities Hub, and the development and implementation of it's priorities and plans, in conjunction with, and co-production with, the Voluntary, Community, Faith and Social Enterprise (VCFSE) and public sector partners
Children and Young People	Education, Skills & Early Years	Head of Lifelong Learning, Employment & Skills	SM1	£60,001 - £65,000	Permanent	£500 - Car Allowance	Management direction for the following services: ▪ Get Oldham Working ▪ Strategies on reducing unemployment ▪ Support for Business Growth ▪ LifeLong Learning service development & delivery
Children and Young People	Education, Skills & Early Years	Principal Regeneration Officer (Skills & Employment)	SM3	£50,001 - £55,000	Permanent	£500 - Car Allowance	Operational direction for the following services: ▪ Get Oldham Working ▪ Strategies on reducing unemployment and supporting opportunities for apprenticeships and traineeships with organisations across the Borough
Children and Young People	Education, Skills & Early Years	Principal Regeneration Officer (Investment)	SM3	£50,001 - £55,000	Permanent	£500 - Car Allowance	Works with a wide range of investors, developers and operators, promoting investment opportunities and infrastructure, working to speed up the development process, minimise risk and ensure delivery of bold, ambitious and high quality developments
Children and Young People	Education, Skills & Early Years	Principal Investment Officer	SM3	£50,001 - £55,000	Permanent	–	Works with a wide range of investors, developers and operators, promoting investment opportunities and infrastructure, working to speed up the development process, minimise risk and ensure delivery of bold, ambitious and high quality developments

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
Children and Young People	Education, Skills & Early Years	Head of Schools & Learning	Soulbury	£75,001 - £80,000	Permanent	£500 - Car Allowance £4,114 - Honorarium	Management direction for the following services: ▪ Early Years Improvement ▪ School Improvement ▪ Virtual School for Looked After Children
Children and Young People	Education, Skills & Early Years	Education Improvement Manager	Soulbury	£60,001 - £65,000	Permanent	–	Management of the following areas: ▪ Challenging schools & Early Years/Childcare settings to improve results at Early Years Foundation Stage ▪ Developing plans to improve school readiness ▪ Leading the development/delivery of Oldham's Early Years Foundation Stage Profile Moderation programme ▪ Monitoring and evaluating the performance of schools and early years/childcare settings
Children and Young People	Education, Skills & Early Years	Challenge & Intervention Officer - Early Years & Primary	Soulbury	£50,001 - £55,000	Permanent	–	Provision of advice, support and challenge to schools & Early Years settings on teaching and learning strategies to help them track and raise standards of achievement. Put in place systems for the statutory moderation of teacher assessments
Children and Young People	Education, Skills & Early Years	Challenge & Intervention Officer - Early Years & Primary	Soulbury	£50,001 - £55,000 Actual Salary £42,570	Fixed Term	–	Provision of advice, support and challenge to schools & Early Years settings on teaching and learning strategies to help them track and raise standards of achievement. Put in place systems for the statutory moderation of teacher assessments
Children and Young People	Education, Skills & Early Years	Headteacher - Virtual School	Soulbury	£55,001 - £60,000	Permanent	£500 - Car Allowance	Responsible for improving educational attainment and outcomes for Looked After Children
Children and Young People	Education, Skills & Early Years	Head of Inclusion & Post 16 Service	SM2	£50,001 - £55,000	Permanent	–	Operational management for the following services: ▪ Championing inclusive practices in schools ▪ Leading on policy, practice and funding for post 16 - 25 agenda for SEND • Oversight of the Careers Education, Information, Advice and Guidance agenda

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
Children and Young People	Education, Skills & Early Years	SEMHS Team Manager	Asst. Head-teacher	£55,001 - £60,000	Permanent	–	Management of the following areas: ▪ Supporting schools to build on their capacity to support children presenting behaviour challenges so that they can access learning and make appropriate progress ▪ Reducing levels of poor behaviour, fixed term or permanent exclusions in targeted schools ▪ Promotion of effective education for pupils with special educational needs/social emotional & behavioural difficulties (SEMHS - Social, Emotional and Mental Health Support)
Children and Young People	Education, Skills & Early Years	Head of School Support Services	SM2	£50,001 - £55,000	Permanent	–	Operational management for the following services: ▪ Education information and advice ▪ Academy Conversions ▪ Governor support services
Children and Young People	Education, Skills & Early Years	Chief Executive Officer - Oldham Learning	AD1	£80,001 - £85,000 Actual salary Part Time	Fixed Term	–	Reporting to the Oldham Foundation Learning Board, the role will establish a system-led approach in the Foundation stage of Oldham Learning, providing a strong educational and civic governance. The programme, underpinned by the Government's Opportunity Area Priority 2 initiative, will champion good outcomes for vulnerable children beyond standardised assessments
Children and Young People	Education, Skills & Early Years	Education Improvement Manager - Primary	Soulbury	£60,001 - £65,000	Permanent	–	Championing high standards of attainment, progression in schools and academies to improve outcomes for primary-aged children and young people in Oldham. The role supports the Oldham Educational Partnership (OEP) with meeting their targets

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
Children and Young People	Education, Skills & Early Years	Challenge & Support Officer	Soulbury	£50,001 - £55,000	Permanent	–	Operational management for the following services: ▪ Key Local Authority link and support for primary schools before and during OFSTED inspections ▪ Leading on raising standards, attainment and quality in Oldham's schools ▪ Provide advice, support and challenge to schools to raise standards of achievement and improve the quality of education they provide
Children and Young People	Education, Skills & Early Years	Deputy Learning & Improvement Manager	Soulbury	£60,001 - £65,000	Fixed Term	–	Management direction for the following services: ▪ Early Years team ▪ Compliance with statutory duties in respect of Early Years
Children and Young People	Education, Skills & Early Years	Assistant Director for SEND	Asst. Director	£70,001 - £75,000	Permanent	–	Management direction for the following services: ▪ Special Educational Needs & Disabilities (SEND) ▪ Inclusion ▪ SEN support
Children and Young People	Education, Skills & Early Years	Principal Educational Psychologist & Preventative Lead	Soulbury	£60,001 - £65,000	Permanent	£500 - Car Allowance	Management of the Educational & Child Psychology Service (ECPS) - psychological services which promote the attainment and healthy emotional development of children and young people from 0 - 19 in partnership with their families, carers and other relevant agencies
Children and Young People	Education, Skills & Early Years	Senior Educational Psychologist	Soulbury	£60,001 - £65,000	Permanent	£500 - Car Allowance	Contribution to the Educational & Child Psychology Service (ECPS) - psychological services which promote the attainment and healthy emotional development of children and young people from 0 - 19 in partnership with their families, carers and other relevant agencies
Children and Young People	Education, Skills & Early Years	Educational Psychologist	Soulbury	£55,001 - £60,000 Actual Salary £16,969	Permanent	£500 - Car Allowance	Contribution to the Educational & Child Psychology Service (ECPS) - psychological services which promote the attainment and healthy emotional development of children and young people from 0 - 19 in partnership with their families, carers and other relevant agencies

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
Children and Young People	Education, Skills & Early Years	Educational Psychologist	Soulbury	£55,001 - £60,000	Permanent	£500 - Car Allowance £640 - Honorarium	Contribution to the Educational & Child Psychology Service (ECPS) - psychological services which promote the attainment and healthy emotional development of children and young people from 0 - 19 in partnership with their families, carers and other relevant agencies
Children and Young People	Education, Skills & Early Years	Educational Psychologist	Soulbury	£55,001 - £60,000	Permanent	£500 - Car Allowance	Contribution to the Educational & Child Psychology Service (ECPS) - psychological services which promote the attainment and healthy emotional development of children and young people from 0 - 19 in partnership with their families, carers and other relevant agencies
Children and Young People	Education, Skills & Early Years	Educational Psychologist	Soulbury	£55,001 - £60,000	Permanent	£500 - Car Allowance	Contribution to the Educational & Child Psychology Service (ECPS) - psychological services which promote the attainment and healthy emotional development of children and young people from 0 - 19 in partnership with their families, carers and other relevant agencies
Children and Young People	Education, Skills & Early Years	Educational Psychologist	Soulbury	£50,001 - £55,000 Actual Salary £43,970	Permanent	£500 - Car Allowance	Contribution to the Educational & Child Psychology Service (ECPS) - psychological services which promote the attainment and healthy emotional development of children and young people from 0 - 19 in partnership with their families, carers and other relevant agencies
Children and Young People	Education, Skills & Early Years	Educational Psychologist	Soulbury	£50,001 - £55,000 Actual Salary £27,450	Permanent	£500 - Car Allowance	Contribution to the Educational & Child Psychology Service (ECPS) - psychological services which promote the attainment and healthy emotional development of children and young people from 0 - 19 in partnership with their families, carers and other relevant agencies
Children and Young People	Education, Skills & Early Years	Educational Psychologist	Soulbury	£50,001 - £55,000 Actual Salary £49,472	Permanent	£500 - Car Allowance	Contribution to the Educational & Child Psychology Service (ECPS) - psychological services which promote the attainment and healthy emotional development of children and young people from 0 - 19 in partnership with their families, carers and other relevant agencies

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
Children and Young People	Education, Skills & Early Years	Educational Psychologist	Soulbury	£50,001 - £55,000 Actual Salary £21,978	Permanent	£500 - Car Allowance	Contribution to the Educational & Child Psychology Service (ECPS) - psychological services which promote the attainment and healthy emotional development of children and young people from 0 - 19 in partnership with their families, carers and other relevant agencies
Children and Young People	Education, Skills & Early Years	Educational Psychologist - Looked After Children	Soulbury	£50,001 - £55,000 Actual Salary £30,928	Permanent	–	Contribution to the Educational & Child Psychology Service (ECPS) - psychological services which promote the attainment and healthy emotional development of children and young people from 0 - 19 in partnership with their families, carers and other relevant agencies
Children and Young People	Education, Skills & Early Years	SEND Service Manager	SM2	£50,001 - £55,000	Permanent	–	Management direction for the following services: ▪ SEN Assessment ▪ SEN Transport ▪ Visual Impairment, Hearing Impairment, Physical Impairment & QEST teams
Children and Young People	Children's Social Care & Early Help	Assistant Director for Safeguarding	Asst. Director	£70,001 - £75,000	Permanent	–	Management direction for the following services: ▪ Independent Reviewing Officers ▪ Safeguarding Partnerships ▪ Practice Hub - Including the Principal Social Worker
Children and Young People	Children's Social Care & Early Help	Head of Independent Review	SM3	£50,001 - £55,000	Permanent	–	Operational direction for the following services: ▪ Independent Reviewing Officers
Children and Young People	Children's Social Care & Early Help	Assistant Director for Family Connect	Asst. Director	£80,001 - £85,000	Permanent	–	"Oldham Family Connect" is the pre-statutory family support that contributes to the wider Early Help offer across Oldham, which is a placed based approach that strengthens the co-ordination and integration of service delivery with schools, partnerships and community assets
Children and Young People	Children's Social Care & Early Help	Assistant Director for Quality & Improvement	Asst. Director	£80,001 - £85,000	Fixed Term	–	Responsible for the strategic oversight of improvement across Children's Social Care by leading and reshaping business improvement transformation and contribute towards the continuous improvement of professional practice, standards and service delivery.

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
Children and Young People	Children's Social Care & Early Help	Principal Social Worker (Children's)	SM3	£50,001 - £55,000	Permanent	–	Promotes a learning environment where good social work can flourish and standards are maintained to meet the needs of children and their families, through a focus on continuous improvement, reflective practice and continuing professional development.
Children and Young People	Children's Social Care & Early Help	Assistant Director for Children's Services Integration	Asst. Director	£80,001 - £85,000	Fixed Term	–	Leading the transformation to reshape services being delivered in the community and embedding services around designated community assets for service delivery. To lead the enablers programme and deliver agile teams that can work flexibly across Oldham
Children and Young People	Children's Social Care & Early Help	Assistant Director for Commissioning	Asst. Director	£80,001 - £85,000	Permanent	–	Management direction for the following services: ▪ Placements & Sufficiency Lead ▪ Development & Performance ▪ Planning & Commissioning
Children and Young People	Children's Social Care & Early Help	Assistant Director for Children in Care	Asst. Director	£70,001 - £75,000	Vacant	–	Management direction for the following services: ▪ Fostering ▪ Adoption ▪ Care Leavers ▪ Residential Children's Services
Children and Young People	Children's Social Care & Early Help	Head of Adoption & Fostering	SM3	£50,001 - £55,000	Permanent	–	Management direction for the following services: ▪ Fostering ▪ Adoption
Children and Young People	Children's Social Care & Early Help	Head of Through Care	SM3	£50,001 - £55,000	Permanent	–	Management direction for the following services: ▪ Aftercare ▪ Permanence team
Children and Young People	Children's Social Care & Early Help	Assistant Director for Social Work Services	Asst. Director	£80,001 - £85,000	Vacant	–	Management direction for the following services: ▪ Children's Social Work Assessment ▪ Children's Social Work Fieldwork ▪ Multi-Agency Safeguarding Hub ▪ Children with Disabilities

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
Children and Young People	Children's Social Care & Early Help	Head of Fieldwork	SM2	£50,001 - £55,000	Permanent	–	Operational direction for the following services: ▪ Service provision for children subject to assessment (including Section 47), Children in Need and children subject to a Child Protection Plan
Children and Young People	Children's Social Care & Early Help	Head of Assessment	SM2	£50,001 - £55,000	Permanent	–	Operational direction for the following services: ▪ Service provision for children subject to assessment (including Section 47), Children in Need and children subject to a Child Protection Plan
Children and Young People	Children's Social Care & Early Help	Head of MASH, Phoenix & EDT	SM2	£50,001 - £55,000	Vacant	£500 - Car Allowance	Operational direction for the following services: ▪ Multi Agency Safeguarding Hub (MASH) ▪ Phoenix team ▪ Emergency Duty Team (EDT)
Children and Young People	Children's Social Care & Early Help	Head of Children with Disabilities	SM3	£50,001 - £55,000	Vacant	–	Operational direction for the following services: ▪ Children with Disabilities
Community Health & Adult Social Care	Adult Social Care	Head of Community Business Services	SM1	£65,001 - £70,000	Permanent	£500 - Car Allowance £6,824 - Honorarium £1,250 - Standby	Management direction for the following services: ▪ Client Support Service ▪ Maximisation of income from social care and other related charges
Community Health & Adult Social Care	Adult Social Care	Head of Mental Health Services	SM1	£60,001 - £65,000	Acting	£500 - Car Allowance £625 - Standby £472 - Bank Holiday	Management direction for the following services: ▪ Mental Health ▪ Integrated Community Services
Community Health & Adult Social Care	Adult Social Care	Head of Adult Social Care	SM1	£60,001 - £65,000	Seconded	–	Management direction for the following services: ▪ Mental Health ▪ Integrated Community Services
Community Health & Adult Social Care	Adult Social Care	Head of Learning Disabilities & Autism	SM1	£60,001 - £65,000	Permanent	£1,175 - Standby £241 - Bank Holiday	Management direction for the following services: ▪ Learning Disabilities and Autism ▪ Hospital team

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
Community Health & Adult Social Care	Adult Social Care	Head of Strategic Safeguarding	SM1	£60,001 - £65,000	Permanent	£500 - Car Allowance	Management direction for the following services: ▪ Adults Safeguarding function across Adults Community Health & Social Care Services ▪ Overseeing the Local Safeguarding Adults Board ▪ Responsibility for Deprivation of Liberty safeguards
Community Health & Adult Social Care	Adult Social Care	Head of Special Projects - Adult Social Care	SM1	£65,001 - £70,000	Permanent	–	Management of the following areas: ▪ Implementation of the Supported Housing & Learning Disability Programme ▪ Management of the iBCF ▪ Adult Social Care link to Thriving Communities ▪ MioCare review and oversight of action plan ▪ Change management & general transformation programmes, i.e. Community enablement
Legal Services	Legal Services	Head of Democratic Services	SM2	£50,001 - £55,000	Permanent	–	Management direction for the following services: ▪ Constitutional Services ▪ Overview & Scrutiny ▪ Member Support ▪ Mayoral Support
Legal Services	Legal Services	Group Solicitor (Corporate)	SM2	£50,001 - £55,000	Permanent	–	Management of the following team: ▪ Corporate Legal team
Legal Services	Legal Services	Group Solicitor (Environment)	SM2	£50,001 - £55,000	Permanent	–	Management of the following team: ▪ Environment Legal team
Legal Services	Legal Services	Group Solicitor (Family)	SM2	£50,001 - £55,000	Permanent	£500 - Car Allowance	Management of the following team: ▪ Family Legal team
Legal Services	Legal Services	Group Solicitor (Civil Litigation)	SM2	£50,001 - £55,000	Permanent	–	Management of the following team: ▪ Policy Legal team

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
Legal Services	Legal Services	Children's Service Lawyer	SM3	£50,001 - £55,000	Permanent	£500 - Car Allowance	Provision of professional advice and legal services in their role as a Solicitor, including advocacy in court, plus preparation and management of cases, drafting and settling legal documentation and conduct of litigation.
Legal Services	Legal Services	Children's Service Lawyer	SM3	£50,001 - £55,000	Permanent	£500 - Car Allowance	Provision of professional advice and legal services in their role as a Solicitor, including advocacy in court, plus preparation and management of cases, drafting and settling legal documentation and conduct of litigation.
Legal Services	Legal Services	Children's Service Lawyer	SM3	£50,001 - £55,000	Permanent	£500 - Car Allowance	Provision of professional advice and legal services in their role as a Solicitor, including advocacy in court, plus preparation and management of cases, drafting and settling legal documentation and conduct of litigation.
Legal Services	Legal Services	Children's Service Lawyer	SM3	£50,001 - £55,000	Permanent	£500 - Car Allowance	Provision of professional advice and legal services in their role as a Solicitor, including advocacy in court, plus preparation and management of cases, drafting and settling legal documentation and conduct of litigation.
Legal Services	Legal Services	Solicitor - Commercial Contracts	SM3	£50,001 - £55,000 Actual Salary £40,630	Permanent	–	Provision of professional advice and legal services in their role as a Solicitor, including advocacy in court, plus preparation and management of cases, drafting and settling legal documentation and conduct of litigation.
Legal Services	Legal Services	Solicitor - Corporate	SM3	£50,001 - £55,000	Permanent	–	Provision of professional advice and legal services in their role as a Solicitor, including advocacy in court, plus preparation and management of cases, drafting and settling legal documentation and conduct of litigation.
Legal Services	Legal Services	Principal Employment Solicitor	SM3	£50,001 - £55,000	Permanent	–	Provision of professional advice and legal services in their role as a Solicitor, including advocacy in court, plus preparation and management of cases, drafting and settling legal documentation and conduct of litigation.

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
Legal Services	Legal Services	Principal Legal Officer	SM3	£50,001 - £55,000 Actual salary £30,946	Permanent	–	Provision of professional advice and legal services in their role as a Solicitor, including advocacy in court, plus preparation and management of cases, drafting and settling legal documentation and conduct of litigation.
Commissioning	Procurement	Senior Sourcing Manager	SM2	£50,001 - £55,000	Vacant	–	Management support for the following services: ▪ Development of procurement practice compliant with associated legislation ▪ Manage all aspects of the Sourcing Lifecycle ▪ Delivery of the Sourcing Strategy
Commissioning	Finance Service	Senior Finance Manager	SM1	£60,001 - £65,000	Vacant	–	Management support for the following services: ▪ Facilitating the effective use of financial resources to meet corporate objectives ▪ Ensuring a robust framework is in place to implement, monitor and report the financial implications for decision making ▪ Technical advice and guidance to the Council's Senior Leadership Team and Elected Members
Commissioning	Finance Service	Finance Manager	SM2	£50,001 - £55,000	Permanent	–	Contribute to: ▪ Ensuring a robust framework is in place to implement, monitor and report the financial implications for decision making ▪ Giving technical advice and guidance to senior managers within the Council ▪ Supporting the development of innovative solutions to safeguard the long-term financial position of the Council
Commissioning	Finance Service	Finance Manager	SM2	£50,001 - £55,000	Permanent	–	Contribute to: ▪ Ensuring a robust framework is in place to implement, monitor and report the financial implications for decision making ▪ Giving technical advice and guidance to senior managers within the Council ▪ Supporting the development of innovative solutions to safeguard the long-term financial position of the Council

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
Commissioning	Finance Service	Principal Officer - External Funding	SM3	£50,001 - £55,000	Permanent	–	Undertaking searches for external funding to support the aims and ambitions of both the council and of the Borough, ensuring that relevant documentation is submitted to secure and maintain funding throughout the project and undertaking associated programme management activities.
Commissioning	Finance Service	Senior Finance Manager	SM1	£60,001 - £65,000	Permanent	–	Management support for the following services: ▪ Facilitating the effective use of financial resources to meet corporate objectives ▪ Ensuring a robust framework is in place to implement, monitor and report the financial implications for decision making ▪ Technical advice and guidance to the Council's Senior Leadership Team and Elected Members
Commissioning	Finance Service	Finance Manager - Schools	SM2	£50,001 - £55,000	Permanent	–	Contribute to: ▪ Ensuring a robust framework is in place to implement, monitor and report the financial implications for decision making ▪ Giving technical advice and guidance to senior managers within the Council ▪ Supporting the development of innovative solutions to safeguard the long-term financial position of the Council
Commissioning	Finance Service	Finance Manager	SM2	£50,001 - £55,000	Permanent	–	Contribute to: ▪ Ensuring a robust framework is in place to implement, monitor and report the financial implications for decision making ▪ Giving technical advice and guidance to senior managers within the Council ▪ Supporting the development of innovative solutions to safeguard the long-term financial position of the Council

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
Commissioning	Finance Service	Finance Manager	SM2	£50,001 - £55,000	Permanent	–	Contribute to: - Ensuring a robust framework is in place to implement, monitor and report the financial implications for decision making - Giving technical advice and guidance to senior managers within the Council - Supporting the development of innovative solutions to safeguard the long-term financial position of the Council
Commissioning	Finance Service	Assistant Director - Corporate Finance	Asst. Director	£75,001 - £80,000	Permanent	–	Management direction for the following services: - Development of the Council's Medium Term Financial Strategy - Capital & Treasury team - Corporate Control team - Technical/Systems Finance team
Commissioning	Finance Service	Finance Manager	SM2	£50,001 - £55,000	Permanent	–	Contribute to: - Ensuring a robust framework is in place to implement, monitor and report the financial implications for decision making - Giving technical advice and guidance to senior managers within the Council - Supporting the development of innovative solutions to safeguard the long-term financial position of the Council
Commissioning	Finance Service	Finance Manager	SM2	£50,001 - £55,000	Permanent	–	Contribute to: - Ensuring a robust framework is in place to implement, monitor and report the financial implications for decision making - Giving technical advice and guidance to senior managers within the Council - Supporting the development of innovative solutions to safeguard the long-term financial position of the Council

Senior Managers							2020/21
Directorate	Division	Job Title	Grade	Salary Banding	Contract Type	Additional Payments	Responsibilities:
Commissioning	Finance Service	Finance Manager	SM2	£50,001 - £55,000	Permanent	–	Contribute to: ▪ Ensuring a robust framework is in place to implement, monitor and report the financial implications for decision making ▪ Giving technical advice and guidance to senior managers within the Council ▪ Supporting the development of innovative solutions to safeguard the long-term financial position of the Council
Commissioning	Finance Service	Head of Revenues & Benefits	SM1	£60,001 - £65,000	Permanent	–	Management direction for the following services: ▪ Client function for Unity Partnership Ltd for Revenue & Benefits ▪ Corporate Complaints ▪ Welfare Rights service
Commissioning	Finance Service	Head of Corporate Governance	SM1	£60,001 - £65,000	Permanent	£5,000 Honorarium for Greater Manchester Combined Authority responsibilities	Management direction for the following services: ▪ Audit team ▪ Counter Fraud team ▪ Risk & Insurance ▪ Information Governance ▪ Financial advice and guidance for the Greater Manchester Combined Authority
Commissioning	Finance Service	Audit & Counter Fraud Manager	SM1	£60,001 - £65,000	Vacant	–	Operational management for the following services: ▪ Audit team ▪ Counter Fraud team
Commissioning	Finance Service	Insurance Portfolio Manager	SM3	£50,001 - £55,000	Permanent	–	Operational management for the following services: ▪ Insurance services - covering a wide range of different policy areas ▪ Corporate risk

Appendix 10b - Chart 1 – Family Tree of Officers salaried over £50,000

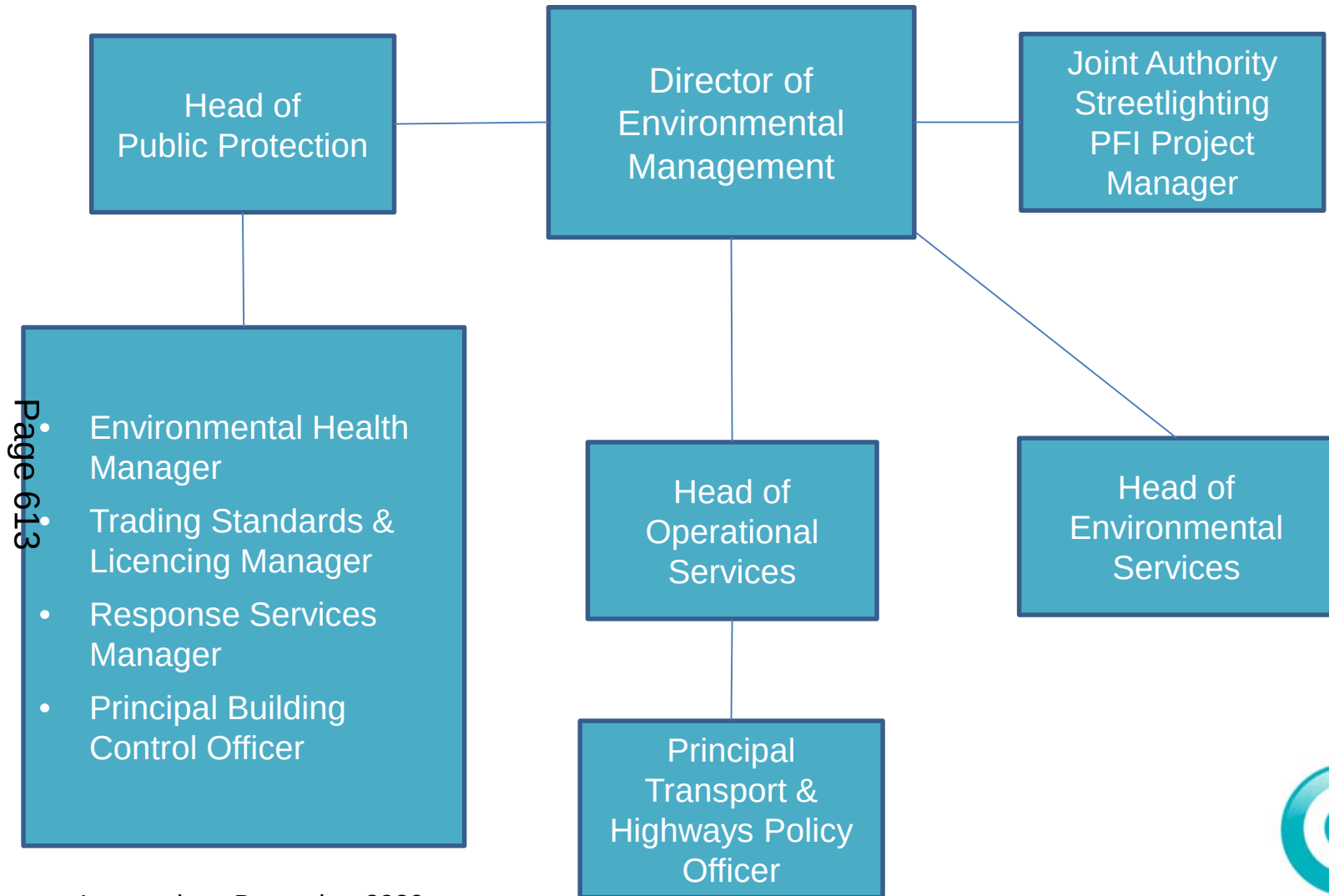
Chief Executive's

Page 612



Last update: December 2020

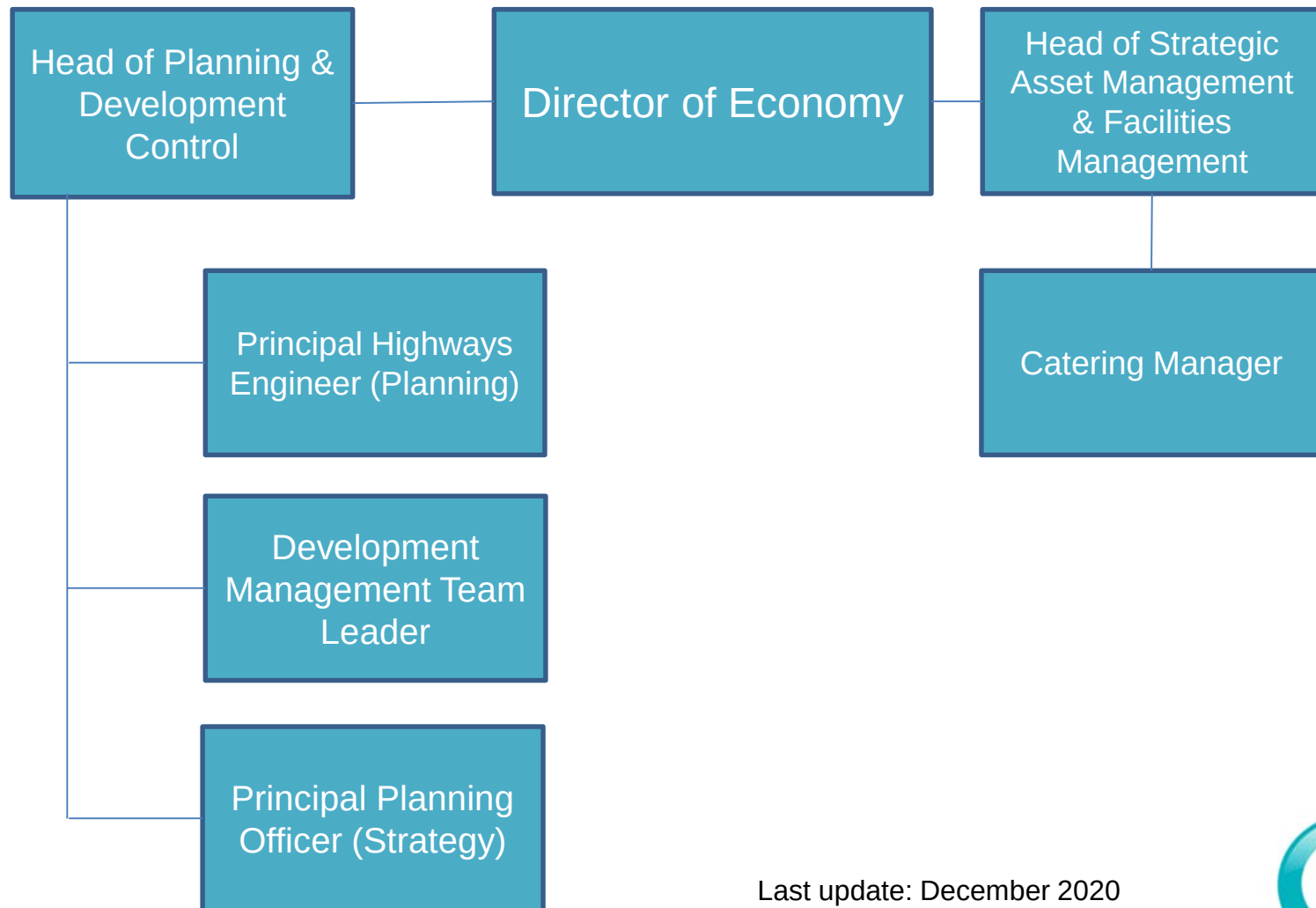
Roles within the People & Place Directorate salaried £50,000+ (Page 1 of 3)



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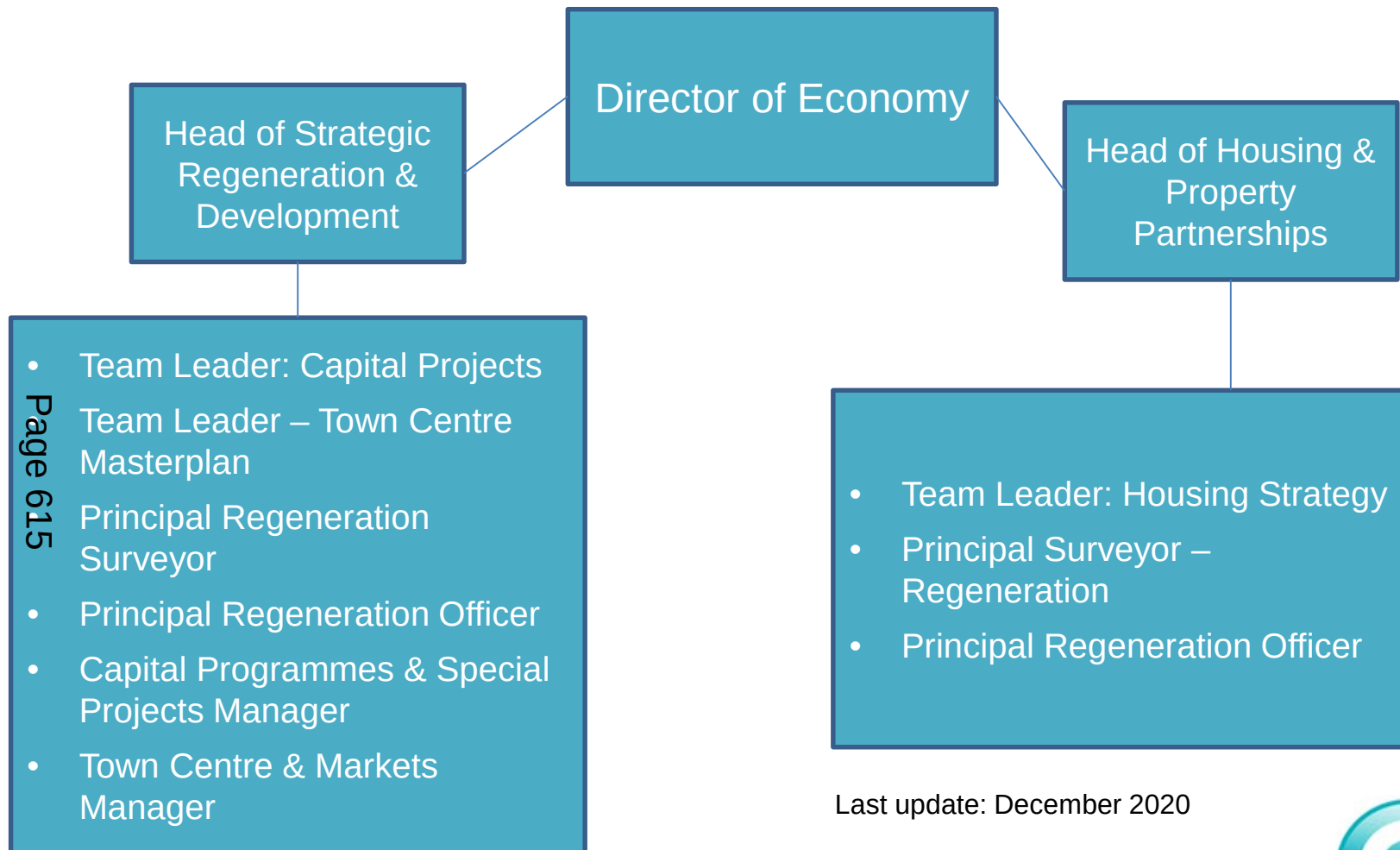
Roles within the People & Place Directorate salaried £50,000+ (Page 2 of 3)

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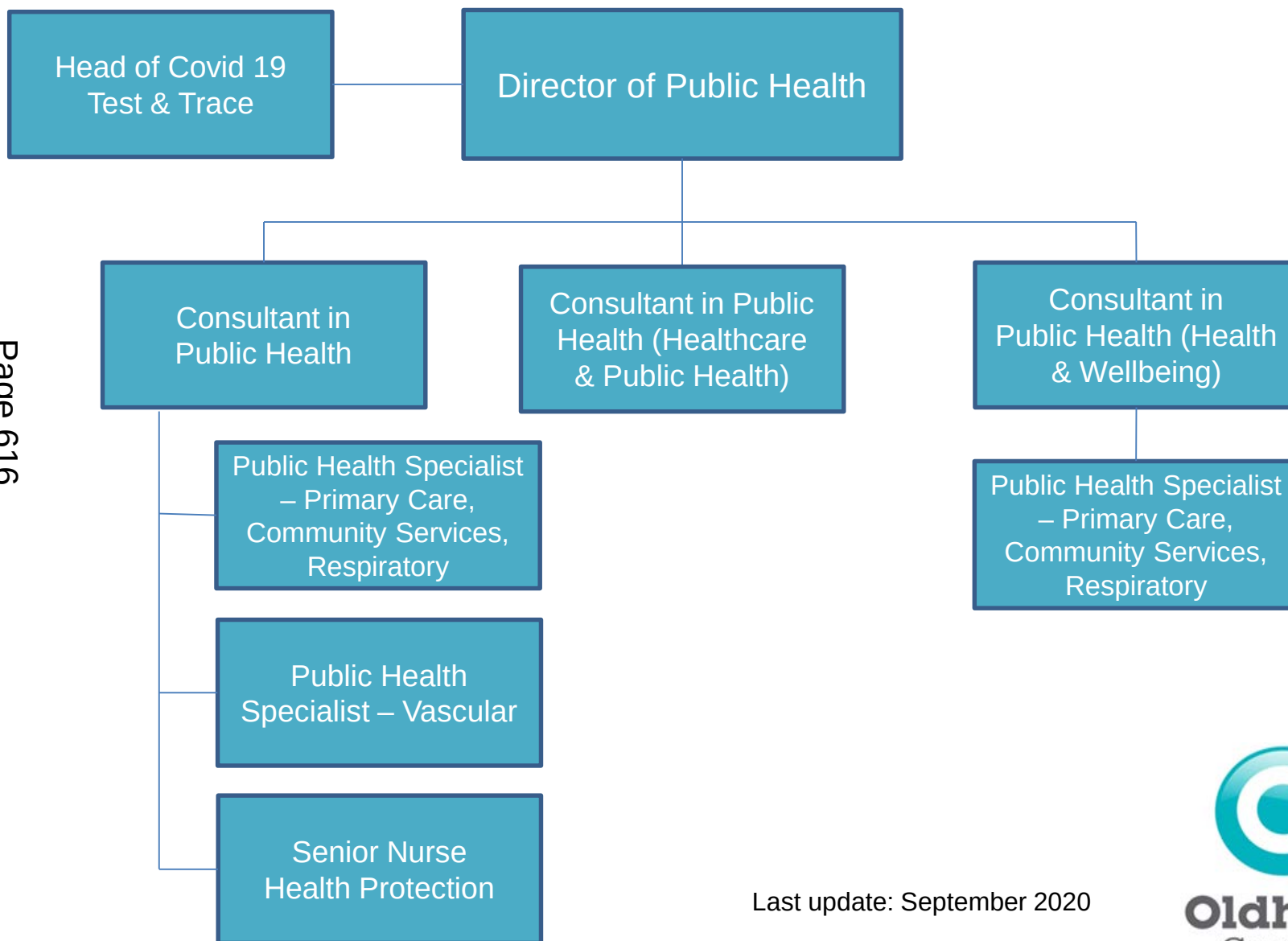
Roles within the People & Place Directorate salaried £50,000+ (Page 3 of 3)



Last update: December 2020

Roles within the Communities and Reform Directorate salaried £50,000 + (Page 1 of 4)

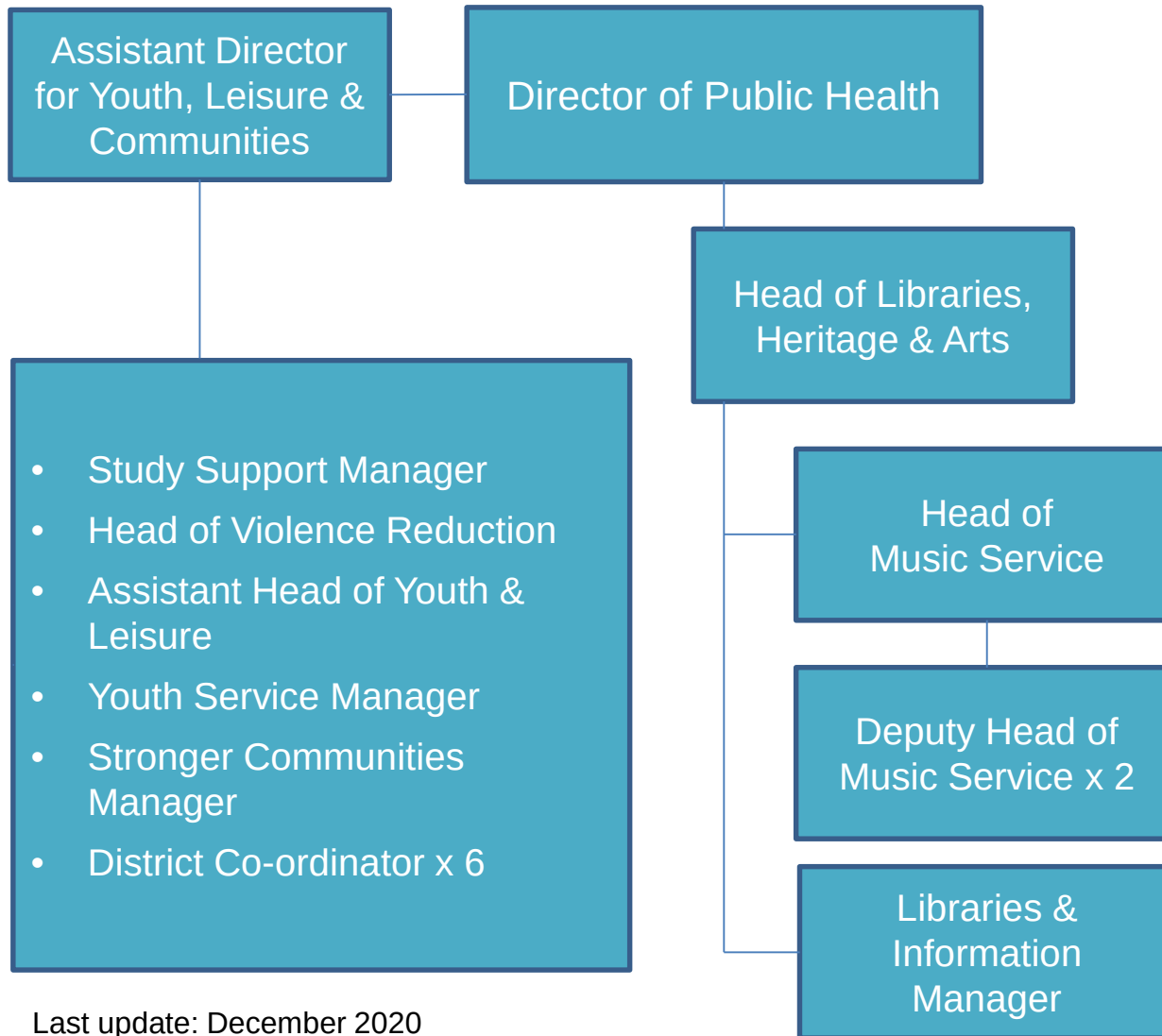
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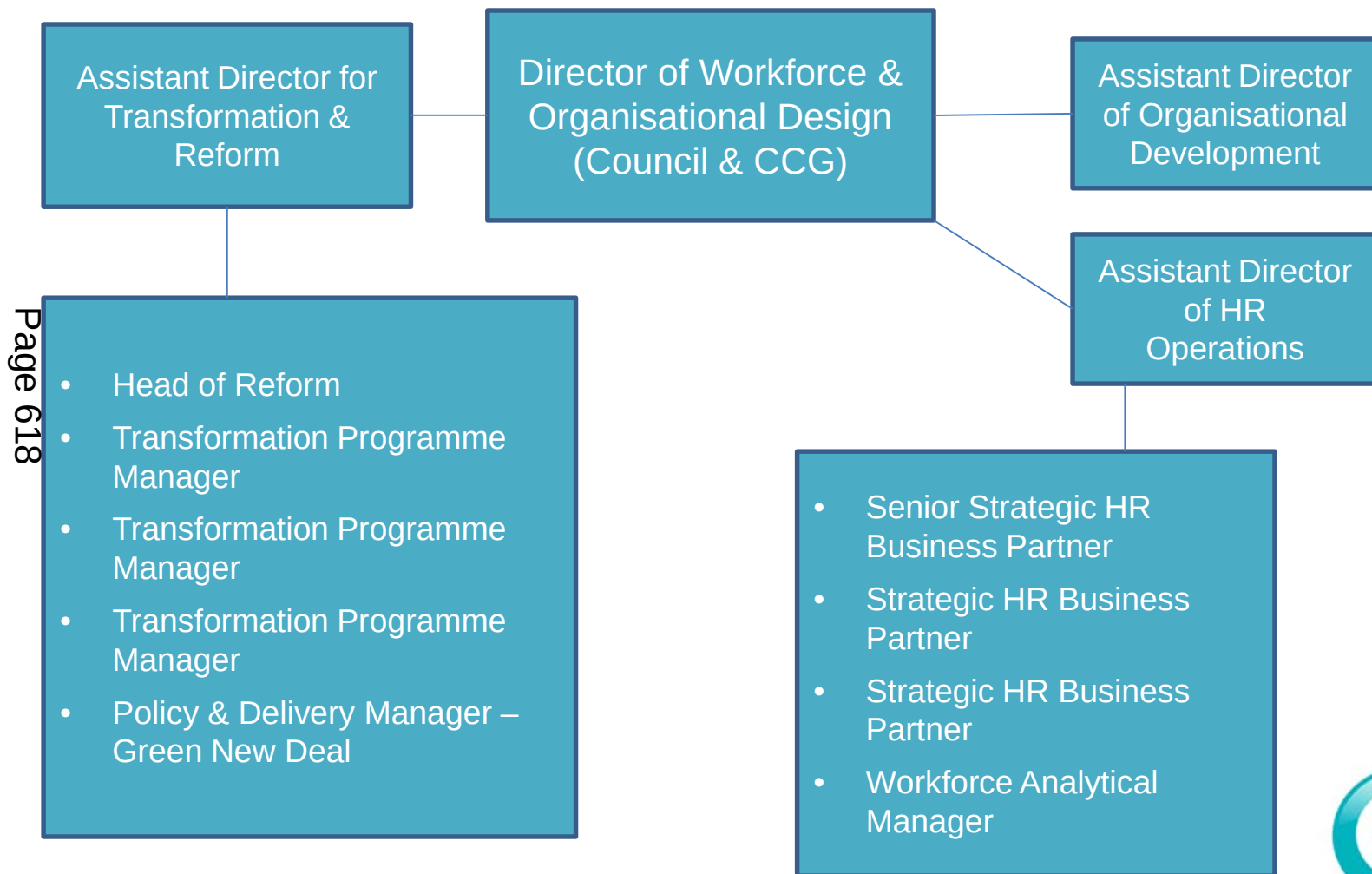
Roles within the Communities and Reform Directorate earning £50,000+ (Page 2 of 4)

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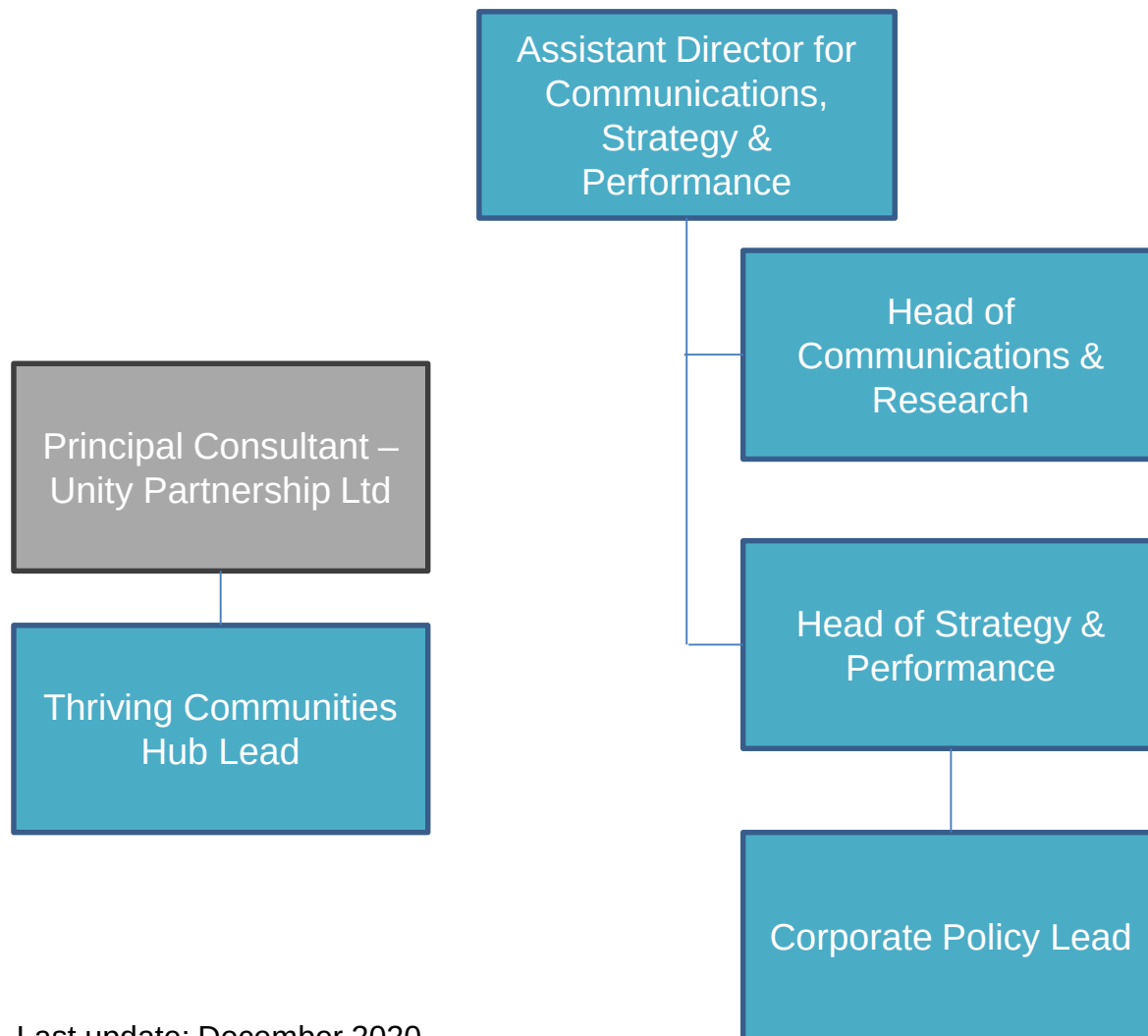
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Last update: December 2020

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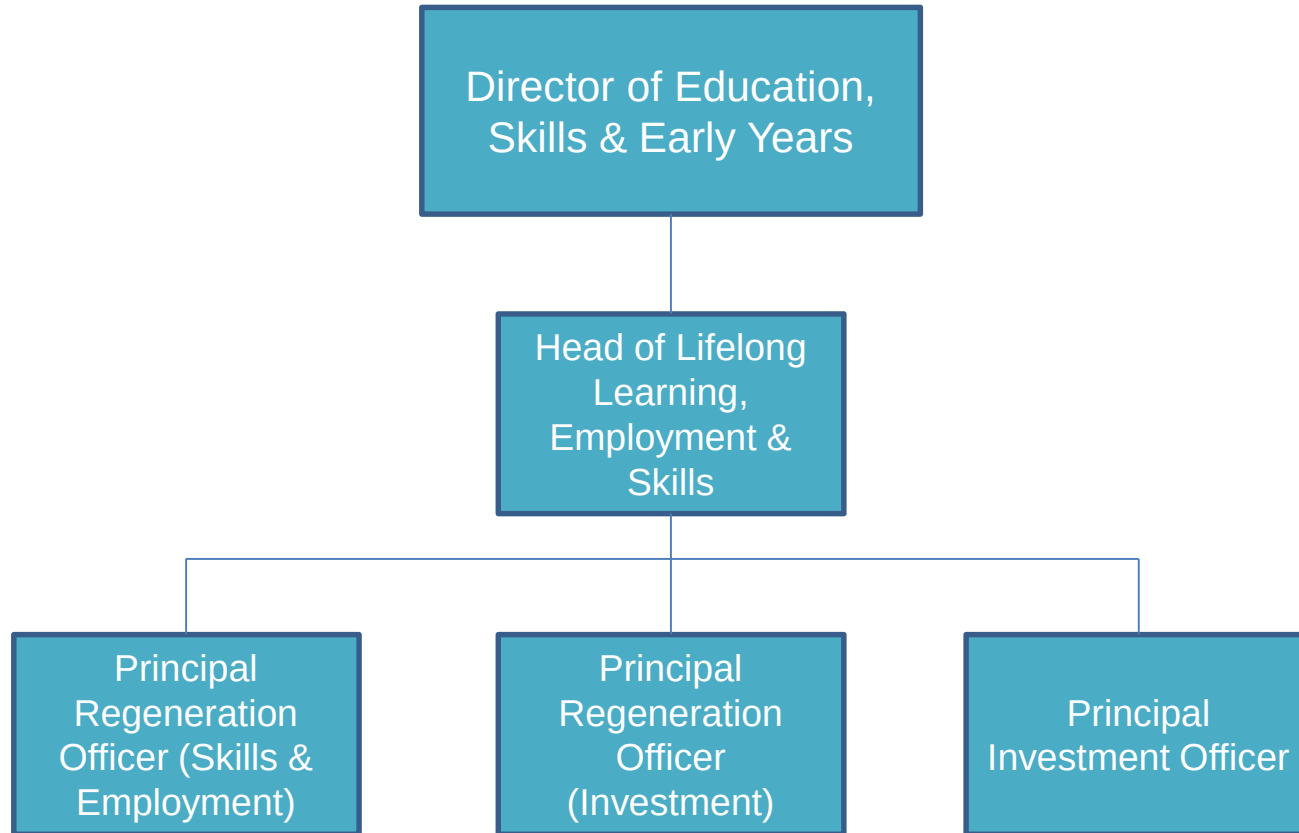
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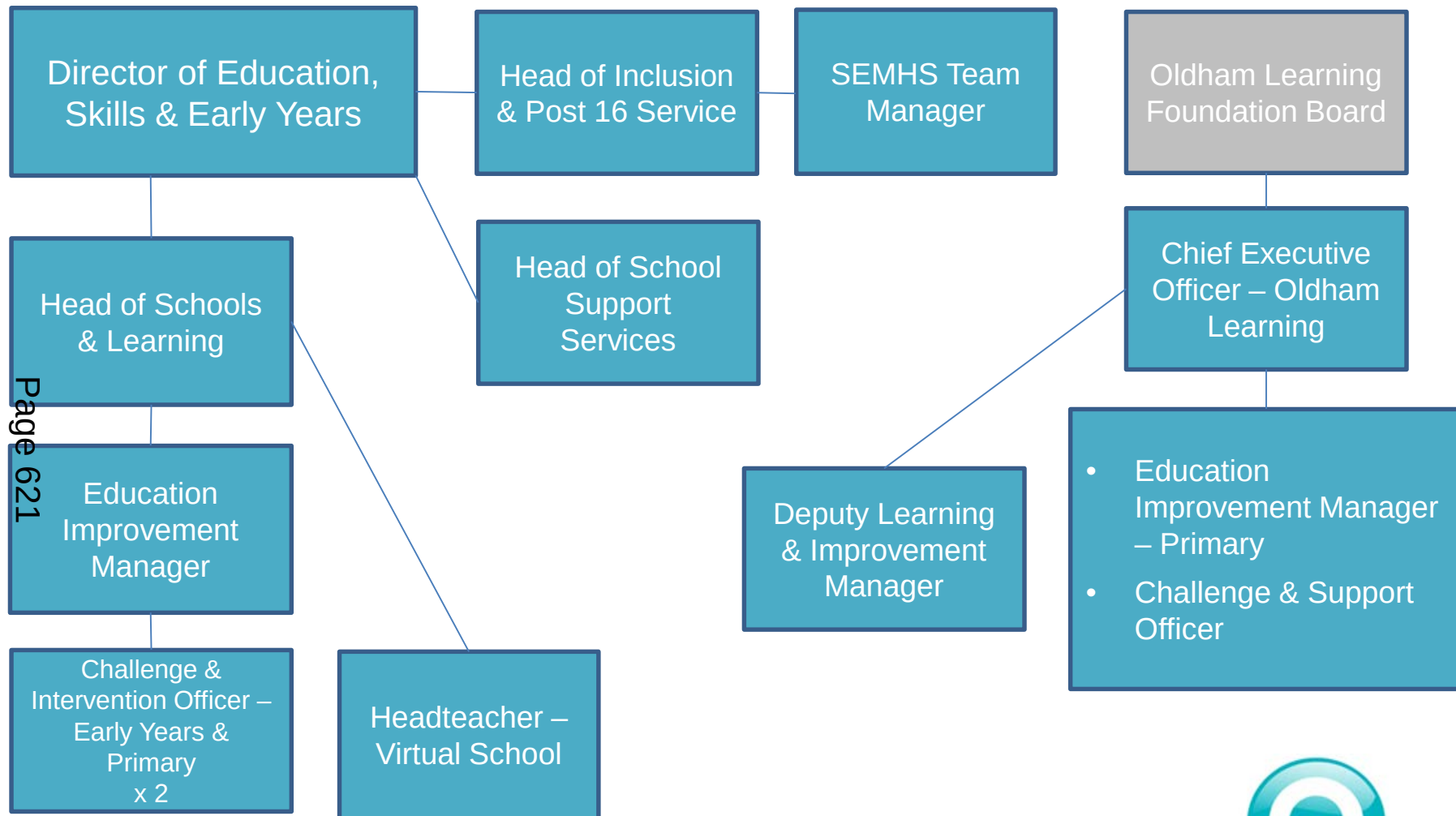
Roles within the Children & Young People Directorate salaried £50,000+ (Page 1 of 5)

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Last update: December 2020

Roles within the Children & Young People Directorate salaried £50,000+ (Page 2 of 5)

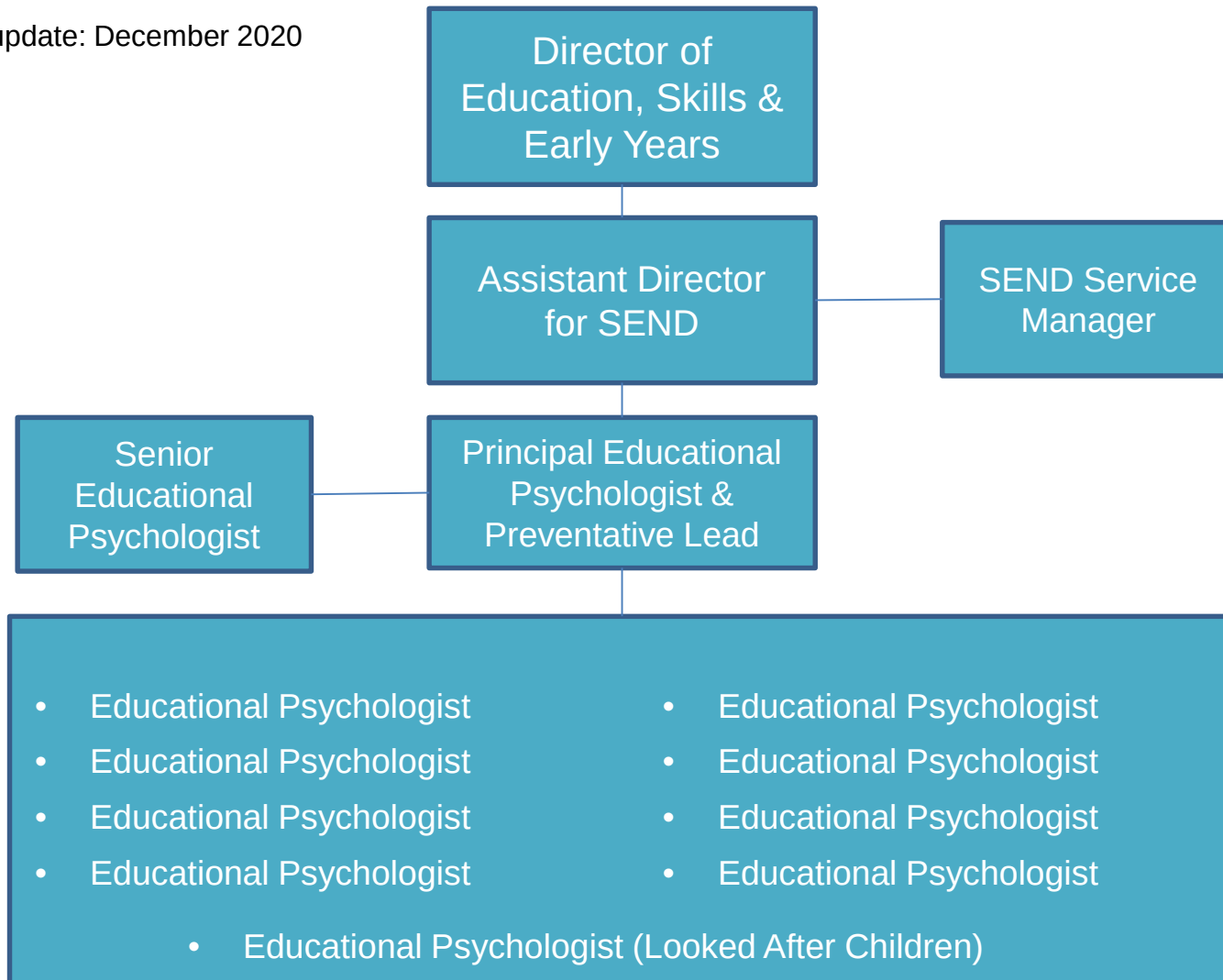


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Roles within the Children & Young People Directorate salaried £50,000+ (Page 3 of 5)

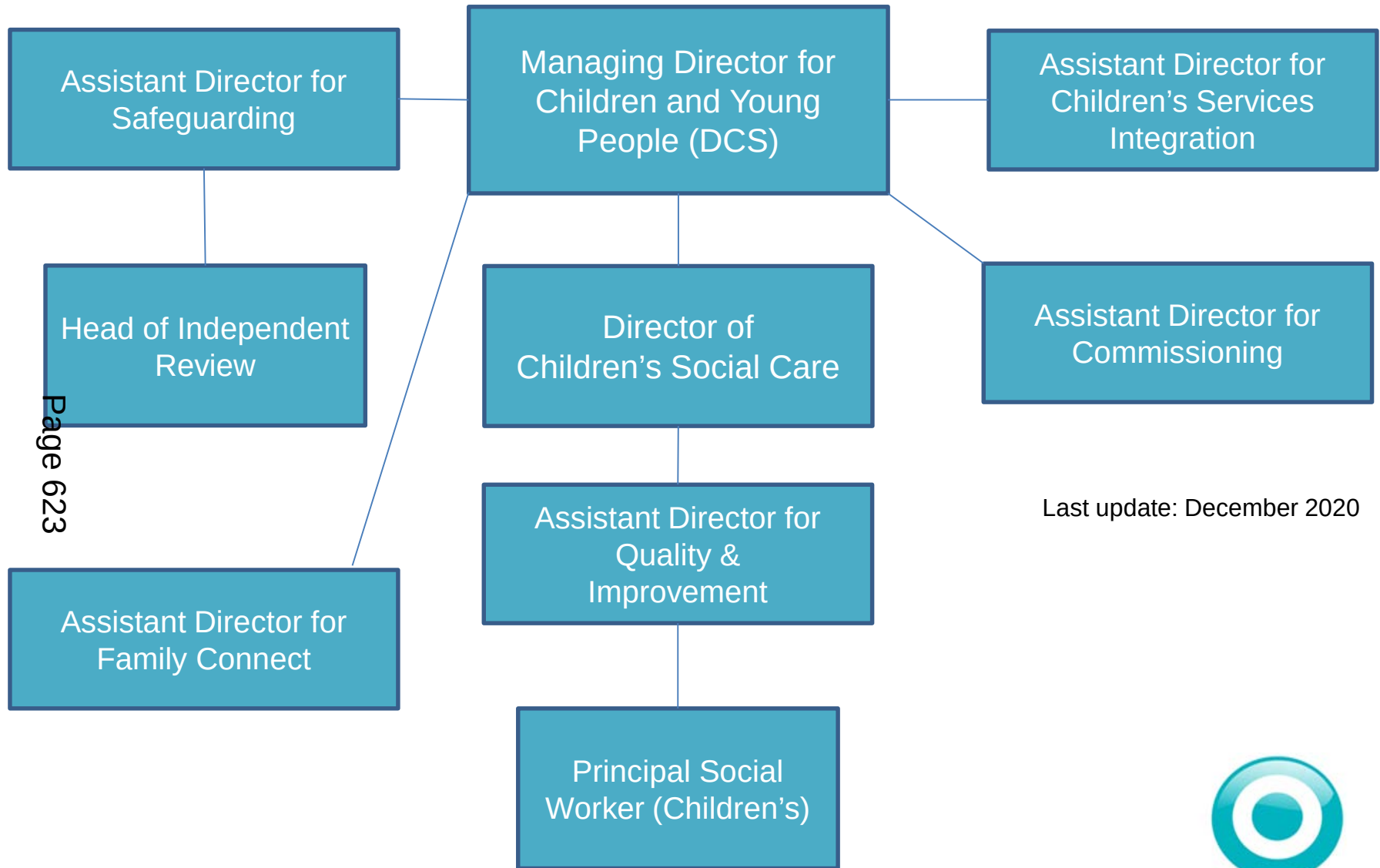
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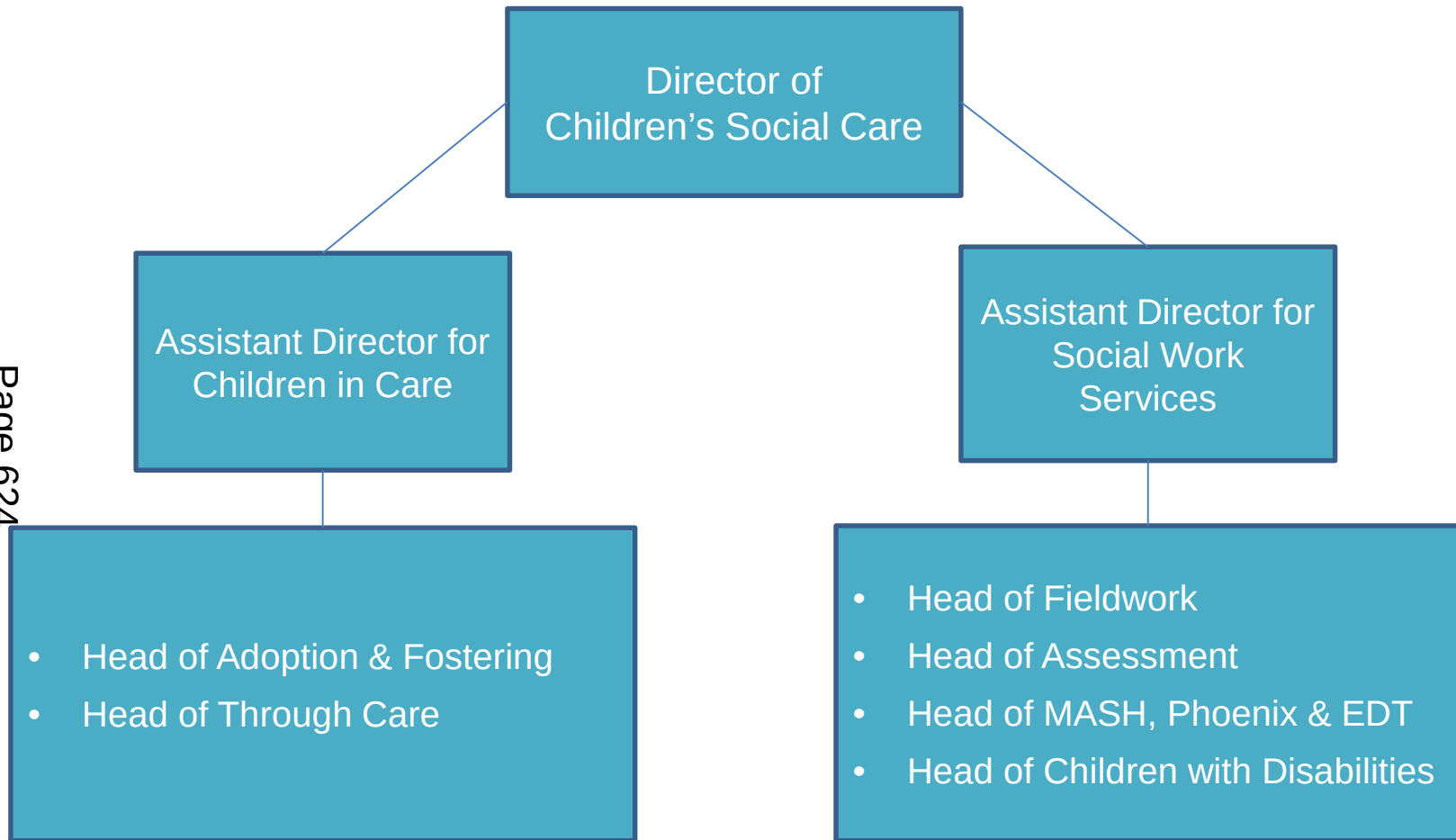


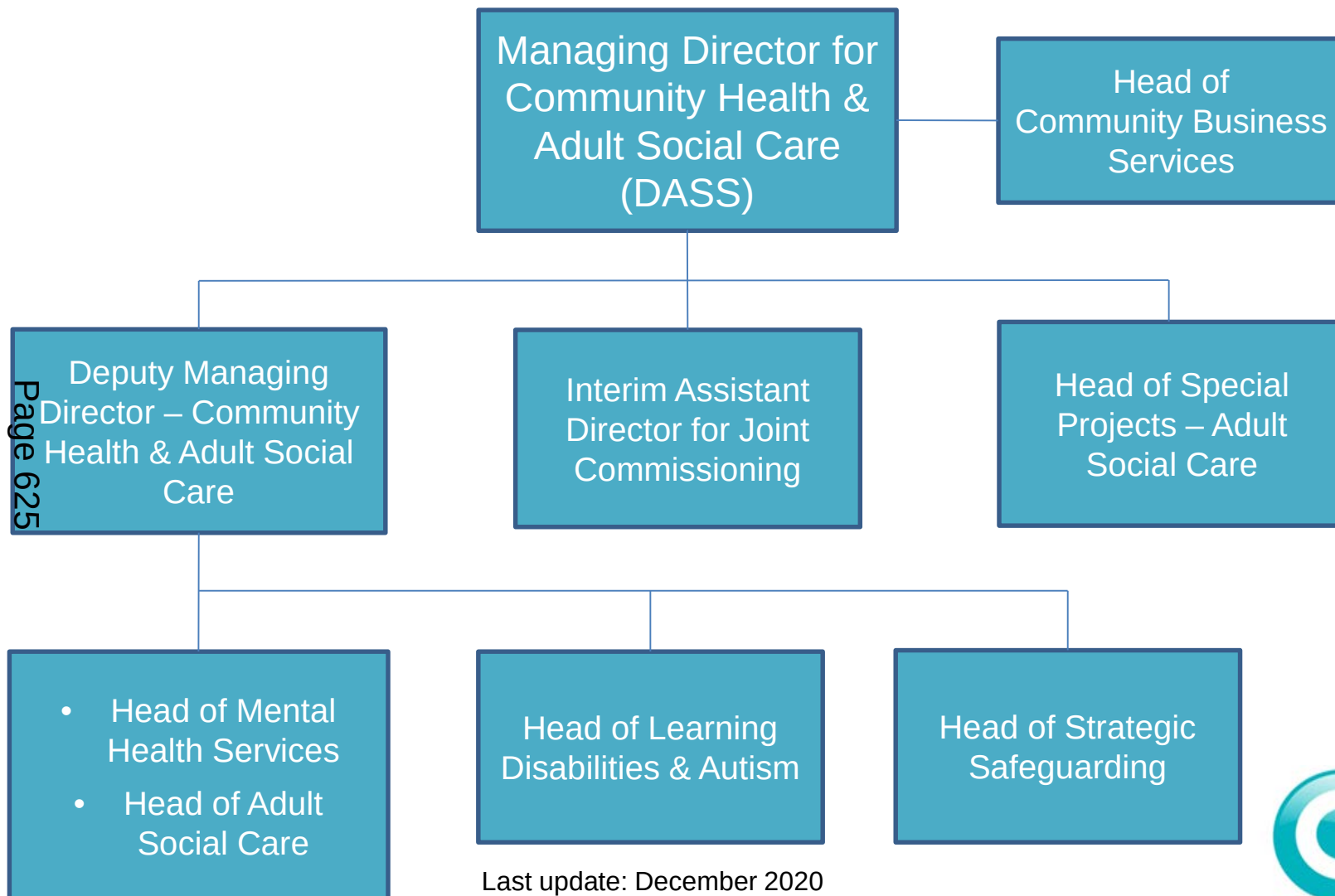
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Roles within the Children & Young People Directorate salaried £50,000+ (Page 4 of 5)



Last update: December 2020

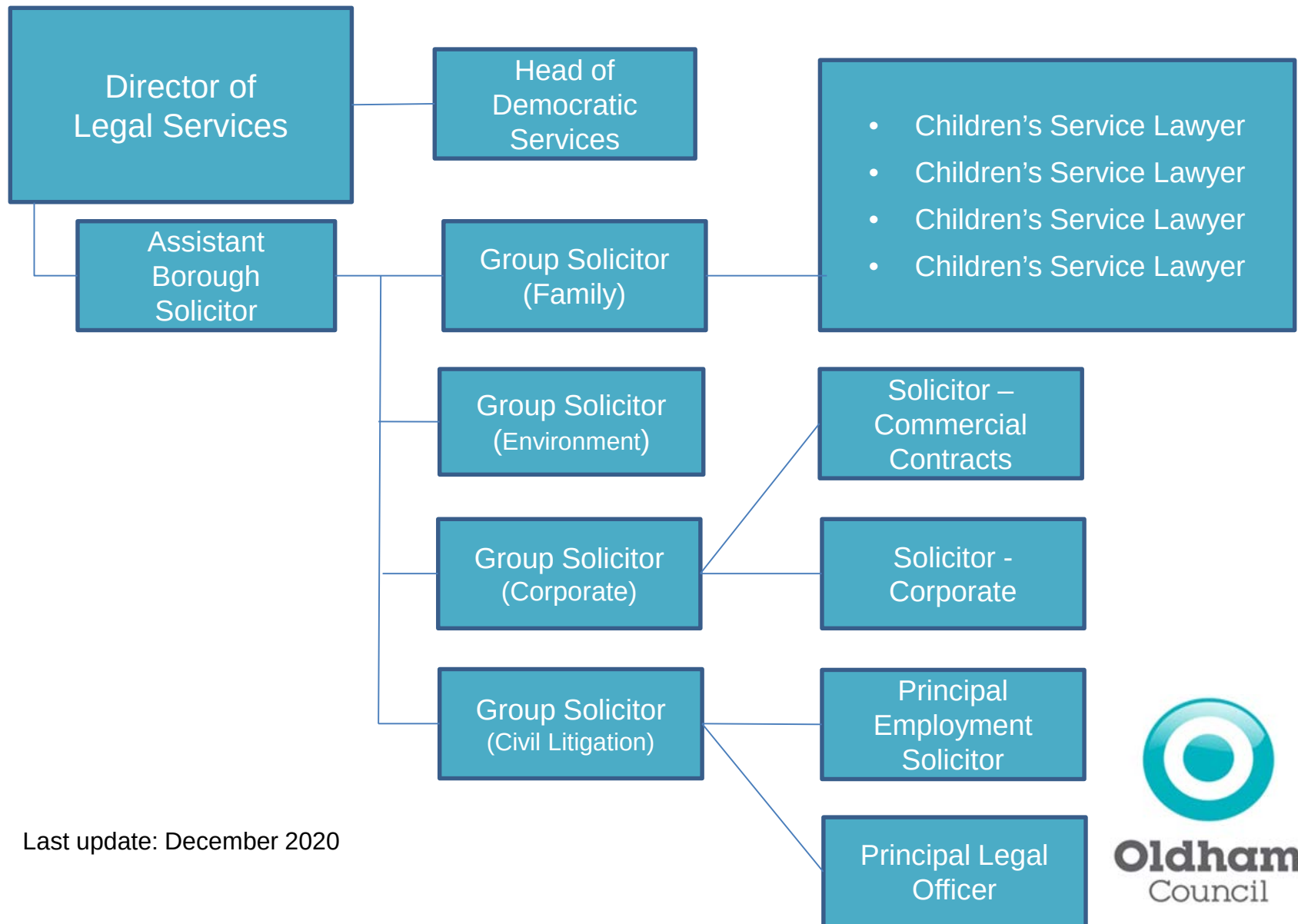




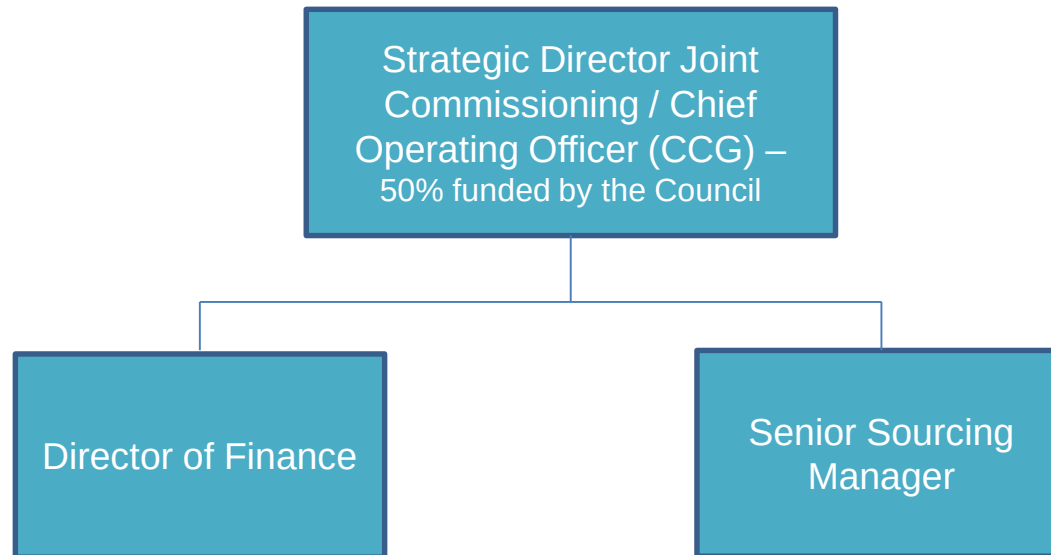
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Roles within Legal Directorate salaried £50,000+

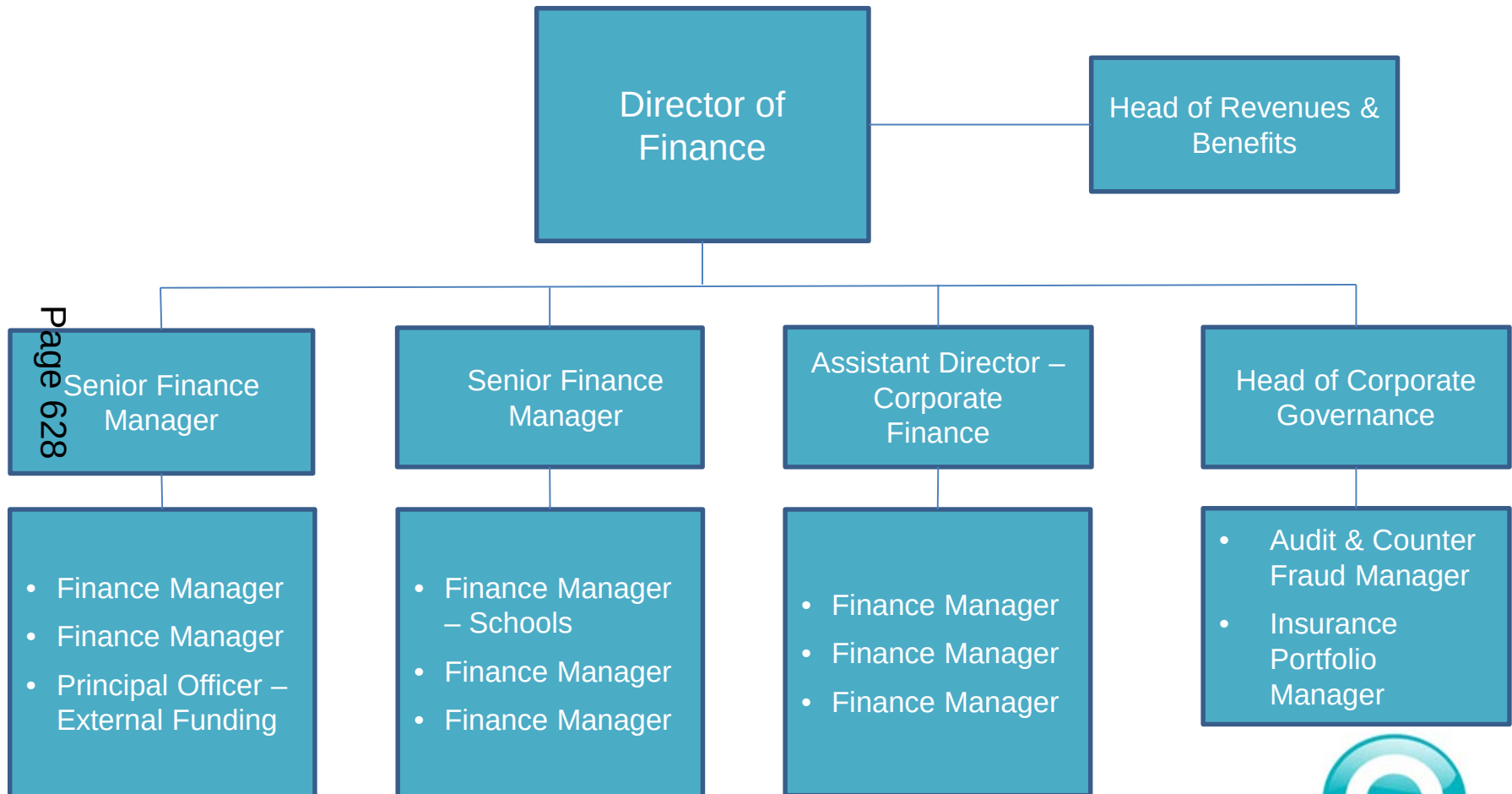
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Last update: December 2020



Roles within the Commissioning Directorate earning £50,000+ (Page 2 of 2)



Last update: December 2020

Appendix 10c

Table 2: Salaries expressed as a ratio of the Chief Executive as at December 2020

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Table Two

CHIEF EXECUTIVE'S SALARY EXPRESSED AS A RATIO OF OTHER SALARIES

	£	RATIO
CHIEF EXECUTIVE & ACCOUNTABLE OFFICER (NHS OLDHAM CCG)	£185,169	-
MEDIAN SALARY	£24,491	1 : 7.56
MEAN SALARY	£28,768	1 : 6.44
LOWEST SALARY	£17,842	1 : 10.38

Figures are based on full time equivalent salaries and last updated for December 2020



Report to Overview & Scrutiny Performance & Value for Money Select Committee

Housing Revenue Account Estimates for 2021/22 to 2025/26 and Proposed Outturn for 2020/21

Portfolio Holder:

Joint Report of the Councillor Abdul Jabbar MBE, Deputy Leader and Cabinet Member for Finance and Green and Councillor Hannah Roberts, Cabinet Member for Housing

Officer Contact: Anne Ryans, Director of Finance

Report Author: John Hoskins, Finance Manager
Ext. 1323

28 January 2021

Reason for Decision

The report sets out the latest Housing Revenue Account (HRA), the detailed budget estimates for 2021/22, the strategic estimates for the four years 2022/23 through to 2025/26 and outturn estimate for 2020/21. The report also sets out the recommended dwelling, non-dwelling rents and service and concierge charges to be applied from April 2021.

Executive Summary

The report sets out the HRA proposed 2021/22 original budget and the forecast outturn for 2020/21. The opportunity is also taken to present the provisional strategic budgets for 2022/23 through to 2025/26.

HRA activities are a key element of the Council's Housing Strategy (approved by Council on 10 July 2019) which aims to provide a diverse Oldham housing offer that is attractive and meets the needs of different sections of the population at different stages of their lives.

After taking all relevant issues into account, the projected financial position for 2020/21 is estimated to be a £1.384m positive variance when compared to the original budget

forecast for 2020/21 approved at the Budget Council meeting, 26 February 2020. Most of this variance is attributable to the re-profiling of HRA funded capital schemes into later years due to revisions to planned spending profiles. The balance at the end of 2020/21 is projected at £19.614m.

The financial position for 2021/22 shows an estimated HRA closing balance of £17.463m which is sufficient to meet future operational commitments and the potential financial pressures identified in the risk assessment.

The 2021/22 position has been presented after allowing for an increase in dwelling rents of 1.5%, an increase in non-dwelling rents in line with individual contracts, the freezing of all service charges and the setting of Extra Care Housing concierge charges to fully recover costs.

Members will recall that the Government had previously advised that PFI properties were exempt from Central Government's 1% Social Rent Reduction policy. This policy ended on 31 March 2020. Since this date, Central Government has reverted to its pre-2015 guidance for the period 2020-2025 for all properties, confirming all rents are calculated based on the Consumer Price Index (CPI) rate at September of the preceding year plus 1%. All Oldham's budget projections for the 2021/22 budget will follow the rent setting guidance of CPI plus 1%, resulting in an increase of 1.5% (CPI is taken as at September 2020).

The financial projections for the HRA over the period 2020/21 to 2025/26 show an overall reduction in the level of balances from £19.614m at the end of 2020/21 to £3.906m at the end of 2025/26. HRA resources are to be used to support several major approved housing capital projects including development within the town centre and on numerous smaller sites around the borough. There is also a commitment to purchase currently empty properties owned by private sector landlords to increase the number of Council owned housing stock.

The HRA detailed budget for 2021/22 and strategic estimates for the four years 2022/23 to 2025/26 and the outturn estimate for 2020/21 are presented to the Overview and Scrutiny Performance and Value for Money Select Committee for consideration and comment.

Recommendations

That PVFM considers and comments on the:

1. Forecast HRA outturn for 2020/21 (as per Appendix A)
2. Proposed HRA budget for 2021/22 (as per Appendix B)
3. Strategic estimates for 2021/22 to 2025/26 (as per Appendix D)
4. Proposed increase to dwelling rents for all properties of 1.5%.
5. Proposed increase to non-dwelling rents as per individual contracts.
6. Proposal that service charges are unchanged.
7. Proposal to set Extra Care Housing concierge charges to fully recover actual costs.

Overview and Scrutiny Performance and Value for Money Select Committee

Housing Revenue Account Estimates 2021/22 to 2025/26 and Proposed Outturn for 2020/21

1 Background

- 1.1 The budget and policy framework set out an annual timetable for the HRA budget process. Production of this report and the ability to scrutinise the budget are key features of that framework, along with consultation with tenants. As part of this process, the HRA Budget report for 2021/22 is presented here with the intention that it will be considered by Cabinet on 23 February 2021 and Council on 4 March 2021.
- 1.2 HRA activities are a key element of the Council's Housing Strategy (approved by Council on 10 July 2019) which aims to provide a diverse Oldham Housing offer that is attractive and meets the needs of different sections of the population at different stages of their lives.

2 Current Position

Housing Stock

- 2.1 The Council's housing stock currently comprises 2,079 properties with the majority of properties being managed and maintained within two Private Finance Initiative (PFI) schemes.

PFI 2 Sheltered Housing

- 2.2 The PFI 2 Contract between the Council and Housing 21 was signed in 2006 to provide 1,431 (plus 1 additional property subsequently added in 2016) sheltered accommodation dwellings in a mixture of bungalows and group schemes with construction finishing in May 2012. The operational contract runs to September 2036. The total construction value was £105m, all of which is payable through an annual unitary charge and funded by the annual PFI grant from Government alongside rental income received.

PFI 4 Gateways to Oldham

- 2.3 The Gateways to Oldham PFI 4 scheme reached financial close in November 2011 and has seen the refurbishment of 317 existing properties and the creation of 317 new homes, with a total capital value of £77m. The Council has entered into a 25-year contract with Inspiral Oldham who utilised private finance to fund the construction works and to manage and maintain the properties for the duration of the contract through to October 2036. Construction was completed in December 2014 (317 refurbishments and 317 new homes in total) with all the required highway works and public open space improvements finalised in November 2015. The Council has subsequently sold 7 properties under the Right to Buy Scheme (RTB).

2.4 Holly Bank Apartments

Holly Bank Apartments is a new 20-unit supported housing facility for Adults with Learning Disabilities. The scheme has been built for a total capital value of approximately £4.4m. The scheme was completed in November 2019 with its first tenants housed in March 2020.

The Self-Financing Housing Revenue Account

- 2.5 The HRA is a self-sufficient ring-fenced account which retains and utilises rental income, and in the case of Oldham, PFI credits, to meet all its management, maintenance and repairs commitments, including the respective unitary charges to provide social housing. The ringfencing arrangements ensure Councils manage their housing stock for the benefit of its residents in a transparent, accountable and in a cost-effective way.
- 2.6 In non-PFI arrangements depreciation is charged to ensure Councils are accumulating appropriate balances in order to have sufficient resources to allow for any repairs needed to their housing stock.
- 2.7 However, as the majority of Oldham's housing stock is contained within two PFI schemes, there already exists an allocation of funding for ongoing repairs and maintenance within the unitary charge paid. Despite some uncertainty as to the approach over recent years, the Ministry of Housing, Communities and Local Government (MHCLG) has confirmed that depreciation need not be charged to the HRA in respect of Oldham's PFI housing stock.

Government Guidance for Rent Increases

- 2.8 Members will recall that the Government had previously advised that PFI properties were exempt from Central Government's 1% Social Rent Reduction policy. This policy ended on 31 March 2020. The level of rents recommended for approval for 2021/22 and included in the 2021/22 budget projections follow current Government guidance which states rents should increase by the Consumer Price Index (CPI) plus 1%. The 2021/22 proposed annual rents for all HRA tenants will therefore see rents increase by 1.5% (based on CPI as at September 2020 of 0.5% plus 1%). It is therefore estimated that the average rent increase from April 2021 will be £1.35 per week (from £90.07 to £91.42).

The Revised HRA Budget 2020/21

- 2.9 The 2020/21 estimated outturn is attached at Appendix A and shows an estimated year end working balance of £19.614m, £1.384m higher than the original budget approved at the February 2020 Budget Council meeting. Current estimates align to forecasts included within the Council's Month 8 Revenue Monitoring report. The majority of the 'in-year' variance of £1.339m can be attributed to the re-profiling of the planned spending on HRA funded capital schemes into later years. Members will also note that the final outturn position for 2019/20 resulted in HRA Balances brought forward of £21.795m, £0.045m higher than the position reported at the February 2020 Budget Council Meeting.
- 2.10 The composition of the balance is summarised below:

Analysis of HRA Balances 2020/21	Original Budget £000	Revised Budget £000	Variance £000
HRA Balances b/fwd	(21,750)	(21,795)	(45)
(Surplus)/Deficit for the year on HRA Services	3,520	2,181	(1,339)
HRA Balances c/fwd	(18,230)	(19,614)	(1,384)

The HRA Budget 2021/22

- 2.11 The proposed HRA budget for 2021/22 is attached at Appendix B including all income and expenditure due to be financed from HRA Balances.
- 2.12 As previously advised, the majority of housing within the HRA is managed within two PFI arrangements which are in part funded by Government grant known as PFI credits. PFI credits for the two schemes are paid on an annuity basis; that is, they remain constant throughout the life of the contracts. In the early years of the schemes, these credits exceed the unitary charges and other costs payable. These early year surpluses, together with any interest earned, are retained to meet later year deficits as unitary charge payments to the service provider are increased year on year by an inflationary factor. HRA balances are specifically earmarked to finance these contracts and other planned HRA capital schemes, as identified in Appendix B.
- 2.13 Other key assumptions made in determining the HRA revenue budget are that:
- 1) Average rents are 1.5% higher than for 2020/21 for all HRA tenants;
 - 2) Void levels have been assumed at 2% per annum on PFI 4 properties and at 3% per annum on PFI 2 properties and Holly Bank Apartments. PFI 2 void percentages have historically been higher as a result of the ongoing tenancy placement work, ensuring tenant mixes in the six extra care schemes are appropriate to the levels of care provision required. The 3% void levels have been considered to be a more prudent assessment of the PFI 2 and Holly Bank Apartment property void position;
 - 3) There are 48 chargeable rent weeks in 2021/22;
 - 4) Service Charges and Extra Care Housing charges are continued/applied from 1 April 2021 in line with previous approvals.
- 2.14 The estimated 2021/22 HRA closing balance is £17.463m and is sufficient to meet future operational commitments and the potential financial pressures identified in the risk assessment. Appendix B presents the projected 2021/22 HRA budget based on the proposed position.
- 2.15 The estimated HRA budget for 2021/22 to 2025/26 is summarised below and presented in more detail at Appendix D. Forecast expenditure includes the use of Revenue Contributions to Capital Outlay (RCCO) to support the financing of the HRA Capital Programme (see the Capital Strategy report elsewhere on the agenda). For the period 2021/22 to 2025/26 the HRA has £20.603m allocated as Revenue Contributions to Capital Outlay. Although this is a sizeable portion of the HRA balances, the RCCO employed over this time will allow the HRA to again grow its balances from 2025/26 through the receipt of additional rental income and the reduction of future costs. The HRA Business Plan has been set mindful of the agreed minimum required HRA balance of £3m.

HRA Income and Expenditure Account 2021/22 to 2025/26 Strategic Forecast	2021/22	2022/23	2023/24	2024/25	2025/26
Income (including interest and investment income)	(29,386)	(29,578)	(29,916)	(30,120)	(30,327)
Expenditure	31,537	36,628	36,795	30,417	29,659
Net (surplus)/Deficit	2,151	7,049	6,878	297	(668)
HRA Balances b/fwd	(19,614)	(17,463)	(10,414)	(3,535)	(3,238)
HRA Balances c/fwd	(17,463)	(10,414)	(3,535)	(3,238)	(3,906)

Dwelling Rent, Non-Dwelling Rents and Services Charges Increases 2021/22

- 2.16 The proposed 2021/22 HRA budget is based on dwelling rents increasing in line with current Government rent setting guidance as outlined in paragraph 2.8 above. Non-dwelling rents will be increased in line with individual agreements.
- 2.17 Central heating charges remain for some of the PFI properties and it is proposed to continue recharging tenants on the basis of actual costs incurred.
- 2.18 From the Council's perspective, service charges are deemed necessary as it helps minimise long term risk to the Council's HRA Business Plan, whilst also allowing the establishment of a more stable and realistic financial environment in which to manage the housing stock.
- 2.19 The Council has recognised the financial pressure that a 1.5% rent uplift will have on tenants and for this reason it has chosen to freeze service charges for all tenants.

Extra Care Housing (ECH) and Holly Bank Apartments

- 2.20 All six ECH schemes (Trinity House, Aster House, Charles Morris House, Tandle View Court, Old Mill House and Hopwood Court) incur a service charge for concierge services. It is proposed that the weekly charge is increased in line with Housing 21's pay inflation to £21.52 per week reflecting the actual cost incurred by the Council.

Increase in Borrowing Limits

- 2.21 In the Budget Announcement of October 2018, the Government announced plans to remove the borrowing cap for all Authorities. A determination statement was issued by The Secretary of State for Housing, Communities and Local Government at the time, the Rt Hon James Brokenshire MP stating that Councils would be able to borrow for new build, provided they followed current prudential borrowing guidelines. The determination came into force on 1 November 2018. Whilst this offered greater potential for funding larger projects, consideration was still needed around the length of time it would take to repay the principal sum borrowed along with the interest payable. Following recent changes to Public Works Loan Board (PWLB) borrowing arrangements detailed below, current lending and borrowing interest rates are extremely low. There are already several planned capital projects which will utilise the majority of currently held HRA balances and detailed consideration is needed to determine, what if any, prudential borrowing is appropriate, given the requirement to finance the cost of any such borrowing from the HRA.

Changes to The Cost of Borrowing

- 2.22 Alongside the 2020 Spending Review announced in November 2020, the Government concluded the consultation on the PWLB Future Leading Terms. As a result, from 26 November 2020, the PWLB revised the terms for PWLB lending to ensure that Local Authorities continue to invest in housing, infrastructure, and public services whilst discouraging investment solely for income generation purposes. The Council's capital strategy has been prepared so that it complies with Government eligibility requirements for accessing PWLB lending, therefore Prudential Borrowing from the PWLB can be undertaken if it is considered to be the most cost-effective way to finance the programme.
- 2.23 From 26 November, HM Treasury reverted back to the PWLB rates that prevailed prior to the increase in October 2019, with rates being priced at the current gilt rate plus 100 basis points for the standard loans and gilts plus 80 basis points for Authorities qualifying for the Certainty Rate.

- 2.24 In September 2020 the Council applied for and received the PWLB Certainty Rate reduction. This entitles the Council to receive a 20-basis points reduction on the prevailing rate of PWLB on any borrowing undertaken from 1 November 2020 to 31 October 2021. The obvious benefit to the Council of the Certainty Rate is reflected in reduced Treasury Management borrowing costs in relation to any PWLB borrowing undertaken.
- 2.25 Given the reducing HRA balances following the planned intense level of capital investment over the next few years, coupled with the current low cost of borrowing, the Council will need to determine for all future HRA projects, the best source of funding. However, the forecasts in this report reflect a planned use of balances.
- 2.26 There are several major approved housing capital projects that the Council wishes to implement over the medium to long term to support the delivery of the overall Housing Strategy. Approved capital projects that will specifically rely on use of HRA balances include:
- **Town Centre Housing** - A key element of the vision for the Town Centre is the development of new affordable housing.
 - **Smaller Pocket Sites** – Approximately 50 small sites across the borough have been identified as being able to be developed for new social housing. These sites will produce a mix of Extra Care or Supported Housing along with General needs Stock.
 - **Developing the Purchase and Repair and Lease and Repair pilot schemes in the private rented sector** - The Council has launched a pilot empty homes intervention project to work with owners of empty homes to bring their properties back into use through one of the two options available from the Council. A combination of HRA funding and Homes England Grant funding has enabled the development of Purchase & Repair and Lease & Repair options; designed to financially support landlords in bringing their properties back into use. It is envisaged that this scheme will be widened post the pilot phase.
 - **Future Housing Purchases** – The Council has made provision to purchase additional housing which will be added to the Council's HRA stock and will provide a new social housing option for families within Oldham.
- 2.27 In addition to the approved major housing projects outlined above, the strategic estimates for 2022/23 onwards (see Appendix D) contain some indicative RCCO projections for aspirational housing projects. These projects are included within the Capital Strategy presented elsewhere on the agenda. They were also incorporated within a Cabinet report entitled "Creating A Better Place" which was approved by Cabinet on 27 January 2020 and later amended on 24 August 2020.

Strategic HRA Estimates 2022/23 to 2025/26

- 2.28 The projected forecasts for 2022/23 to 2025/26 are attached at Appendix D. As per paragraph 2.1, most of the properties within the HRA are managed under two PFI contracts. Based on current estimates, it is expected that the HRA balance will be £10,414m at the end of 2022/23, £3.535m at the end of 2023/24, £3.238m at the end of 2024/25 and £3.906m at the end of 2025/26. As detailed above the period of 2022/23 to 2025/26 is one of extensive investment by the HRA. Following this period, the HRA is again forecast to grow its balances through the receipt of additional rental income from additions to the Council's property portfolio and the planned reduction of future costs. The HRA Business Plan has been set mindful of the agreed minimum required HRA balance of £3m.

- 2.29 It should be noted that in both PFI schemes a proportion of the unitary charge is indexed with reference to inflation based on the Retail Prices Index (RPI) rather than the Consumer Price Index (CPI).

3 Options/Alternatives

- 3.1 For the Council to comply with legislative requirements, it must consider and approve an HRA budget for 2021/22.

- 3.2 Three options with regard to rent levels are presented below.

- proposed rent increase of 1.5%
- proposed rent increase of 1.0%
- rents are frozen for 2021/22.

Compared to a 1.5% increase, the loss to the HRA for 2021/22 in terms of rental income would be, £0.044m at a 1.0% rent increase and £0.131m with no rent increase, as shown below.

Average Increase in Rent	1.0% £000	0% £000
Impact in 2021/22	44	131
Impact over remaining life of Business Plan	1,686	5,057

- 3.3 Although losses in income for 2021/22 could be considered manageable, it is the cumulative impact of sustained losses of income that would have a lasting and significant impact on the long-term financial strength of the HRA and potentially its ability to meet its current and future financial commitments. This is emphasised with the inflation factor built into the Unitary Charge. A proportion of the Unitary Charge expenditure currently increases by an inflation factor linked to the Retail Price Index (RPI), therefore were the Council not to introduce the proposed rent increase, or to increase rents at a level below the current proposal, it would limit the ability of the HRA to meet its future financial commitments and support the aspirations of the Council's wider Housing Strategy.

- 3.4 Given the proposed reduction in balances due to the increased levels of RCCO for the period 2021/22 to 2024/25, it is evident that a small reduction in income would have a detrimental impact on the level of balances. It might therefore require some management action, possibly including the rephasing of capital plans in order that the level of balances does not fall below acceptable levels.

4 Preferred Option

- 4.1 Given the need to maintain a sustainable HRA financial position over the business plan period and support the aspirations of the wider Housing Strategy, the preferred option is that a dwelling rent increase of 1.5% is implemented together with other recommendations related to charges included in the report.

5 Consultation

- 5.1 Consultation has taken place with Executive Members, Service Providers and Tenants throughout the year. Where schemes have had a significant impact on a particular group of tenants or subsequently had a material impact on the HRA budget, the Council has endeavoured to undertake a thorough consultation with tenants. For example, the Council usually stages additional, frequent drop-in sessions and Court Voices meetings where tenants are encouraged to raise any concerns thus allowing a forum for further consultation.

However due to Covid restrictions, it has not been possible to organise these meetings this year, so tenants have been kept informed of events via a quarterly newsletter and have been encouraged to give their views outside of the resident meetings. It was through Court Voices that tenants, in conjunction with Housing Officers, compiled a list of specific needs which were then considered and approved as part of the HRA element of the Council's Capital Strategy. Examples of this include the provision of mobility scooter storage areas, installation or improvement of sensory gardens and improvements to communal areas.

- 5.2 A key element of this consultation process is the consideration of the HRA budget by this Select Committee along with its progression to Cabinet and Council.

6 Financial Implications

- 6.1 The proposals set out in this report are based upon the best assessment of the likely financial position of the Council's HRA for 2020/21 to 2025/26. Prudent assessments have been included within these estimates and the financial impact of any variances is identified in the Risk Assessments undertaken.

- 6.2 HRA balances, although significantly reduced over the period to 2024/25, are considered sufficient to meet known obligations for the foreseeable future and are not considered to fall below acceptable levels. A minimum level of £3m has been agreed as the point below which balances should not fall. Close budget monitoring will continue to be undertaken and should the balances position deteriorate, appropriate management action would be introduced.

- 6.3 The Housing Revenue Account Estimates report has direct links to both the Council's Housing Strategy and the Capital Strategy.

- 6.4 The Housing Strategy was approved at the Council meeting of 10 July 2019. The Strategy's key objective has been to reset the housing delivery governance framework that can then begin to start to tackle the challenges identified in the evidence based Local Housing Needs Assessment. Some of these challenges will have direct financial and stakeholder implications for HRA tenants.

- 6.5 The Council's Capital Strategy follows the same approval pathway as this Housing Revenue Account Estimates report. This report is aligned with the Capital Strategy and Capital Programme and includes all HRA funded capital projects as summarised under Revenue Contribution to Capital Outlay (RCCO) as contained in Appendices A to D.

(John Hoskins)

7 Legal Services Comments

- 7.1 It is a statutory requirement that the Authority set a balanced HRA budget, having due regard to an appropriate level of working balances and giving due consideration to the risks involved.

(Colin Brittain)

8 Co-operative Agenda

- 8.1 The HRA budget has been prepared so that resources are utilised to support the aims, objectives and co-operative ethos of the Council.

9 Human Resources Comments

- 9.1 None.

10 Risk Assessments

- 10.1 The HRA budget set out in this report is based on the best assessment of the likely financial position of the HRA in 2020/21 to 2025/26. Attached at Appendix C is a risk register as at January 2021. Forecasting remains challenging and there are a number of key issues that, should they change, affect the proposed budget.

(Mark Stenson)

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 There are non-specific at this stage.

15 Equality, community cohesion and crime implications

- 15.1 Continuation of a robust consultation process open to all tenants and tenants representatives will ensure maximum engagement and provide the opportunity for the views of all groups to be considered in setting the HRA budget and the provision of services to tenants.

16 Equality Impact Assessment Completed?

- 16.1 Not Applicable

17 Key Decision

- 17.1 Yes

18 Key Decision Reference

- 18.1 FG-12-20

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 attached as Appendices A to D
Officer Name:	John Hoskins, David Leach and Anne Ryans
Contact No:	0161 770 1323/6679/4902

20 **Appendices**

- Appendix A Revised HRA Income & Expenditure Account 2020/21.
- Appendix B Original HRA Income & Expenditure Account 2021/22.
- Appendix C 2021/22 – 2025/26 Risk Assessment as at January 2021.
- Appendix D HRA Income & Expenditure Account 2021/22 to 2025/26 Strategic Forecasts.

Revised HRA Income & Expenditure Account 2020/21	Original Budget	Latest Forecast	Variance to Budget
	£000	£000	£000
Income			
Dwellings Rents (gross)	(8,928)	(8,742)	186
Non Dwelling Rents	(38)	(38)	-
Charges for Services and Facilities	(1,224)	(1,125)	99
Contributions towards Expenditure	(20)	(20)	-
PFI Grant	(18,799)	(18,799)	-
Total Income	(29,009)	(28,724)	285
Expenditure			
Unitary Charge Payments (PFI2 and PFI4)	23,876	23,876	-
Supervision & Management	499	499	-
Depreciation and Impairment of Fixed Assets	146	146	-
Rent, Rates and Other Charges	2,689	3,330	641
Revenue Contribution to Capital Outlay (RCCO)	5,538	3,274	(2,264)
Total Expenditure	32,748	31,125	(1,623)
Net Cost of HRA Services	3,739	2,401	(1,339)
Interest and Investment Income	(219)	(219)	-
(Surplus)/Deficit for the year on HRA Services	3,520	2,181	(1,339)
HRA Balances brought forward	(21,750)	(21,795)	(45)
HRA Balances carried forward	(18,230)	(19,614)	(1,384)

<u>Original HRA Income & Expenditure Account 2021/22</u>	Original Budget
	£000
Income	
Dwellings Rents (gross)	(9,074)
Non-Dwelling Rents	(39)
Charges for Services and Facilities	(1,235)
Contributions towards Expenditure	(20)
PFI Grant	(18,799)
Total Income	(29,167)
Expenditure	
Unitary Charge Payments (PFI2 and PFI4)	24,175
Supervision & Management	526
Depreciation and Impairment of Fixed Assets	146
Rent, Rates and Other Charges	3,278
Revenue Contribution to Capital Outlay (RCCO)	3,412
Total Expenditure	31,537
Net Cost of HRA Services	2,370
Interest and Investment Income	(219)
(Surplus)/Deficit for the year on HRA Services	2,151
HRA Balances brought forward	(19,614)
HRA Balances carried forward	(17,463)

HOUSING REVENUE ACCOUNT

2021/22 – 2025/26 RISK ASSESSMENT AS AT JANUARY 2021

<u>RISK EVENT/ DESCRIPTION</u>	<u>LIKELIHOOD</u>	<u>IMPACT</u>	<u>RESERVE POSITION</u>
1. The void level assumed on dwelling properties increases.	The proposed budget assumes a void rate of 2% on PFI 4 properties and a 3% void rate on PFI 2 and Holly Bank Apartment properties. These are believed to be realistic estimates at this time. However, arising from the impact of welfare reform, a limit on Housing Benefits may force more tenants out of social housing and increase void levels. Void levels were marginally affected by Covid restrictions in the first lockdown, meaning that some tenants were unable to move in on the allocated day. This was kept to a minimum and was resolved as soon as restrictions were lifted.	A change in the void percentage of 1% (approximately 21 properties) has the impact, in a full year, of £0.092m.	The loss of income arising from movement in void levels would need to be met from HRA balances. The HRA has sufficient balances to absorb small movements on voids.
2. Impact of changes in rental income collection rates.	The collection of rental income is a key performance indicator and one in which the PFI providers have performed at the highest level. Historically it has been considered a low risk that this collection rate will deteriorate to a level to the point where it has a significant impact on the HRA budget. However, welfare reform has the potential to impact on rent collection levels. The Covid pandemic has had an effect on collection rates as some tenants were furloughed or made redundant. This will continue to be monitored within the performance meetings and appropriate measures taken to mitigate the impact.	Rental income is accounted for within the HRA on a rents receivable not received basis. Continuous monitoring of the levels of uncollected income will help inform the provisions position needed for bad or doubtful debts.	The current HRA bad debt provision is considered to be prudent for the levels of uncollected income currently being held/forecast within the HRA. The HRA bad debt provision is subject to review each year.
3. Service Charge Recovery	Service charges are currently eligible for Housing Benefits so it is relatively low risk that the majority of service charge costs will be	In 2021/22 the total level of service charges is budgeted in excess of £0.800m (excluding concierge and	Tenants failing to pay their service charges will have a detrimental effect on the HRA

<u>RISK EVENT/ DESCRIPTION</u>	<u>LIKELIHOOD</u>	<u>IMPACT</u>	<u>RESERVE POSITION</u>
	unrecovered. Self-payers may incur some level of difficulty. However, the percentage of self-payers as part of the overall tenancy profile is relatively small.	court manager costs). Any reduction in this could impact the HRA's ability to maintain and develop new schemes and services.	balance, although given the high number of tenants in receipt of Housing Benefit, the level of collection is still expected to remain high.
4. Extra Care Housing (ECH) Charge Recovery	ECH charges are eligible for Housing Benefit so it is of relatively low risk that the majority of ECH charge costs will be unrecovered. Self-payers may incur some level of difficulty. However, the percentage of self-payers as part of the overall tenancy profile is relatively small.	In 2021/22 it is expected each qualifying tenant i.e. a tenant within one of the six approved Extra Care Housing Group Schemes, will need to pay approximately £1,000 p.a. towards ECH charges. Costs of chasing recovery will also need to be considered.	Tenants failing to pay their ECH charge will have a detrimental effect on the reserve, although given the close correlation to Housing Benefit, the levels of collection are expected to remain high.
5. Rent Restructuring	Currently, Government guidelines suggest rents should increase by CPI + 1%. Any future changes to these guidelines may introduce additional financial pressures to the HRA, particularly if rent increases fail to keep pace with contractual increases in unitary charges (indexed by RPI + 0.5%).	As of September 2020, the month used for all rent calculations, the difference between the two indices was under 1.5%. The business plan has been modelled on the basis that the Council continues to follow Government guidance for rent setting.	The movement in the respective indices will be monitored on an on-going basis, it is however considered that there is sufficient tolerance within the predicted cumulative HRA balances to manage this risk.
6. Balances fall below a level considered acceptable to manage risks faced by the HRA	Given the pressures on the HRA it is possible that a combination of factors could lead to HRA balances falling below £3.283m, the minimum projected, although this is considered unlikely.	The HRA may have reduced resources to manage any significant increases in expenditure /reduction in income without the consideration of budgetary measures outside those included in the projections.	Close budget monitoring will be undertaken and management action would be introduced, including the potential for some short term borrowing or the revision to capital plans, should the HRA balances position prove challenging.

HRA Income & Expenditure Account 2021/22 to 2025/26 Strategic Forecasts

Appendix D

HRA Income & Expenditure Account 2021/22 to 2025/26 Strategic Forecasts	Original 2021/22	Original 2022/23	Original 2023/24	Original 2024/25	Original 2025/26
	£000	£000	£000	£000	£000
Income					
Dwellings Rents (gross)	(9,074)	(9,257)	(9,444)	(9,635)	(9,830)
Non-Dwelling Rents	(39)	(39)	(39)	(40)	(40)
Charges for Services and Facilities	(1,235)	(1,244)	(1,252)	(1,262)	(1,271)
Contributions towards Expenditure	(20)	(20)	(163)	(165)	(168)
HRA Subsidy ~ PFI Credits	(18,799)	(18,799)	(18,799)	(18,799)	(18,799)
Total Income	(29,167)	(29,359)	(29,697)	(29,901)	(30,108)
Expenditure					
Unitary Charge Payments (PFI2 and PFI4)	24,175	24,477	24,782	25,091	25,404
Supervision & Management	526	535	545	555	565
Depreciation and Impairment of Fixed Assets	146	146	146	146	146
Rent, Rates and Other Charges	3,278	3,342	3,408	3,475	3,544
Revenue Contribution to Capital Outlay (RCCO)	3,412	8,127	7,914	1,150	0
Total Expenditure	31,537	36,628	36,795	30,417	29,659
Net Cost of HRA Services	2,370	7,268	7,097	516	(449)
Interest Payable and Other Similar Charges					
Interest and Investment Income	(219)	(219)	(219)	(219)	(219)
(Surplus)/Deficit for the year on HRA Services	2,151	7,049	6,878	297	(668)
HRA Balances brought forward	(19,614)	(17,463)	(10,414)	(3,535)	(3,238)
HRA Balances carried forward	(17,463)	(10,414)	(3,535)	(3,238)	(3,906)



Report to Overview and Scrutiny Performance and Value for Money Select Committee

Capital Strategy and Capital Programme 2021/22 to 2025/26

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

Report Author: Anne Ryans, Director of Finance

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28 January 2021

Reason for Decision

To set out the Capital Strategy for 2021/22 to 2025/26 and thereby the proposed 2021/22 capital programme, including identified capital investment priorities, together with the indicative capital programme for 2022/23 to 2025/26, having regard to the resources available over the life of the programme.

Executive Summary

The Capital Strategy

The Council's Capital Strategy and capital programme are set over a five year timeframe. The proposed Capital Strategy and programme for 2021/22 to 2025/26 takes the essential elements of the 2020/25 and previous years' strategies and programmes and moves them forward in the context of the financial and political environment for 2021/22.

The Strategy does however include a longer term vision, a forward look at those projects that are likely to run beyond the five year strategy and programme period or be initiated subsequently. This covers a timeframe for the 10 years from 2026/27 to 2035/36.

The format of the Capital Strategy reflects the latest Prudential and Treasury Management Codes issued by the Chartered Institute of Public Finance and Accountancy (CIPFA). The strategy therefore presents:

- A high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- An overview of how the associated risk is managed
- The implications for future financial sustainability

The Capital Strategy is presented at Appendix 1. It is prepared in 15 sections and ensures that all Council Members are presented with the overall long-term capital investment policy objectives and resulting Capital Strategy requirements, governance procedures and risk appetite. The sections are:

1. Aims of the Capital Strategy and its links to the Council's Corporate Plan / COVID-19 Recovery Strategy, Creating a Better Place Strategy, Medium Term Property Strategy, Housing Strategy and Budget and Policy Framework
2. The Principles of the Capital Strategy
3. Priority Areas for Investment
4. Supporting Greater Manchester Devolution and Accessing National Infrastructure Strategy Resources
5. Affordability, Delivery and Risk Associated with the Capital Strategy
6. Knowledge and Skills
7. Treasury Management
8. Long Term Loans
9. Other Non-Treasury Investments
10. Capital Resources to Support Capital Expenditure
11. Capital Investment and Disposal Appraisal
12. The Prioritisation of Capital Requirements
13. The Procurement of Capital Projects
14. The Measurement of the Performance of the Capital Programme
15. The Capital Investment Programme Board

The Strategy incorporates the refreshed and updated elements of the Creating a Better Place Strategy, the Medium-Term Property Strategy and Housing Strategy. Following a review of the Capital Programme, as a result of the unprecedented economic circumstances due to the impact of the COVID-19 pandemic and the revised terms for PWLB borrowing, the principles established to complement the Capital Strategy as contained in the Commercial Property Investment Strategy and Fund and the Income Generation Strategy have been removed from the Capital Programme.

The Capital Strategy section (section 1) highlights the impact of COVID-19 and the way this has shaped capital spending plans for 2021/22 and future years. During 2020/21, the COVID-19 pandemic has had a major impact on the borough, its residents and the economy. The financial year 2021/22 will begin, at least, with a COVID-19 influence, however, it is expected, now that several vaccines are available, that normal activities

will be resumed and the Councils capital spending plans which have inevitably been interrupted in 2020/21, can get back on track during 2021.

The pandemic has presented significant challenges for the feasibility, design and delivery of capital projects. As well as practical issues associated with maintaining safe working arrangements, supply chains and similar issues, it has been necessary to revisit significant elements of the strategy to ensure the priorities for capital investment remain appropriate in the context not only of the Council's challenging financial position but having regard to the potential longer-term impact of pandemic on the economy and the potential for behavioural changes in work and transport needs as well as retail and leisure pursuits.

In preparing the Capital Strategy for 2021/22, it was important to consider publication by HM Treasury in March 2020 of a consultation document seeking views on proposed changes to the lending terms of the Public Works Loan Board (PWLB). The Government launched the consultation as it was concerned that PWLB resources were being used to fund commercial investments solely for income generation purposes and carried a significant degree of risk.

Alongside the 2020 Spending Review in November 2020, the Government largely confirmed the proposals set out in the original consultation meaning there would be stricter conditions associated with the approval of PWLB loans to Local Authorities. The PWLB will now no longer provide loans to a Local Authority if their Capital Strategies include any plans to buy investment assets primarily for income generation. These new terms apply to all loans arranged on or after 26 November 2020. This Capital Strategy has been prepared to ensure that the Council is able to access PWLB funds despite the significant change to the lending criteria.

The National Infrastructure Strategy (NIS) published alongside the Chancellor's 2020 Spending Review contained a range of Government capital spending announcements. The announcements contained little specific detail, and in some cases represented initiatives previously announced, however the NIS sets out a considerable investment intention focussed on:

- Boosting growth and productivity across the whole of the UK;
- Driving recovery and rebuilding the economy;
- Levelling up between regional areas and strengthening the Union;
- Putting the UK on the path to meeting its net zero emissions target by 2050 by decarbonising the economy and adapting to climate change;
- Supporting private investment in infrastructure; and
- Accelerating and improving the delivery of infrastructure projects.

The Council will aim to access the maximum level of NIS resources to support projects in Oldham and the wider Greater Manchester region, working with the Greater Manchester Combined Authority (GMCA) and other GM Authorities as necessary

Annex C of Appendix 1 sets out the proposed capital expenditure and financing for the period covered by the Capital Strategy, 2021/22 to 2025/26.

The Strategy also advises that the Council is proposing to continue the use the flexibility provided by the Ministry of Housing, Communities and Local Government (MHCLG) to use capital receipts to fund the revenue cost of transformation. The 2021/22 revenue budget will rely on up to £2.000m of such funding from capital receipts. Annex D sets out the required Flexible Use of Capital Receipts Strategy which advises of the summary of planned receipts, use and savings.

Capital Programme 2020/21 to 2024/25

The 2020/21 month 8 capital monitoring position is elsewhere on the agenda and the projections included in that report are a key determinant of the 2021/22 programme. As many schemes span more than one year, the anticipated level of reprofiling between years sets the underlying position.

The projected outturn spending position for 2020/21 is £81.013m. The People and Place Directorate which manages all of the major regeneration projects, constitutes the main area of expenditure. Grants and Other Contributions (£20.150m) followed by Prudential Borrowing provide the main source of financing (£53.553m).

Actual expenditure to 30 November 2020 was £50.566m (62.24% of forecast outturn). This spending profile is in line with that in previous years, however the position will be kept under review and budgets will continue to be managed in accordance with forecasts.

Capital Programme 2021/22 to 2025/26

The Council has set out its capital programme for the period 2021/22 to 2025/26 based on the principles of the Capital Strategy. The Capital Programme and Capital Strategy have been influenced by the level of resources considered available. The level of prudential borrowing included reflects the financing available in the revenue budget, capital receipts align with forecasts and grant funding and other contributions are based on already notified allocations or best estimates at time of preparation. If additional resources become available, projects that meet the Council's strategic capital objectives will be brought forward for approval.

Due to the impact of the COVID-19 pandemic on a number of schemes, over the summer months the capital programme for 2020/21 was significantly re-phased. On 24 August 2020, Cabinet approved a revised vision and strategic framework for 'Creating a Better Place' which has associated with it a significant level of investment. The revised vision places more emphasis on economic recovery and accelerating the potential for generating revenue budget savings. The report was the culmination of a fundamental review of the programme which commenced in April 2020 close to the start of the pandemic. Following the review and in anticipation of the PWLB consultation outcome the Creating a Better Place Strategy was reduced by approximately £90.000m.

As at the month 8 capital monitoring position, the anticipated expenditure over the five year life of the 2020/21 to 2024/25 strategy was £404.630m, taking 2020/21 aside (£81.013m) leaves £323.617m for the remainder of the approved 2021/22-2024/25 capital programme. Following the refresh of existing strategies including Creating a Better Place, and moving forward the planning period by one year, the Capital Strategy for 2021/22 to 2025/26 totals £340.289m.

The capital programme includes proposed expenditure for 2021/22 of £84.099m, with the largest area of expenditure being on regeneration, schools, transport and infrastructure projects within People and Place Directorate. Total expenditure increases to £94.765m in 2022/23, then decreases to £71.418m, £62.553m and £27.454m in 2023/24, 2024/25 and 2025/26 respectively.

Resources Available to Support the Capital Programme

The Government is continuing to provide significant levels of grant funding. The main sources of grant income are the Highway Maintenance Grant at £12.204m, along with Education-related Basic Need Capital grant provision of £10.677m over the life of the programme. There are also considerable resources allocated to the Council via the GMCA including the Mayors Cycling and Walking Challenge Fund (£11.273m in 2021/22).

The grant funding provided by Government can be split into two categories: un-ringfenced and ringfenced resources, as explained in Section 10 of the Capital Strategy. The majority of capital Government Grant funding is un-ringfenced. Resources classified as ringfenced have to be utilised to finance particular categories of expenditure and therefore are restricted in their use. The 2021/22 capital programme relies on £11.793m of un-ringfenced and £21.973m of ringfenced grants.

As in previous years, a major source of financing remains prudential borrowing. The amount required in 2021/22 (£42.871m) includes borrowing attributed to schemes that have slipped from prior years as well as new borrowing associated with the regeneration programme. The timing of the borrowing is linked to the cash position of the Council and may therefore not mirror the spending/financing profile set out above.

On-going Review of the Capital Programme

There will be a continued review of capital spending requirements as the Council has further regeneration ambitions, but affordability and deliverability will be a key consideration in this regard. It is, however, possible that the capital position may change prior to the start of 2021/22 and during the year as:

- There may be further Government funding allocations announced prior to the start of 2021/22 including those related to the Towns Fund.
- The outcome of specific grant bids which will be announced during 2021/22.
- It is also likely that there will be new initiatives announced later in the financial year.
- There may also be the opportunity to bid for additional funding.
- The Council may identify other funding sources, including capital receipts, to finance additional capital expenditure.

Therefore, the overall capital programme position will be kept under review and any new information regarding funding allocations will be presented to Members in future reports.

Consultation

There has been consultation on the proposed Capital Strategy and Capital Programme for 2021/22 to 2025/26 with the Members of the Capital Investment Programme Board. Presentation of the Capital Strategy report to the Overview & Scrutiny Performance and Value for Money is a key element of the consultation process. Having had regard to and comments from the Select Committee, the report will be presented for final approval to Cabinet and Council.

Recommendations

That Overview and Scrutiny Performance and Value for Money Select Committee considers and comments upon:

- i) The Capital Strategy for 2021/22 to 2025/26 at Appendix 1 of this report and summarised at section 2.1.
- ii) The capital programme for 2021/22 and indicative programmes for 2022/23 to 2025/26 at Annex C of Appendix 1 and summarised at sections 2.2 to 2.6 of this report.
- iii) The Flexible Use of Capital Receipts Strategy as presented at Annex D of Appendix 1.

Capital Strategy and Capital Programme 2021/22 to 2025/26

1. Background

- 1.1 In accordance with good practice, the Council has traditionally prepared a Capital Strategy, the overarching aim of which is to provide a framework within which the Council's capital investment plans will be delivered. This Capital Strategy for 2021/22 to 2025/26 has been prepared to cover an initial five year time-frame. Recognising that there is some uncertainty, especially in relation to funding in later years, the Strategy therefore focuses on 2021/22 and 2022/23 in detail.
- 1.2 The Strategy does however include a longer term vision, which also covers the time frame for 10 years from 2026/27 to 2035/36. This takes a forward look at those projects that are likely to run beyond the initial five year strategy and programme period.
- 1.3 The format of the Capital Strategy reflects the latest Prudential and Treasury Management Codes issued by CIPFA. The strategy therefore presents:
- A high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
 - An overview of strategic policy objectives, governance procedures and how associated risks are managed;
 - The implications for future financial sustainability.
- 1.4 This report therefore summarises the key elements of the Capital Strategy which are outlined in more detail at Appendix 1.
- 1.5 The report also presents the proposed 2021/22 to 2025/26 capital spending plans of the Council. This taken together with an update on spending in 2020/21, has a significant influence over the profiling of expenditure into future years.
- 1.6 The proposed Capital Strategy and Capital Programme for 2021/22 to 2025/26 therefore takes the essential elements of previous Capital Strategies and programmes and moves them forward in the context of the financial, economic and political environment for 2021/22 onwards. The Capital Strategy is attached at Appendix 1, with the capital programme, which reflects the principles of the Strategy, attached at Annex C of Appendix 1.

2 Current Position

2.1 Capital Strategy 2021/22 to 2025/26

2.1.1 The overarching aim of the Oldham Capital Strategy is to provide a framework within which the Council's capital investment plans will be delivered over a five-year timeframe, 2021/22 to 2025/26, but as advised above, the format and content of the Capital Strategy reflects the latest guidance issued by CIPFA as part of the Prudential and Treasury Management Codes. The strategy also takes account of amendments to Public Works Loan Board (PWLB) Lending Criteria which states that the PWLB will now no longer provide loans to a Local Authority if their Capital Strategies include any plans to buy investment assets primarily for income generation. The Strategy also has reference to the impact of the COVID-19 pandemic on the schemes within the programme.

2.1.2 The Capital Strategy and spending plans of the Council are driven by the ethos of the Cooperative Council and Corporate Plan. Work to refresh the Corporate Plan was due to be completed by summer 2020. However, the impact of the COVID-19 pandemic meant that this was no longer possible. Instead, the Council is developing a COVID-19 Recovery Strategy which will act as an interim Corporate Plan until at least 2022. The timescale for finalising the revised plan is currently spring 2021.

Creating a Better Place Strategy

2.1.3 This strategy sets out a comprehensive vision and strategic framework for the borough, which includes the Oldham Town Centre Vision, the Housing Strategy, and utilisation of the Council's corporate estate (land and property) to support development and open space requirements across the borough. The original strategy was approved by Cabinet across two reports in December 2019 and January 2020.

2.1.4 In light of the pandemic, the Council has had to respond with the provision of significant funding support to ensure the safety and welfare of Oldham's local communities. In addition, the national policy landscape changed significantly when HM Treasury set out proposals for revising PWLB lending terms to discourage commercial investment solely for income generation purposes. Therefore, it was appropriate that the programme was reviewed to ensure that priorities were correct and that the projects supported economic recovery (post-COVID). Cabinet approved a revised vision for Creating a Better Place on 24 August 2020. The revised strategy still includes creating 2,400 (previously 2,000) new homes, 1,000 new jobs and 100+ new apprenticeships.

2.1.5 Key schemes within the Creating a Better Place Strategy include:

- Schools – A range of new build and school expansion schemes to ensure there are sufficient school places for the borough's children. Schemes include the provision of a new secondary school at Saddleworth and the expansion of North Chadderton school. The Creating a Better Place Strategy now encompasses schemes financed through Education Basic Need grant.
- New Homes – The aim of the Housing Strategy is to provide a diverse housing offer that is attractive and meets the needs of different sections of the population at different points in their lives and focusses on the dynamics between people, homes and the wider economy. A key strand of this approach remains the provision of a Flexible Housing Fund (FHF). This is a fund to support external partners and the Council to self-develop housing in less viable areas. It will ensure developments are brought forward and support the delivery of the required number of new homes within the borough. Investment in building new homes is a priority at key town centre sites and sites around the borough.

- Town Centre Regeneration – The Council continues to deliver considerable investment in the town centre with the recent acquisition of the Spindles and Town Square Shopping Centres. Plans are being created to redevelop the centre so it is not focused solely on retail. The centre's redevelopment will also release other town centre sites for repurposing including the provision of housing and additional green space. It will also help reduce corporate landlord costs and backlog maintenance liabilities which are reflected in the Council's revenue budget savings proposals.
- Borough-Wide Regeneration - The Council is investing in borough-wide regeneration initially via initiatives through housing and employment sites at Broadway Green, Hollinwood and Salmon Fields. All these sites are expected to advance further within the next five years. The Council will take advantage of suitable development opportunities throughout Oldham in order to advance its regeneration objective.

2.1.6 The Creating a Better Place programme incorporates £287.857m of schemes with £37.391m included within the 2020/21 programme and a further £250.466m over the period 2021/22 to 2025/26. The Creating a Better Place programme includes schemes in Children's Services, People and Place and Housing Revenue Account within the Capital Programme. The revised programme is forecast to achieve cumulative revenue savings of £8.2m per annum which are reflected in the Council's proposed revenue budget and medium term financial strategy. These savings largely rely on the completion of capital schemes which can take time to deliver meaning their realisation will occur in 2022/23 and 2023/24.

2.1.7 It is also hoped that the ambition set out within the Creating a Better Place Strategy will be supported with significant grant support from the Towns Fund and the Future High Streets Fund. At the time of preparing this strategy, the Council is still awaiting the outcome of a bid for resources from the Towns Fund but has been provisionally awarded £10.750m from the Future High Streets Fund. The funding awarded is £4.8m lower than the original bid meaning the Council will now engage with MHCLG to determine how to prioritise and allocate this provisional funding.

Supporting Strategies

2.1.8 Complementing the Creating a Better Place strategy is the Medium-Term Property Strategy (MTPS) review and the Housing Strategy for Oldham (approved by Cabinet in July 2019).

2.1.9 The MTPS and its implementation is key to the Council achieving both cost savings and a more efficient use of the corporate estate, contributing to the delivery of revenue budget savings and a reduced requirement for backlog maintenance as well as informing the development of an asset disposals programme to reduce Council holdings of surplus assets and generate additional capital receipts. In addition to Creating a Better Place, the MTPS is at the centre of numerous interdependencies including the One Public Estate Programme and Place-Based Working centred around providing services from five districts / hubs within the borough.

2.1.10 The Housing Strategy was developed in line with the Oldham Plan, the GM Spatial Framework and the GM Housing Strategy. The strategy recognises the function that housing plays in supporting health and social care integration and wider public sector reform. A key objective of the housing strategy has been to reset the housing delivery framework that can start to tackle the challenges identified in the evidence based Local Housing Needs Assessment and help meet the housing priority identified over the short, medium and long term.

The Principles of the Capital Strategy

2.1.11 The Capital Strategy has 16 principles outlined in Appendix 1 Section 2. These have been adjusted to take account of the revised PWLB lending criteria to ensure the Council is able to access PWLB resource financing with regard to the new lending terms. The remaining principles are largely unchanged from previous years and emphasise the role of the Capital Investment Programme Board (CIPB) in leading the strategic direction for capital investment with the Terms of Reference of the CIPB included at Annex B of the Appendix 1. The principles include:

- The requirement for all capital schemes to have a sponsor and to undergo a rigorous options appraisal process
- The pooling of all un-ringfenced funds but having regard to specific obligations
- No ringfencing of capital receipts but with some specified exceptions
- Utilising resources to work collaboratively with the Greater Manchester Combined Authority (GMCA) and other public sector agencies to support the evolving devolution agenda
- Supporting greater integration with Oldham Clinical Commissioning Group (CCG) and other NHS partners by making Council capital resources available for joint projects.

2.1.12 These principles frame decision making on capital expenditure and underpin the Council's approach to capital investment.

Priority Areas for Investment

2.1.13 Section 3 of Appendix 1 advises of the priority investment areas identified for the 2021/22 to 2025/26 period that will be taken forward subject to the availability of resources and the approval of a full business case.

2.1.14 There is a requirement for continued funding of existing programmes of work on:

- Corporate Major Repairs /Disability Discrimination Act (DDA) Adaptations/ Legionella / Health and Safety Projects (Corporate Landlord Function)
- School Condition Works
- ICT Strategy
- Social Care
- Environmental Services

2.1.15 However, following the outcome of the review of the Capital Strategy 2021/22 to 2025/26, expenditure for the financial year 2025/26 has not been allocated to the programme. For the above schemes, it is deemed that there is sufficient unallocated resource to meet existing needs. The principle for continued funding on the above schemes still remains and will be revisited as part of the 2022/23 Capital Strategy.

2.1.16 In addition to the projects specifically referred to above, the following is a list of further/new projects for which funding may be required:

- a) Social Care
- b) Better Care Fund (Disabled Facilities Grant)
- c) Green Initiatives and Decarbonisation
- d) Surplus Sites
- e) Working with NHS Partners
- f) School Investment
- g) GM Investment Fund Loans
- h) Creating a Better Place Strategy including COVID-19 Recovery
- i) Medium Term Property Strategy
- j) Development of Housing Initiatives
- k) GM Devolution and Related Initiatives
- l) Matched Funding for Grant Bids
- m) Northern Roots
- n) Royton Town Centre Development
- o) Transport Capital Programme

2.1.17 Included within the Capital Strategy is an unallocated resource to provide funding for emerging priorities. This resource can be deployed to support existing priority schemes or new initiatives. This is considered a prudent approach to allow flexibility, revision and reassessment of priorities.

2.1.18 The Strategy does however include a longer term vision, a forward look at those projects that are likely to run beyond the five year strategy and programme period or be initiated subsequently. This covers a timeframe for the 10 years from 2026/27 to 2035/36.

Supporting Greater Manchester Devolution and Accessing National Infrastructure Strategy Resources

2.1.19 Section 4 of Appendix 1 advises that Oldham and Greater Manchester have encountered unprecedented times through the COVID-19 crisis. However, the Greater Manchester Strategy remains the key policy document that will shape the future of Greater Manchester. A refresh of this document is planned for 2021. The Council will strive through its capital programme, to continue to support devolution activities.

2.1.20 The National Infrastructure Strategy (NIS) published alongside the Chancellor's 2020 Spending Review contained a range of Government capital spending announcements. The announcements contained little specific detail, and in some cases represented initiative previously announced, however the NIS sets out a considerable investment intention focussed on:

- Boosting growth and productivity across the whole of the UK;
- Driving recovery and rebuilding the economy;
- Levelling up between regional areas and strengthening the Union;
- Putting the UK on the path to meeting its net zero emissions target by 2050 by decarbonising the economy and adapting to climate change;
- Supporting private investment in infrastructure; and
- Accelerating and improving the delivery of infrastructure projects.

- 2.1.21 The Council will aim to access the maximum level of NIS resources to support projects in Oldham and the wider Greater Manchester region, working with the Greater Manchester Combined Authority (GMCA) and other GM Authorities as necessary

Affordability, Delivery and Risk Associated with the Capital Schemes

- 2.1.22 In accordance with the requirements of the Prudential and Treasury Management Codes the Council must state how the Council will ensure that its capital spending plans are affordable, how projects will be delivered and how risks associated with the capital programme are managed. This is outlined at Section 5 of Appendix 1. Included within this section is the concept of Proportionality, which demonstrates the Council has minimal exposure from income generating assets that supports the Council's net revenue budget.

Knowledge and Skills

- 2.1.23 It is essential to advise of the knowledge and skills of the staff who have responsibility for the preparation and on-going management of the capital and treasury management strategies and other key activities in relation to the management of the capital programme. Members can be assured that the Council has suitably skilled and experienced staff and appropriate governance arrangements are in place, as set out more fully in Section 6 of Appendix 1.

Treasury Management

- 2.1.24 The Capital and Treasury Management Strategies of the Council are closely linked and Section 7 of Appendix 1 therefore sets out how each are prepared to have regard to the key issues and ensuring a complementary and fully aligned approach.

Long Term Loans

- 2.1.25 Section 8 of Appendix 1 advises that the Council has the ability, should it choose to exercise its powers, to enter into loan arrangements to support delivery of strategic corporate priorities. It also advises that the Council has chosen to make some but limited use of its ability to enter into loan arrangements. During 2020/21, the Council has given a long-term loan to a strategic stakeholder partner that will generate a sustainable income source for the next 40 years. It also aligns to the Council's corporate priorities and the wider economic development of the GM area. Members can be assured that there is strong governance in place to ensure robust due diligence and decision making.

Other Non-Treasury Investments

- 2.1.26 Section 9 of Appendix 1 advises that the Corporate Property Investment Strategy (CPIS) (approved December 2019) is now inconsistent with revised PWLB lending criteria. The PWLB will now no longer provide loans to a Local Authority if their Capital Strategies include any plans to buy investment assets primarily for income generation. The Council's capital spending plans are no longer underpinned by CPIS. Members are also advised that the Council has Treasury Management investments that generate a return from a property fund. However, Members can have confidence that these treasury management investments are only undertaken after an appropriate due diligence exercise, they have regard to the Prudential and Treasury Management codes and are included within the annual Treasury Management Strategy which is approved at the Budget Council.

Capital Resources to Support Capital Expenditure

- 2.1.27 Section 10 of Appendix 1 sets out the range of resources that the Council will rely on to support capital spending. In addition to prudential borrowing and Government grants, which together are the main financing source for the capital programme, the Council will, depending on the circumstances, consider using a range of resources and opportunities to finance capital expenditure and will continue to monitor the availability and suitability of alternative sources of financing. Financing decisions will, however, be made in the context of the schemes being considered for approval and the financial position of the Council at the time a decision is required.
- 2.1.28 This section also highlights the circumstances where capital receipts will be ringfenced to support specific purposes. This includes ringfencing of up to £2.000m to support the Council's use of flexibility in the utilisation of the capital receipts (see section 2.1.34).

Capital Investment and Disposal Appraisal

- 2.1.29 Section 11 of Appendix 1 advises that all capital investment will be commissioned on the recommendation of the CIPB which will enable any expenditure and its funding to be better aligned with corporate priorities, partners and funding sources. It also advises that the:
- Governance of the Council's land and property portfolio is provided via the Land and Property Protocols which form part of the Council's Constitution; and
 - Corporate Property Board oversees the acquisition and disposal of land and property assets and monitors the progress of the asset rationalisation programme and performance of the investment portfolio.

The Prioritisation of Capital Requirements

- 2.1.30 Section 12 of Appendix 1 advises that once a bid for capital expenditure has passed through the Gateway process, has demonstrated that it meets Council objectives, and links to the Greater Manchester Strategy (if appropriate), and it has been agreed that it is suitable for capital investment, the strategic requirements will be prioritised using a range of criteria which are not mutually exclusive or in ranking order. Detailed in full at Section 12, these include:
- The relationship to mandatory, contractual or legislative service delivery requirements.
 - Whether the project is required to achieve the delivery of a specific revenue budget saving within the revenue budget setting process.

The Procurement of Capital Projects

- 2.1.31 Section 13 of Appendix 1 advises that the structure of the Council's procurement and strategic relationship management function includes designated Commercial Procurement Managers whose focus is to support all capital projects and can therefore take advantage of opportunities for greater efficiency by selection of the most effective procurement processes to ensure the best commercial solution.

The Measurement of the Performance of the Capital Programme

- 2.1.32 Section 14 of Appendix 1 highlights the approach to managing the performance of the Capital Programme. It advises that the Council's strong programme management approach is modelled on the PRINCE 2 project management methodology and the Office of Government Commerce (OGC) Gateway Review System. This ensures that investments are planned, managed and delivered prudently. In addition, the CIPB has a remit to review the financial performance of the capital programme and it receives a monthly monitoring report and undertakes a detailed annual review of the capital programme.

The Capital Investment Programme Board

- 2.1.33 Section 15 of Appendix 1 advises that the CIPB will continue in its role as an Advisory Board chaired by the Deputy Leader and Cabinet Member for Finance and Green. The Board is supported by a range of key officers. The CIPB will make recommendations which can be approved under delegated powers as appropriate. Its terms of reference are presented at Annex B to Appendix 1.

Flexible use of Capital Receipts Strategy

- 2.1.34 The Council is proposing to utilise the flexibility provided by the Ministry of Housing, Communities and Local Government (MHCLG) to use capital receipts to fund the revenue cost of transformation. The 2021/22 revenue budget will rely on up to £2.000m of such funding from capital receipts. Annex D sets out the required Flexible Use of Capital Receipts Strategy which advises of the summary of planned receipts and summary of planned use and savings.

2.2 Capital Programme 2021/22 to 2025/26

- 2.2.1 The Council is required to set out its capital programme for the period 2021/22 to 2025/26 based on the principles of the Capital Strategy. As previously advised, an initial timeframe of five years has been adopted. The level of prudential borrowing included reflects the financing available in the revenue budget and through anticipated income streams, capital receipts align with forecasts and grant funding and other contributions are based on already notified allocations or best estimates at time of preparation. If additional resources become available, projects that meet the Council's strategic capital objectives will be brought forward for approval.
- 2.2.2 Clearly, the capital programme for 2021/22 is influenced by the performance of the capital programme for 2020/21. A review has taken place of planned spending in 2020/21 and the programme has been re-profiled as necessary with future years estimates updated.

Update on the 2020/21 Capital Programme

- 2.2.3 The 2020/21 month 8 capital monitoring position (elsewhere on the agenda) includes projections that are a key determinant of the 2021/22 programme. As many schemes span more than one year, the anticipated level of reprofiling between years sets the underlying position.
- 2.2.4 The capital programme for 2020/21 was approved at the Council meeting of 26 February 2020, with expenditure of £147.632m and supporting financing. This has been reduced downwards throughout the year and has subsequently been amended month on month to reflect agreed changes. This includes the actions arising from the findings of the

2020/21 annual review of the capital programme, a comprehensive project by project scrutiny of all schemes in the programme and the revised vision for Creating a Better Place that was approved at Cabinet on 24 August 2020.

- 2.2.5 The latest available capital monitoring position for the 2020/21 to 2024/25 Capital Programme at month 8 includes projected capital expenditure totalling £81.013m for 2020/21 matched with corresponding financing. The People and Place Directorate which manages all of the major regeneration projects, constitutes the main area of expenditure (£46.190m). Prudential Borrowing provides the main source of financing (£53.553m) followed by Grants and Other Contributions (£20.150m).
- 2.2.6 Actual expenditure to 30 November 2020 was £50.566m (62.42% of forecast outturn). This spending profile is in line with that of previous years, however the position will be kept under review and budgets will continue to be managed in accordance with forecasts.
- 2.2.7 The month 8 2020/21 capital spending and financing position is set out in the table below.

Table 1 - Revised 2020/21 Capital Programme

Directorate Expenditure	Capital Programme as at M08 £000
Corporate Services	16,936
Children's Services	10,457
Communities and Reform	125
Community Services & Adult Social Care	2,011
Housing Revenue Account	4,952
People and Place	46,190
Funding for Emerging Priorities	342
Total Expenditure	81,013
Ringfenced Grants	(5,998)
Un-ringfenced Grants	(13,829)
Capital Receipts	(2,335)
Other Resources	(323)
Prudential Borrowing	(53,553)
Revenue (HRA & General Fund)	(4,974)
Total Resources	(81,013)

- 2.2.8 The capital receipts position as at 30 November 2020 is as follows:

Table 2 - Capital Receipts Position

Capital Receipts Position	£000
Forecast Capital Receipts Available by 31/3/21	(2,335)
Expenditure to be Funded from Capital Receipts	2,335
Forecast Capital Receipts shortfall	-

- 2.2.9 The revised capital programme requires the availability of £2.335m of capital receipts in 2020/21 for financing purposes. The total net usable capital receipts currently received in year is £1.438m. Members should note that the first £2.335m call on capital receipts will be used to fund the Flexible Use of Capital Receipts which supports transformational

expenditure and therefore impacts on the revenue budget (this was initially budgeted at £3.750m but it is forecast that £1.415m of Capital Receipts will not be obtained due to COVID-19). It is therefore highly unlikely that any capital receipts will be used to finance any projects other than the Flexible Use of Capital Receipts within the capital programme in 2020/21.

2.2.10 As referred to at 2.2.4 above, the annual review of the capital programme examined all schemes to give Members confidence that planned expenditure remained relevant and aligned with corporate objectives. The capital programme for 2021/22 (and future years) reflects the results of the review.

2.2.11 It is anticipated that the 2020/21 position will still continue to change as Cabinet reports are approved and with amendments reviewed by the CIPB and approved under delegated authority as a result of the on-going monitoring process.

2.3 Proposed Expenditure for 2021/22 to 2025/26

2.3.1 The table below sets out the summary of the anticipated expenditure and matched financing of £340.289m, which incorporates resources expected to be carried forward from 2020/21. The proposed 2021/22 to 2025/26 programme reflects the 2020/21 month 8 position (summarised previously) together with an enhanced projection of expenditure for 2021/22 to 2025/26 incorporating anticipated spending on new initiatives and an allowance, at funding for emerging for new priorities to be supported. The detailed programme is set out at Annex C of Appendix 1 on a Portfolio basis.

Table 3 - Capital Programme 2021/22 to 2025/26

Proposed Capital Spending	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Corporate Services	5,320	69	69	138	-
Children's Services	6,110	13,200	13,742	-	-
Communities and Reform	637	-	-	-	-
Community Services & Adult Social Care	3,131	400	400	1,100	-
Housing Revenue Account	3,412	8,127	7,914	1,150	-
People and Place	64,046	68,770	46,093	58,665	23,558
Funding for Emerging Priorities	1,442	4,200	3,200	1,500	3,896
Total Expenditure	84,099	94,765	71,418	62,553	27,454

Funding	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Ringfenced Grants	(21,973)	-	-	-	-
Un-ringfenced Grants	(11,793)	(4,605)	(8,971)	(1,973)	(1,973)
Capital Receipts	(3,999)	(7,178)	(2,502)	(1,661)	-
Other Resources	(51)	-	-	-	-
Prudential Borrowing	(42,871)	(74,856)	(52,031)	(57,769)	(25,481)
Revenue (HRA)	(3,412)	(8,127)	(7,914)	(1,150)	-
Total Funding	(84,099)	(94,765)	(71,418)	(62,553)	(27,454)

2.3.2 Members should be aware that the Month 8 position detailed in the table above does not align to the Month 8 Monitoring report elsewhere on the agenda, which reflects the currently approved capital position for 2020/21 to 2024/25. The above table sets out the proposed capital programme for 2021/22 to 2025/26.

2.4 Resources Available to Support the Capital Programme

- 2.4.1 The Government is providing significant levels of grant funding. Some new funding initiatives have been introduced, some of which carry through to 2021/22 and beyond. Grants have been awarded/anticipated for Education, Social Care and Transport projects. The Council has not yet received all grant allocations for 2021/22. The grants will be incorporated into the capital programme when the notifications have been received.
- 2.4.2 The main source of grant income in 2021/22 is associated with the Transport Capital Programme. Included within the Transport budget are the Mayors Cycling and Walking Challenge fund of £11.273m, Growth Deal 3 funding £4.932, General Challenge Fund allocation of £4.134 and Highways Maintenance Grant of 3.880m. Within the schools capital programme are allocations for the School Condition Allocation of £3.706m which includes an indicative allocation of £1.291m for 2021/22 and Basic Need Capital grant of £1.479m. The resources available to support the programme are described in more detail in the following sections.

Government Grant Funding

- 2.4.3 The Government resources available to the Council can be split into two categories: un-ringfenced and ringfenced resources, as explained in Section 10 of the Capital Strategy.
- 2.4.4 Some Government grant resources have been moved between financial years in order to support re-profiled expenditure as detailed in Annex C of Appendix 1.
- 2.4.5 The resources available can also be split between those which do not have revenue consequences and those that do have revenue consequences and therefore require financing through the revenue budget.

Funding With No Revenue Consequences

1) Government Grants and other external grants and contributions

This is funding provided directly by Government or other external providers. It can be ringfenced, specific and un-ringfenced. Un-ringfenced resources are those that can be utilised to finance any project (albeit there is usually an expectation of use for a specific purpose). The majority of capital Government Grant funding is un-ringfenced. Resources classified as ringfenced have to be utilised to finance particular categories of expenditure and therefore are restricted in their use. The 2021/22 capital programme relies on £11.793m of un-ringfenced and £21.973m of ringfenced grants.

2) Capital Receipts

This is income received from the sale of Council assets and is usually un-ringfenced. The 2021/22 programme relies on £3.999m of capital receipts.

In general, it should be noted that a prudent approach has been taken in relation to the anticipated level of receipts with no resources assumed in excess of the requirement to support already approved schemes. However, taking advantage of flexibilities around the use of capital receipts introduced by the Government, the Council anticipates using up to £2.000m of capital receipts in 2021/22 to support transformational projects which would otherwise be financed by revenue resources.

Funding With Revenue Consequences

1) Prudential Borrowing

This is borrowing undertaken by the Council for specific projects. It is financed by revenue resources and is entirely at the discretion of the Council. Prudential borrowing has been used to support the major investment programmes which could not otherwise have been funded. The 2021/22 programme relies on £42.871m of prudential borrowing which has been fully financed.

- 2.4.6 As in previous years, the major source of financing remains prudential borrowing; the amount required in 2021/22 includes borrowing attributed to schemes that have been reprofiled from prior years. The Council will aim to reduce the amount of borrowing and associated financing costs by maximising grant income and capital receipts. The timing of the borrowing is linked to the cash position of the Council and may therefore not mirror the spending/financing profile set out above.

2.5 Capital Requirements for 2021/22

Resources Committed in 2021/22 to 2025/26

- 2.5.1 A review of the capital programme has highlighted that there is already a full range of commitments for the period 2021/22 to 2025/26 and net additional funding allocations totalling £323.617m. The table below shows the associated financing:

Table 4 – Change in Resources Included in the Capital Programme 2021/22 to 2025/26

Financing	2020-2025 Capital Strategy Position (@ M08) £000	2021-2026 Capital Strategy Position (Proposed) £000	Movement £000
Prudential Borrowing	(229,221)	(253,008)	(23,787)
Capital Receipts	(32,202)	(15,340)	16,862
Revenue Contributions	(18,641)	(20,603)	(1,962)
Grants & Contributions	(43,553)	(51,338)	(7,785)
Total	(323,617)	(340,289)	(16,672)

- 2.5.2 As part of the Capital Strategy and in line with normal procedures, a review of the Capital Receipts forecast was conducted. Due to the impact of the COVID-19 pandemic on assets disposals, the Capital receipts forecast was reduced significantly. As can be seen from the table above the financing of the overall programme has resulted in Capital Receipts being removed of the programme and replaced by Prudential Borrowing. The revenue impact of this movement has been incorporated in the Council's MTFS.
- 2.5.3 The capital commitments are set out in the following paragraphs and are shown in detail at Annex C of Appendix 1 of this report. There will be a continued review of capital spending requirements as the Council has further regeneration ambitions. This will however require a further phase of investment and the preparation of a new investment programme.

Corporate Services

- 2.5.3 Corporate Services expenditure is not specifically assigned or under the direct control of a service department. It relates to schemes that are corporate in nature rather than service specific. Total projected spending on Corporate Services projects is £5.596m over the strategy period. Planned spending is phased as set out below:

Table 5 - Corporate Services Expenditure over the Capital Strategy 2021/22 to 2025/26

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Corporate Services	3,320	69	69	138	-
Flexible Use of Capital Receipts	2,000	-	-	-	-
TOTAL	5,320	69	69	138	-

Children's Services

- 25.4 There is planned Directorate expenditure of £33.052m over the period 2021/22 to 2025/26 as shown below:

Table 6 – Children's Services Expenditure over the Capital Strategy 2021/22 to 2025/26

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Children's Services Directorate	6,110	13,200	13,742	-	-

- 2.5.5 The main focus of spending is, as would be expected, the school building and development programme largely funded by the Government's Basic Need grant allocation

Communities and Reform Directorate

- 2.5.6 There is planned Directorate expenditure of £0.637m over the 5 year life of the programme as shown below.

Table 7 - Reform Directorate Expenditure over the Capital Strategy 2021/22 to 2025/26

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
District Investment Fund	90	-	-	-	-
Local Investment Fund	547	-	-	-	-
TOTAL	637	-	-	-	-

- 2.5.7 All the spending in the Reform Directorate reflects spending in relation to the District Investment Fund and the Local Investment Fund.

Community Services and Adult Social Care Directorate

- 2.5.8 There is planned Directorate expenditure of £5.031m phased over the 5 year programme as set out below:

Table 8 – Community Health and Adult Social Care Directorate Expenditure over the Capital Strategy 2021/22 to 2025/26

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Community Health and Adult Social Care Services Directorate	3,131	400	400	1,100	-

- 2.5.9 This area of spending is focused on Social Care. The major areas of expenditure in relation to 2021/22 are as follows:

- Resources of £0.403m are specifically allocated in 2021/22 to support local Social Care Schemes.
- Indicative funding of £2.000m relating to the expansion of the Disabled Facilities Grant (in addition to re-phasing of £0.728m from 2020/21).

People and Place Directorate

- 2.5.10 There is planned Directorate expenditure of £261.132m over the period 2021/22 to 2025/26 as shown below:

Table 9 - People and Places Directorate Expenditure over the Capital Strategy 2021/22 to 2025/26

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
People and Place Directorate	64,046	68,770	46,093	58,665	23,558

- 2.5.11 The major areas of expenditure in relation to 2021/22 are as follows:

Table 10 – People and Places Directorate Expenditure 2021/22

Service Area	£000
Corporate Property	6,435
Environment	188
Information Technology	2,898
Neighbourhood Development Fund	213
Other Regeneration Priorities	5,924
Private Sector Housing	929
Royton Town Centre Development	300
Schools	289
Town Centre Regeneration	19,477
Transport including Fleet	27,394
TOTAL	64,046

- 2.5.12 The inclusion of the one off external funding in the Transport Capital programme, the Town Centre Regeneration and Other Regeneration priorities that fall within the Creating

a Better Place Strategy account for the majority of the spend within the People and Place Directorate. These areas encompass a wide range of high priority schemes as detailed in Annex A of Appendix 1. It is, however, possible that some of this spending allocated to the Creating a Better Place Strategy maybe re-profiled as 2021/22 progresses.

Housing Revenue Account

- 2.5.13 Projected spending on Housing Revenue Account projects of £20.603m over the life of the programme is phased as follows:

Table 11 - Housing Revenue Account Expenditure over the Capital Strategy 2021/22 to 2025/26

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Housing Revenue Account	3,412	8,127	7,914	1,150	-

- 2.5.15 The primary focus of this developing temporary accommodation to meet homelessness demands, the Purchase and Repair and Lease and Repair pilot schemes in the private rented sector and provision for future housing purchases.

Funding for Emerging Priorities

- 2.5.16 Within the programme, there is currently an unallocated resource of £14.238m over the five years of the capital programme as highlighted below:

Table 12 – Funding for emerging priorities to be allocated over the Capital Strategy 2021/22 to 2025/26

	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Funding for Emerging Priorities	1,442	4,200	3,200	1,500	3,896

- 2.5.17 This unallocated resource can be deployed to support existing priority schemes or new initiatives, including those highlighted above for which not specific allocation exists, for example Greater Manchester Devolution and Related Initiatives and Matched Funding for Grant Bids.
- 2.3.18 This is considered a prudent approach to allow flexibility, revision and reassessment of priorities. Provision of £1.442m is available in 2021/22 with a further £12.796m available over the rest of the Capital Programme period.
- 2.5.19 The use of these unallocated resources will be prioritised by the CIPB including any realignment into future years. It is expected that all of these resources will be used over the life of the programme.

2.6 Proposed Capital Programme

- 2.6.1 Annex C of Appendix 1 of this report details the proposed 2021/22 Capital Programme and the indicative programme for the period 2022/23 to 2025/26. The strategy of the Council is to prepare a capital programme that balances over the life of the programme so that resources equal overall expenditure. Therefore, over the five years there is planned expenditure of £340.289 with corresponding financing.
- 2.6.2 Total expenditure in 2021/22 is planned at £84.099m. However, the in-year position is anticipated to evolve as:
- There may be further Government funding allocations announced prior to the start of 2021/22.
 - The outcome of specific grant bids will be announced during 2021/22.
 - It is also likely that there will be new initiatives announced later in the financial year.
 - There may also be the opportunity to bid for additional funding.
 - The Council may identify other funding sources, including capital receipts, to finance additional capital expenditure.
- 2.6.3 Therefore the overall capital programme position will be kept under review and any new information about funding allocations will be presented to Members in future reports.

3. Options/Alternatives

- 3.1 Members are asked to consider and comment upon the Capital Strategy and capital programme. Members may choose to accept the proposed Capital Strategy and capital programme, or revise and suggest an alternative approach to capital investment, including the revision of capital priority areas.

4. Preferred Option

- 4.1 The preferred option is that the Committee Members consider and comment upon the Capital Strategy and Capital Programme as set out in this report, including priority investment proposals.

5. Consultation

- 5.1 Consultation has taken place with the members of the CIPB which includes Cabinet Members. Members of the CIPB have contributed to the preparation of the 2021/22 to 2025/26 Capital Strategy and Capital Programme. Scrutiny by the Overview & Scrutiny Performance and Value for Money Select Committee is a key stage in the consultation process.

6. Financial Implications

- 6.1 By the very nature of this report, it contains financial details of the capital expenditure and financing associated with the delivery of the 2021/22 capital programme.
- 6.2 In overall terms, the planned programme for 2021/22 to 2025/26 totals £340.289m which is fully financed. The revenue consequences of the anticipated prudential borrowing of £253.008m is included within the estimates underpinning the proposed revenue budget and MTFS.

7. **Legal Services Comments**

- 7.1 Under the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 the responsibility for approving any plan or strategy for the control of Local Authority borrowing, investment or Capital Strategy or for determining the Minimum Revenue Provision is a decision of the full Council. The function of the Executive is to prepare and propose the relevant Strategy to the Council. The Council may require the Cabinet to reconsider, amend, modify, revise, vary, withdraw or revoke the strategy.

8. **Co-operative Agenda**

- 8.1 The Capital Strategy and capital programme have been prepared so that they embrace the Council's co-operative agenda with resources being directed towards projects that support the aims, objectives and co-operative ethos of the Council.

9. **Human Resources Comments**

- 9.1 None.

10. **Risk Assessments**

- 10.1 The main risk foreseen at this stage is whether the planned level of capital receipts can be achieved to finance the current capital programme. In order to minimise the risk, a prudent estimate of capital receipts has been made, having regard to the prevailing economic climate which may have an impact on both the timing and level of receipts that can be achieved. The overall level of capital receipts is therefore kept under review and any significant changes are reflected in capital programme forecast outturn figures.
- 10.2 Actual and potential revisions to Government policy present new risks. The Council must ensure that these are successfully managed, over and above those that are a consequence of any traditional capital programme. In particular these cover risks around expenditure that has already been committed in future years where there is no certainty of continued funding, potential unfunded ongoing legal liabilities, potential overspending requiring an unbudgeted allocation of resources and the general risks around the uncertainty over the nature and level of the 2021/22 and future years' capital funding.
- 10.3 Following the issue of the revised Prudential and Treasury Management codes a section on the risks associated with the Capital Programme must be included within the Capital Strategy document. The risk section can be found in Appendix 1, paragraph 5.13 to 5.17.

11. **IT Implications**

- 11.1 Other than the delivery implications of the specific IT projects being put forward there are no IT implications. The programme of ICT investment contained within the capital programme will enable the Council to transform many of its operations and introduce new ways of working. This will contribute to the achievement of existing savings targets and enable the Council to make further efficiencies.

12. **Property Implications**

- 12.1 The level of capital receipts generated from reductions in the corporate estate and the asset rationalisation programme underpins the financing of the capital programme. Every effort will be made to maximise capital receipts while delivering outcomes that support corporate priorities.

12.2 Any proposed new capital projects and capital programme developments will be considered and reviewed in the context of the refreshed Creating a Better Place and Medium-Term Property Strategy.

13. **Procurement Implications**

13.1 None.

14. **Environmental and Health & Safety Implications**

14.1 The Capital Programme includes resources that will enable corporate health and safety, legionella, asbestos and Disability Discrimination Act projects to be undertaken in accordance with identified priorities.

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

15.1 None.

16. **Equality Impact Assessment Completed?**

16.1 Not applicable.

17. **Key Decision**

17.1 Yes

18. **Forward Plan Reference**

18.1 FG-14-20

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:	Background papers are contained within Appendix 1
Officer Name:	Lee Walsh
Contact No:	0161 770 6608

20. **Appendices**

20.1 Appendix 1 – Capital Strategy 2021/22 to 2025/26

Oldham Council

Capital Strategy
2021/22 to 2025/26

Capital Strategy 2021/22 to 2025/26

Contents

Section	Title
1	Aims of the Capital Strategy and its links to the Council's Corporate Plan / COVID-19 Recovery Strategy, Creating a Better Place Strategy, Medium Term Property Strategy, Housing Strategy and Budget and Policy Framework
2	The Principles of the Capital Strategy
3	Priority Areas for Investment
4	Supporting Greater Manchester Devolution and Accessing National Infrastructure Strategy Resources
5	Affordability, Delivery and Risk Associated with the Capital Strategy
6	Knowledge and Skills
7	Treasury Management
8	Long Term Loans
9	Other Non-Treasury Investments
10	Capital Resources to Support Capital Expenditure
11	Capital Investment and Disposal Appraisal
12	The Prioritisation of Capital Requirements
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Annex A	Priority Areas for Investment
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1 Aims of the Capital Strategy and its Links to the Council's Corporate Plan / COVID-19 Recovery Strategy, Creating a Better Place Strategy, Medium Term Property Strategy, Housing Strategy and Budget and Policy Framework

- 1.1 In accordance with good practice, the Council has traditionally prepared a Capital Strategy, the overarching aim of which has been to provide a framework within which the Council's capital investment plans will be delivered. This Capital Strategy for 2021/22 to 2025/26 has been prepared to cover a five year timeframe to allow a sufficient opportunity for strategic capital planning. In normal circumstances, capital planning and revenue planning would align around Medium Term Financial Strategy (MTFS). However, given the uncertainty caused by the COVID-19 pandemic, the overarching MTFS has been reduced to a 3 year planning period. Recognising the increased uncertainty that COVID-19 has caused and that funding in later years is always indicative, this Strategy therefore focuses on 2021/22 and 2022/23 in detail.
- 1.2 The Strategy does however include a longer term vision, which also covers the time frame for 10 years from 2026/27 to 2035/36. This takes a forward look at those projects that are likely to run beyond the initial five year strategy and programme period.
- 1.3 The format of the Capital Strategy reflects the latest Prudential and Treasury Management Codes issued by The Chartered Institute of Public Finance and Accountancy (CIPFA). The strategy therefore presents:
- A high-level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
 - An overview of how the associated risk is managed;
 - The implications for future financial sustainability.
- 1.4 The Capital Strategy is therefore prepared to ensure that all Council Members are presented with the overall long-term capital investment policy objectives and resulting Capital Strategy requirements, governance procedures and risk appetite.
- 1.5 This Capital Strategy, which incorporates specific information on non-treasury investments, is aligned to, but reported separately from the Treasury Management Strategy Statement. This ensures the separation of any commercial investment (now not a core part of the Councils capital plans), usually driven by expenditure on an asset, from the core treasury function which operates under the principles of security of capital, liquidity, yield and an ethical approach.
- 1.6 Specifically in relation to non-treasury investments, the Capital Strategy includes, where appropriate:
- The corporate governance arrangements;
 - Any service objectives relating to the investments;
 - The expected income, costs and resulting contribution to support the Council's budget;
 - The debt related to the activity and the associated interest costs;
 - The payback period (Minimum Revenue Provision policy);
 - For non-loan type investments, the cost against the current market value; and
 - The risks associated with each activity.
- 1.7 CIPFA's Prudential Code requires the Capital Strategy to demonstrate the concept of proportionality between the treasury operations and the non-treasury operations. High-level indicators are referred to in Section 5.

Covid-19 Pandemic

- 1.8 During 2020/21, the Covid-19 pandemic has had a major impact on the borough, its residents and the economy. The financial year 2021/22 will begin, at least, with a COVID-19 influence. It is expected, now that several vaccines are available, that normal activities will be resumed over a period of time and the Councils capital spending plans which have inevitably been interrupted in 2020/21, can get back on track during 2021.
- 1.9 The financial position of the Council has also been significantly impacted by COVID-19 leading to much higher revenue spending than initially envisaged for 2020/21 and an increase to the budget reduction target required to balance the 2021/22 as outlined in the Revenue Budget report. A review of the capital programme was undertaken when preparing this strategy, not only to ensure that it reflected the most up to date forecasts, but also to see if there were opportunities to alleviate some of the revenue budget pressures of the Council. The reprofiling of planned capital spending in accordance with current projections has facilitated a revision to estimated capital financing costs for 2021/22 of £2.150m.
- 1.10 The pandemic has presented significant challenges for the feasibility, design and delivery of capital projects. As well as practical issues associated with maintaining safe working arrangements, supply chains and similar issues, it has been necessary to revisit significant elements of the strategy to ensure the priorities for capital investment remain appropriate in the context not only of the Council's challenging financial position but having regard to the potential longer-term impact of pandemic on the economy and the potential for behavioural changes in work and transport needs as well as retail and leisure pursuits. Following a fundamental review prompted largely by the impact of the pandemic but also having regard to the Government's Consultation on the lending terms of the Public Works Loan Board (as outlined at 1.11), Cabinet of 24 August 2020 approved a refreshed Creating a Better Place Strategy which resulted in some re-profiling of schemes. This has helped to shape the capital programme for 2021/22 onwards and placed more emphasis on economic growth and the regeneration of the Borough in a post-COVID environment.

Public Works Loan Board Lending Criteria

- 1.11 In preparing the Capital Strategy for 2021/22, it was important to consider the publication by HM Treasury in March 2020 of a consultation document seeking views on proposed changes to the lending terms of the Public Works Loan Board (PWLB). The PWLB supports Local Authority capital investment by offering access to low cost debt financing. The Government launched the consultation as it was concerned that PWLB resources were being used to fund commercial investments solely for income generation purposes and carried a significant degree of risk. To address this issue, the consultation proposed revising the terms of PWLB lending to ensure that Local Authorities continue to invest in housing, infrastructure, and public services whilst discouraging investment solely for income generation purposes. The Council provided its response to the consultation in July 2020.
- 1.12 Alongside the 2020 Spending Review in November 2020, the Government largely confirmed the proposals set out in the original consultation meaning there would be stricter conditions associated with the approval of PWLB loans to Local Authorities. The PWLB will now no longer provide loans to a Local Authority if their Capital Strategies include any plans to buy investment assets primarily for income generation.

- 1.13 These new terms apply to all loans arranged on or after 26 November 2020. Further guidance has been provided to help Local Authorities determine whether a proposed project meets the new lending criteria. The key features of the new lending terms are:
- As a condition of accessing the PWLB, Local Authorities will be asked to submit a high-level description of their capital spending and financing plans for the following three years, including their expected use of the PWLB borrowing. This will clearly align to the Council's approved capital strategy;
 - As part of this process, the PWLB will ask the Director of Finance (Section 151 Officer) to confirm that there is no intention to buy investment assets primarily for yield at any point during the next three years. This assessment must be based on the Director of Finance's professional interpretation of guidance issued alongside these lending terms.
 - As it is impossible to reliably link individual loans to specific capital spending, this restriction of purchasing investment assets primarily for yield applies on a 'whole plan' basis. This means that the PWLB will not lend to any Local Authority which plans to buy investment assets primarily for yield anywhere in their Capital Strategy, regardless of whether the transaction would notionally be financed from a source other than the PWLB.
 - When applying for a new loan, the Local Authority will be required to confirm that the plans they have submitted remain current and provide assurance that they still do not intend to buy investment assets primarily for yield.
 - If HM Treasury has concerns that a loan may be used in a way that is incompatible with HM Treasury's duties to ensure that public spending represents good value for money to the taxpayer, it will contact the Local Authority to gain a better understanding of the situation. Should it transpire that a Local Authority has deliberately misused the PWLB, HM Treasury has the option to suspend access to the PWLB, and in the most extreme cases, to require that loans be repaid.
- 1.14 The Government will monitor the implementation of these reforms to make sure that the new lending arrangements are operating as intended. The Ministry of Housing, Communities and Local Government (MHCLG) is reviewing the effectiveness of the Local Government borrowing and investment framework, and is developing options to intervene directly where there are concerns that Authorities are not complying with the intent of the Prudential regime. Any future amendments that effect the Council's Capital Strategy will be reported to Members at the appropriate time.
- 1.15 As a result, the Council's Commercial Property Investment Strategy and Fund (approved December 2019) is now incompatible with the policy of Central Government which effectively prohibits the use of funding from the PWLB for the acquisition of assets for the purpose of generating income/ yield. Whilst it remains critical that capital projects are financially viable, the business case for all such activities must be wholly justified in terms of policy and service objectives rather than simply a means of generating additional revenue. The Councils Capital Strategy and programme for 2021/22 to 2024/25 have been framed around accessing PWLB resources.

Co-operative Council

- 1.16 The 2021/22 to 2025/26 Capital Strategy is influenced by the principles which shape the overarching budget process for 2021/22 and is driven by the ethos of a Co-operative Council which has been important in determining the Council's response to the pandemic. The Council is therefore aiming to take a strategic view in relation to capital investment so that it can be directed to make a real and demonstrable impact on the economy of Oldham by:

- a) Regenerating the borough, building on the established investment programme, by attracting and securing significant amounts of external investment to supplement Council resources and deliver an enhanced borough-wide regeneration offer.
- b) Prioritising regeneration schemes to develop the local economy through for example:
 - Taking forward the vision for Oldham town centre, facilitated by the recent acquisition of the Spindles and Town Square Shopping Centres;
 - Implementing key strands of the Housing Strategy to improve the housing offer;
 - Improving connectivity across the borough;
 - Supporting job creation and the Get Oldham Working initiative which will be key to economic and social recovery from the Covid-19 pandemic.
- c) Using regeneration schemes to drive up Gross Value Added (GVA) and increase the yield from business rates, taking advantage of the Greater Manchester 100% Business Rates Retention Pilot scheme which commenced across Greater Manchester on 1 April 2017. This has provided additional resources which have been used to support the revenue budget from 2018/19 to 2020/21. The position in relation to 2021/22 is being kept under review given the pandemic and its impact on the economy.

1.17 The Council will continue to:

- a) Work with partners as a co-operative and commissioning borough particularly with regard to the integration of health and social care to take advantage of joint investment opportunities, co-location and the release of surplus assets through initiatives such as One-Public Estate and by taking a Place-Based approach to joint working.
- b) Instigate further transformational approaches to the delivery of services with and by communities and staff, that maximise involvement and delivery at a more local level, working with residents to reset priorities, manage expectations and promote self-help.
- c) Get the basics right, drive improved business performance with more flexible ICT systems and instigate new delivery models with place-based working.
- d) Focus on effective service delivery, achieving social value and maximising the impact of the resources invested.

The Council's Corporate Plan / Covid-19 Recovery Strategy

- 1.18 Capital investment plans are driven by the Council's Corporate Plan. The Corporate Plan is the Council's key strategic document and outlines the Council's contribution to achieving the vision and outcomes detailed in the Oldham Plan, as well as priority areas of focus and delivery aimed at taking forward our vision of a co-operative future where everyone does their bit to create a confident and ambitious borough. All capital investment proposals will therefore be evaluated in accordance with a range of criteria, a key one of which is the contribution to the delivery of the aims of the Corporate Plan
- 1.19 Oldham's current Corporate Plan expired in December 2020. Work to refresh the Corporate Plan was due to be completed by summer 2020. However, the impact of the Covid-19 pandemic meant that this was no longer viable. Instead, the Council is

developing a Covid-19 Recovery Strategy which will act as an interim Corporate Plan until at least 2022. The timescale for finalising the revised plan is currently spring 2021.

- 1.20 As a Co-operative Council, Oldham is committed to tackling the impact of Covid-19 and protecting our most vulnerable residents and communities. The steps being taken to tackle the pandemic and the subsequent recovery planning, aim to support people, especially those groups who are often most impacted.
- 1.21 Building on the learning so far and the anticipated events to come, a comprehensive recovery strategy and suite of priorities is under development, which will help shape the approach and vision for Oldham over the next eighteen months. This work will be undertaken alongside the Council's immediate response to the pandemic which is focused on safeguarding Oldham's residents.
- 1.22 The objectives and approach to the recovery strategy are rooted in the Oldham Model to ensure that in a changing world Oldham builds Thriving Communities, an Inclusive Economy and works Co-operatively.
- 1.23 The Oldham Plan is the Oldham Partnership's plan for the borough and was endorsed by Council in July 2017. It is a collective action statement covering the period 2017-2022 and sets out the areas where the Oldham Partnership will add the most value as a partnership to achieve the ambition for Oldham to be a productive and co-operative place with healthy, aspirational and sustainable communities. The three key strands underpinning the plan and Oldham Model are:
 - **Inclusive Economy**
The vision is for Oldham to become Greater Manchester's Inclusive Economy capital by making significant progress in living standards, wages and skills for everyone.
 - **Thriving Communities**
The vision is for people and communities to have the power to be healthy, happy and able to make positive choices and both offer and access insightful and responsive support when required.
 - **Co-operative Services**
The vision is to collaborate, integrate and innovate to improve outcomes for residents and create the most effective and seamless services in Greater Manchester.
- 1.24 Pending the finalisation of the Covid-19 Recovery Strategy, the Capital Strategy will roll forward existing priorities whilst taking account of the review of existing programmes and service strategies such as Creating a Better Place. The strategy will also take account of new or potential additional funding streams and accommodate adjustments where schemes need to be re-phased or re-scoped in response to the pandemic.
- 1.25 Having regard to the requirement for the demonstration of the delivery of corporate and service priorities, individual scheme proposals will only be included within approved capital spending plans or considered for a resource allocation over the period of the Capital Strategy where this is considered appropriate in the context of the Medium Term Property Strategy and the revised Creating a Better Place Strategy.

Creating a Better Place Strategy

- 1.26 In December 2019, Cabinet approved the Creating a Better Place strategy. This was a new prioritisation strategy and vision for the borough which focused on building more

homes for the borough's residents, creating new jobs through town centre regeneration and ensuring Oldham is a great place to visit with lots of family friendly and accessible places to go. The strategy set out the potential to deliver 2,000 new homes in the town centre, 1,000 new jobs and 100 new opportunities for apprenticeships and aligned with Council priorities to be the greenest borough.

- 1.27 In January 2020, Cabinet approved a further report which confirmed 'Creating a Better Place' as the comprehensive vision and strategic framework for the borough and the approach to accelerating the delivery of the ambitions for Oldham in ways that contribute to a reduction in carbon in support of the Green New Deal.
- 1.28 On 24 August 2020, Cabinet approved a revised vision and strategic framework for 'Creating a Better Place' which places more emphasis on economic recovery and accelerating the potential for generating revenue budget savings. The report was the culmination of a fundamental review of the programme which commenced in April 2020 close to the start of the pandemic
- 1.29 As well as placing a greater emphasis on supporting the local economy both during and beyond the pandemic and generating savings, the review took account of the proposed revisions to PWLB lending criteria which signalled a clear intent to discourage Local Authority commercial investment activities primarily designed to generate additional income/yield. As previously mentioned, the revised lending criteria were subsequently confirmed and came into effect on 26 November 2020.
- 1.30 Following approval of the August report, around £90m of schemes which were primarily associated with corporate property investment activities or which would not make a sufficient contribution to strategic objectives were removed from the programme. A consequence of the need to remove such schemes is a reduction in the forecast for revenue savings generated by the programme from a cumulative £10.5m over a 3 year timeframe to £8.2m (as included in the Council's 2021/22 Revenue Budget and MTFS). As these savings largely rely on the completion of capital schemes which can take time to deliver, their realisation will build up to significant benefits in 2022/23 and 2023/24.
- 1.31 Additionally, it is hoped that the ambition set out within the Creating a Better Place Strategy will be supported with significant grant allocations from the Towns Fund and the Future High Streets Fund. The Towns Fund is a major strand of the Governments National Infrastructure Strategy, its response to building back better from COVID-19, which should provide many opportunities for the Council to access new capital resources over the next few years. At the time of preparing this strategy, the Council is still awaiting the outcome of a bid for resources from the Towns Fund but has been provisionally awarded £10.750m from the Future High Streets Fund. The funding awarded is £4.8m lower than the original bid meaning the Council will now engage with MHCLG to determine how to prioritise and allocate this provisional funding
- 1.32 In alignment with Creating a Better Place, existing and new projects have been reprioritised and reprofiled (as presented within the Capital Strategy). In addition, targets are being revised, project delivery arrangements and team working has been enhanced and governance arrangements have been consolidated around the operation of the Corporate Property Board.

Medium Term Property Strategy

- 1.33 In August 2018, the Council adopted a Medium Term Property Strategy (MTPS). This, at a high level, incorporates a detailed Asset Management Plan for every group of assets the Council has. This plan was agreed at Cabinet for the term 2018 to 2022.
- 1.34 For any organisation such as the Council, with a diverse property portfolio, best practice recommends that the Property Strategy describes the general direction that the organisation's property portfolio will take over the next 5-10 years, the approach to be adopted in getting there and the policies that will be applied to decision making. The Property Strategy presents such a vision and reflects the operational and business strategy of the organisation.
- 1.35 The MTPS and its implementation is key to the Council achieving both cost savings and a more efficient use of the corporate estate, contributing to the delivery of approved and proposed budget reductions.
- 1.36 Given the impact of the Covid-19 pandemic on current and future demand for property, the MTPS is currently under review. The MTPS is also at the centre of numerous inter-dependencies which will also shape future requirements including:
- The revised Creating a Better Place Strategy (see above);
 - The One Public Estate programme which seeks to deliver ambitious property-focused programmes in collaboration with Central Government and other public sector partners;
 - Place-Based Working centred around providing services from five districts / hubs within the borough.
- 1.37 In addition to facilitating the delivery of revenue budget savings, another objective of the property strategy is to reduce the requirement for backlog maintenance and inform the development of an asset disposals programme to reduce Council holdings of surplus assets and generate additional capital receipts.
- 1.38 The Covid-19 pandemic has undoubtedly had a major adverse impact on the economy, and this has inevitably disrupted the Council's asset disposal programme. Alongside the MTPS, the Council is currently reviewing its disposal programme to focus on 'fast tracking' a smaller number of assets for sale focusing on those with high management intensity and longer term liabilities/risks.

Housing Strategy

- 1.39 The Housing Strategy was introduced in 2019. It was developed in line with the Oldham Plan, the GM Spatial Framework and the GM Housing Strategy. It recognises the function that housing plays in supporting health and social care integration and wider public sector reform. A key objective of the development of the new housing strategy has been to reset the housing delivery framework that can start to tackle the challenges identified in the evidence based Local Housing Needs Assessment and help meet the housing priorities identified over the short, medium and long term. It is a strategic document to help shape the future service models and seeks to set housing and place shaping at the heart of the Oldham Partnerships collective vision for the borough.
- 1.40 Together with the launch of the new Housing Strategy a Strategic Housing Partnership was also developed whereby the Council works collectively with key stakeholders to achieve the goals identified within the Housing Strategy Delivery plan.

1.41 The Housing Strategy:

- Enables the Council to determine priorities in each district or local housing market area as defined by the Local Housing Needs Assessment evidence base;
- Informs bids for both public and private funding to support the development of new homes in Oldham;
- Supports the Council and its partners to make more informed People and Place making decisions about the targeting and future integrated commissioning priorities under, for example, the already integrated care organisation (Oldham Cares) and underpins external funding bids to support investment in existing housing services and stock in Oldham;
- Enables the Council to focus and develop new policies and ways of working that better fit the operating environment; and
- Informs the Council to progress its energy conservation work, and to satisfy the Council's obligations under the Home Energy Conservation Act.

1.42 Delivery of Housing Strategy objectives has undoubtedly been disrupted by the Covid-19 pandemic. However, in line with the refreshed Creating a Better Place Strategy, work is underway to develop and deliver a programme of town centre housing development currently focused on the identification and assembly of suitable residential development sites. Work is also underway to determine a suitable delivery model for such development.

Working with Partners

1.43 The Council is a key member of and a driving force in the activities of the Oldham Strategic Estates Group (SEG). The Department of Health initially required all Clinical Commissioning Groups (CCG) to establish a SEG within their locality, and whilst the group initially had a 'Health' focus, this has been broadened to encompass a 'One Oldham Estate' approach, closely aligned to the Government's One Public Estate (OPE) principles which in essence seek to maximise the efficient use of the public sector estate by co-location/joint service delivery, releasing surplus land and property to support regeneration, residential development and inward investment. The Oldham SEG has a 'strategic' rather than 'operational' focus and has developed a Strategic Estates Plan (SEP), identifying development of integrated public sector hubs and mapping existing estate and utilisation as key priorities. The SEP is closely aligned to and supports delivery of Oldham's Locality Plan for Health and Social Care.

1.44 The Strategic Estates Group (SEG) in Oldham is attended by representatives from a wide range of public sector partners, including the Clinical Commissioning Group (CCG), NHS Property Services Ltd (NHSPS), Greater Manchester Police (GMP), North West Ambulance Service (NWAS), North West Fire Service (NWFS), Community Health Partnerships (CHP), Action Oldham, and Pennine Care NHS Foundation Trust. The SEG is supported by the Operational Working Group which functions as the 'delivery arm' to ensure that the SEG remains strategic and One Public Estate focused. It reports to the SEG on key work areas, such as the project pipeline and increasing building utilisation.

2 The Principles of the Capital Strategy

2.1 The Capital Strategy is guided by a series of overarching principles. These principles seek to ensure capital resources are focused on gaining maximum benefit from their use in the context of supporting the delivery of the Council's vision and outcomes as described in the Corporate Plan. The principles of the Capital Strategy are summarised in paragraphs 2.2 to 2.17 and detailed in the rest of the document.

- 2.2 The Capital Investment Programme Board (CIPB) will lead the strategic direction of capital investment for the Council. The CIPB will operate on a commissioning basis. This will enable funding to be better aligned with other partners and funding sources and will link into the principles of the Co-operative Council. In accordance with the commissioning approach being championed within the Council, there continues to be a requirement for links to regional strategies and programmes. As such, the Council must ensure that, when it applies for funds on a regional basis (either individually or as part of a collective bid), it uses its best endeavours to reflect local and regional priorities. The Council must therefore ensure that its Capital Strategy complements the Greater Manchester (GM) Strategy.
- 2.3 All schemes already approved in the Capital Programme or contractually committed will be supported and sufficient resources will be provided to enable them to proceed or complete. These schemes are presented in Annex A, Priority Areas for Investment.
- 2.4 A capital project sponsor must also be able to demonstrate that a rigorous process of options appraisal has been followed, requiring evidence of need, cost, risk, outcomes and methods of financing. Capital investment proposals which will result in a revenue cost saving or efficiency are encouraged. The Strategic Regeneration Project Management Office has a clear role in ensuring that all the key requirements have been addressed at the initiation stage of a project.
- 2.5 All capital investment decisions will be made with reference to Council objectives and regional strategies and, only after a positive contribution to one or more of the objectives has been demonstrated, is a project to be considered for resource allocation.
- 2.6 The CIPB will ensure that the Council can take full advantage of the freedom and flexibility afforded by the removal of ringfencing from most funding allocations to facilitate achievement of the Council's objectives. All un-ringfenced capital funding and other non-specific Council capital resources that are not required to support existing commitments will initially be pooled into one central fund. Regard will, however, be had to obligations around the:
- a) Covid-19 Recovery Strategy and associated initiatives to create jobs and assist the regeneration of the local economy;
 - b) Transport agenda and transport grant funding;
 - c) Current pressure on primary and secondary school places in certain areas of Oldham and the lack of capacity in the current school stock and the Education Basic Need Government grant funding allocation to address such issues;
 - d) Funding of adaptations to homes for the disabled and Disabled Facilities Grant funding;
 - e) Social Care funding requirements arising from pooled funding arrangements; and
 - f) Implementation of the Housing Strategy.
- 2.7 Un-ringfenced grants received in support of the above initiatives will be passported in full to these six areas.
- 2.8 There will be no ringfencing of capital receipts to specific projects, with the exception of those detailed in section 10.3.16.
- 2.9 For the purposes of preparing the Capital Strategy and Capital Programme for 2021/22, an assumption has been made that all resources that remain unallocated within the 2020/21 programme will be treated as though they are fully committed and carried forward into 2021/22 as a central pool for reallocation to other projects.

- 2.10 The Capital expenditure/investment plans of the Authority will be prepared to ensure the Council is able to access PWLB resources having regard to the revised lending criteria applicable from November 2020
- 2.11 As well as using traditional funding mechanisms to finance capital schemes, the Council will also consider the use of alternative financing arrangements and develop these options if it is considered financially advantageous in the context of the Council achieving its capital investment objectives.
- 2.12 Any public/private partnerships and initiatives requiring the deployment of Council capital resources or impacting in any way on the overarching capital investment policies or plans of the Council should be presented for consideration to the CIPB. The resources deployed to support such projects will also be subject to on-going review by the CIPB.
- 2.13 The Council is aware that the Government could, in the future, introduce a range of grant funding opportunities for which bids must be submitted at short notice, some of which may have a matched funding requirement. This will include new and existing opportunities under the National Infrastructure Strategy including the £4bn cross departmental Levelling Up Fund. The Council will respond as it considers appropriate to bidding opportunities, ensuring that bids are submitted which align with its objectives and capital investment priorities and that matched funding requirements are considered on a scheme by scheme basis with resource requirements prioritised accordingly.
- 2.14 The development of new or replacement schools will be led by the Education and Skills Funding Agency (ESFA) and such schools will be created as academies. Mindful of its overarching responsibility for the provision of education, where necessary, the Council will support or enhance ESFA projects using its land assets and/or financial resources.
- 2.15 Given the devolution agenda and the collaborative way in which the Council is working with the Greater Manchester Combined Authority (GMCA) and NHS partners, bids to the GMCA, the NHS or other organisations which may have a matched-funding requirement will be prioritised. Regard will be had during the appraisal process to ensure that the Council's objectives and capital investment priorities are achieved.
- 2.16 As the Council moves towards integration with Oldham CCG and other NHS partners, the Council will prioritise the allocation of capital resources to support cross sector projects including facilities for joint service provision and the co-location of teams, with any consequent asset rationalisation.
- 2.17 The Council will have a range of capital investment priorities. Whilst these are initially determined on an annual basis, it will review and update the priorities in accordance with in-year developments, responding to local and national emerging issues. The priorities for 2021/22 to 2025/26 are set out in Section 3.

3 Priority Areas for Investment

- 3.1 The priority investment areas identified for the 2021/22 to 2025/26 period are covered below. This section highlights potential priority investment areas for 2021/22 onwards. These will be taken forward subject to the availability of resources and the approval of a full business case.
- 3.2 As part of the annual Capital Strategy, there is a requirement for continued funding of existing programmes of work on:

- Corporate Major Repairs /Disability Discrimination Act (DDA) Adaptations/ Legionella / Health and Safety Projects (Corporate Landlord Function);
- School Condition Works;
- ICT Strategy;
- Social Care;
- Environmental Services.

3.3 However, an outcome of the review of the Capital Strategy 2021/22 to 2025/26, is that expenditure for the financial year 2025/26 has not been allocated to the programme for the above schemes as cumulatively, there is deemed to be sufficient unallocated resource to meet existing needs. The principle of continued funding for the above schemes remains and will be revisited as part of the 2022/23 Capital Strategy.

3.4 In addition to the projects specifically referred to above, the following is a list of further/new projects for which funding may be required:

- a) Social Care
- b) Better Care Fund (Disabled Facilities Grant)
- c) Green Initiatives and Decarbonisation
- d) Surplus Sites
- e) Working with NHS Partners
- f) School Investment
- g) Greater Manchester (GM) Investment Fund Loans
- h) Creating a Better Place Strategy including Covid-19 Recovery
- i) Medium Term Property Strategy
- j) Housing Initiatives (funded by Housing Revenue Account resources)
- k) GM Devolution and Related Initiatives
- l) Matched Funding for Grant Bids
- m) Northern Roots
- n) Royton Town Centre Development
- o) Transport Capital Programme

3.5 Included within the Capital Strategy is an unallocated resource to provide funding for emerging priorities. This resource can be deployed to support existing priority schemes or new initiatives. This is considered a prudent approach to allow flexibility, revision and reassessment of priorities.

3.6 The Strategy does however include a longer-term vision, a forward look at those projects that are likely to run beyond the five year strategy and programme period or be initiated subsequently. This covers a timeframe for the 10 years from 2026/27 to 2035/36.

3.7 Further details of the capital priorities can be found in Annex A of this Capital Strategy.

4 Supporting Greater Manchester Devolution and Accessing National Infrastructure Strategy Resources

4.1 Over the last 12 months Oldham and Greater Manchester have encountered an unprecedented series of issues, mostly beyond their control, through the COVID crisis, and although the focus throughout the world was on health, as time has moved on and the 'the beginning of the end' has hopefully been reached following the introduction of vaccines, the focus is shifting to the recovery of the economy. The immediate impact of the Covid-19 pandemic on employment has been significant and rapid and it has hit Oldham particularly harshly.

- 4.2 As a result of the impacts of COVID, Greater Manchester Combined Authority (GMCA) has published a one year 'Living with COVID Plan'. The one-year Plan recognises that the pandemic is still ongoing and is likely to be so for some time. However, Greater Manchester has been clear that the building back better phase of responding to COVID needs to start now. The plan therefore begins to outline how Greater Manchester will respond to the disproportionate impact COVID has had on people's lives and businesses, how to recover and build resilience and the level and type of support vulnerable communities will still need.
- 4.3 It recognises that the Greater Manchester Strategy remains the key policy document that will shape the future of Greater Manchester. The Living with COVID plan also has a key role to play in driving system change, and provides a bridge between the unique situation facing us over the next 12 months, the existing Greater Manchester Strategy and the refresh of that document now planned for next year.
- 4.4 In recent years the GM strategy has identified the influence that the Greater Manchester Spatial Framework will have on Oldham's local development hopes and opportunities, however, at the time of writing the future of the GMSF is uncertain.

The Influence of National Policy on the Devolution Agenda

- 4.5 The National Infrastructure Strategy (NIS) published alongside the Chancellor's 2020 Spending Review contained a range of Government capital spending announcements. The announcements contained little specific detail, and in some cases represented initiative previously announced, however the NIS sets out a considerable investment intention focussed on:
- Boosting growth and productivity across the whole of the UK;
 - Driving recovery and rebuilding the economy;
 - Levelling up between regional areas and strengthening the Union;
 - Putting the UK on the path to meeting its net zero emissions target by 2050 by decarbonising the economy and adapting to climate change;
 - Supporting private investment in infrastructure; and
 - Accelerating and improving the delivery of infrastructure projects.
- 4.6 Further detail on schemes and programmes is anticipated in 2021, however, some key areas announced are summarised below. Many of these sources of funding may be allocated at a regional rather than individual Authority basis or may be linked to coordinated and complementary cross boundary programmes. Council officers will continue to work towards the development of key strategic projects that may benefit from the support of these funds. Announcements include:
- £24m in capital funding to start a new programme to maintain and expand provision in secure children's homes;
 - £60m for Social Housing Decarbonisation;
 - £1.7bn in 2021/22 for local roads maintenance and upgrades to tackle potholes, relieve congestion and boost connectivity. This includes £500m for the Potholes Fund and £310m for upgrades to larger local roads;
 - £257m for cycling, which will fund thousands of miles of safe, continuous and direct cycling routes;

- £621m to regenerate high streets, town centres and communities through the Towns Fund;
- A new Levelling Up Fund worth £4bn for England (£600m in 2021/20). This will invest in local infrastructure that has a visible impact on people and their communities and will support economic recovery. It will be open to all local areas in England and will prioritise bids to drive growth and regeneration in places in need, those facing particular challenges, and areas that have received less Government investment in recent years. The Government will set out further details on how to support levelling up across the UK in 2021.
- Shared Outcomes Fund – Increased tree planting in non-woodland settings may provide opportunities for the development of Northern Roots
- The Government has published Head of Terms for the UK Shared Prosperity Fund (UKSPF) and will set out further details on the UKSPF in Spring. The value of the UKSPF will average £1.5 billion per year. The Chancellor announced that £220m will be allocated in 2021/22 to help local areas prepare for the introduction of the UKSPF. This funding will target places and people most in need. A prospectus will be published in Spring 2021. The likelihood is that GM will be seeking a regional allocation.

4.7 The Government also announced that as part of the 'Levelling Up' agenda it has released an updated version of the Green book designed to ensure that investment decisions are made in a way that spreads opportunity across the UK. The Green Book is the Government's guidance on best-practice for appraisal and is therefore a vital tool for ensuring value for money for taxpayers.

4.8 The Council will work with GMCA and other GM Councils to maximise the receipt of local and regional NIS resources

5 Affordability, Delivery and Risk Associated with the Capital Strategy

5.1 In compliance with the requirements of the Prudential and Treasury Code, the following paragraphs consider the Council's capital financing and treasury management activity and its contribution to the provision of services along with an overview of how associated risk is managed and the implications for future sustainability looking at Prudence, Affordability and Sustainability.

5.2 The table below shows the Council's current borrowing position and its borrowing need including the Council's Capital Financing Requirement (CFR). The CFR represents total historic outstanding capital expenditure which has not yet been financed from either revenue or capital resources (£525.647m for 2021/22). It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure, which is not immediately financed from cash backed resources, will increase the CFR. The CFR for 2020/21 is significantly higher than for previous years due to the anticipated impact of the investment relating to the Creating a Better Place strategy.

5.3 The Council has a number of on-going Private Finance Initiative arrangements for the delivery of assets and services, presented at Other Long-Term Liabilities (OLTL) in the table below (£224.597m at the start of 2021/22) which has the effect of inflating the CFR. As can be seen, the Council's actual level of borrowing at the start of 2021/22 is expected to be £402.195m (the £224.597m plus debt at 1 April of £177.598m).

	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
External Debt					
Debt at 1 April	177,598	197,593	250,988	275,983	305,978
Expected change in debt	19,995	53,395	24,995	29,995	(5)
Debt at 31 March	197,593	250,988	275,983	305,978	305,973
Opening OLTL at 1 April	224,597	219,729	204,816	194,415	182,780
Expected change in OLTL	(10,868)	(8,912)	(10,672)	(11,365)	(12,078)
Closing OLTL at 31 March	213,729	204,816	194,415	182,780	170,702
Forecast gross debt (borrowing requirement) at 31 March	411,322	455,804	470,128	488,758	476,675
The Capital Financing Requirement	525,647	579,968	608,139	639,425	635,375
Under borrowing	114,325	124,164	138,011	150,667	158,700

5.4 The CFR does not increase indefinitely, as the Council makes 'prudent' provision for debt repayment which broadly reduces indebtedness in line with each asset's life and so charges the economic consumption of capital assets as they are used. The approach to making prudent provision is known as the Minimum Revenue Provision (MRP), in other words, making a direct charge to the Council's revenue budget to reflect the cost of repaying the borrowing. The Council's MRP Policy Statement is set out in the Treasury Management Strategy 2021/22.

5.5 It is important to note that the Council has for a number of years been projecting a borrowing requirement but has not needed to undertake any borrowing as there has been reprofiling of the Capital Programme and cash balances available, thus resulting in the under borrowed position. During 2019/20, the Council undertook new external borrowing of £20.000m from the Public Works Loans Board (PWLb). The Council did not fully borrow up to its CFR position therefore is still in an underborrowed position.

5.6 The Prudential Code states that it is the responsibility of the Council's Chief Finance Officer (Director of Finance) to explicitly report on the affordability, deliverability and the risks associated with this Strategy. These key elements are set out in the following paragraphs.

Affordability

5.7 Affordability is a key criterion when considering whether a project should be approved for inclusion within the Capital Programme. Before any decisions are made, new schemes are underpinned by a business case identifying the expenditure and funding, appraisal of alternative options and the risks and rewards associated with the scheme. The Business Case preparation and consideration process is set out fully in Section 11 of this Strategy.

5.8 All projects must also have a clearly identified capital funding source with a definite commitment of financial support if external funding, such as an external grant, is to be used. Also, there must be an identified source of funding to support any on-going revenue costs associated with the use of a capital asset, and these must be built into future years financial projections.

5.9 Where borrowing is to be used, the affordability test is the ability to fund interest costs linked to the borrowing, together with the repayment of the borrowing (the MRP charge). This repayment is matched to a prudent asset life and any income streams estimated

to fund this asset must be sustainable. The Prudential Code sets out the requirements for the appropriate governance of such borrowing and the Council's processes comply with the requirements of the Code.

Delivery

- 5.10 The delivery of the individual schemes within the Capital Programme is directly linked to the process of approving the capital scheme. Each scheme has a project sponsor and a project manager responsible for the delivery and the subsequent achievement of the scheme objectives.
- 5.11 Project updates are provided at the regular meetings of CIPB as well as an overarching update on the Capital Programme. This facilitates the review and challenge to the delivery of projects and any changes to both the timing and value of the programme. In addition, an Annual Review of the Capital Programme is completed each year in accordance with the terms of reference of CIPB. The Annual Review process ensures that all schemes are examined to determine whether they are still aligned to corporate priorities. The review also considers the deliverability and progress of schemes including any reasons for delayed starts or variations to approved budgetary allocations. It also considers rephasing of planned expenditure and identifies any unutilised or underutilised resources which can be reallocated to other projects.
- 5.12 The Council's senior officers also have the opportunity to review and challenge project and programme delivery via monthly updates on the changes/re-profiling of expenditure.

Risks

- 5.13 The Council is exposed to a range of risks with regard to the continued affordability and delivery of the Capital Programme as follows:
- Financial risks related to the investment of the Council's assets, cash flow and market volatility;
 - Macroeconomic risks related to the growth or decline of the local economy, interest rates, inflation and the wider national and global economy. Of particular relevance in this regard are the longer-term implications of the Covid-19 pandemic, Brexit and the UK's future relationship with the EU;
 - Credit and counterparty risks related to investments, loans to public and private institutions;
 - Operational risks related to operational exposures within its organisation, its counterparties, partners and commercial interests;
 - Strategic risks related to key initiatives undertaken by the Council such as areas of organisational change deemed necessary to enable the Council to meet its goals and objectives, significant capital schemes and major purchases and new ventures;
 - Reputational risks related to the Council's dealings and interests, and the impact of adverse outcomes on the Council's reputation and public perception;
 - Environmental and social risks related to the environmental and social impact of the Council's strategy and interests. This is a risk that is becoming more high profile given the recent national and international publicity in relation to climate change;
 - Governance risks related to ensuring that prudence and careful consideration are prominent in the Council's decision-making, augmented by quality independent advice and appropriate checks to ensure that the Council has the correct level of oversight, scrutiny and efficiency; and

- Risks arising from a financial commitment by the Council in line with Government policy when that policy is then changed mid-stream leaving the Council to manage the position.

- 5.14 Managing the Council's risks is an area of significant focus for senior management and Members. The Council adopts an integrated view to the management and qualitative assessment of risk and the refreshed Risk Management Strategy and Framework was approved by Cabinet at its meeting on 16 December 2019. This updating of the strategy aimed to simplify the risk management process and to have regard to the most recent good practice developments. The Council aims to minimise its exposure to unwanted risks through a range of mitigation strategies that are considered with each individual business case or capital project.
- 5.15 However, it is important to recognise that there are significant risks associated with a large Capital Programme and associated borrowing, but these can be mitigated and indeed are mitigated as business as usual. As advised above, there is a robust capital business plan process, project management arrangements and/or project boards are in place and all projects are delivered by suitably skilled staff. Appropriate consideration is given to tax planning, cash flow and the operational planning for the use of any asset. Governance is addressed by the establishment of officer/Member working groups with regular and transparent reporting. Due diligence is undertaken on loans and purchases and external advice is sought where necessary.
- 5.16 There are clear links from the Capital Strategy to the Treasury Management Strategy, prudential indicators, authorised borrowing limits and the revenue budget. These are also subject to review and oversight by Members at CIPB, Audit Committee, Cabinet and Council.
- 5.17 Members recognise that risk increases with any new borrowing and are mindful of this when considering funding arrangements. New borrowing will increase the Council's annual level of fixed interest and repayment costs which are already currently forecast to increase in the coming years and could have a borrowing liability of £476.675m by 2025/26.

Concept of Proportionality

- 5.18 The Capital Strategy 2020/21 to 2024/25, incorporated the approval via the CPIS to invest in acquiring property assets for investment purposes to generate sustainable future income streams to support the Council's mainstream service delivery. However, following a review of the Capital Programme as a result of the unprecedented economic circumstances due to the impact of the COVID-19 pandemic and the revised terms for PWLB borrowing, the CPIS schemes have been removed from the Capital Programme. During 2019/20 the Council purchased an industrial estate as part of the strategy but had regard to the guidance of the revised Prudential Code issued in 2017 and the CIPFA document "Prudential Property Investment" issued in November 2019. It is important to note that this was a purchase of an asset where the Council was already a tenant, thus securing its tenure and it was also linked to a vision to support regeneration in the borough.
- 5.19 In line with this guidance and as part of the Capital Strategy, the Ministry of Housing, Communities and Local Government (MHCLG) now requires that regard is had to the "concept of proportionality" and the resulting "level of debt and aggregate risk being proportionate to the size of the authority". The Council has identified the following indicator (% of non-financial investment income as a contribution to the net revenue budget) to demonstrate the concept of proportionality as shown in the table below. This

income relates to commercial activity which is generating additional income and revenue savings to support the Council's core services.

	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
Total Net Non-Financial Investment Return	103	173	243	383	383
Net Revenue Budget	253,944	240,806	233,738	238,410	241,180
% of Net Non- Financial Investment Income as a contribution to Net Revenue Budget	0.041%	0.072%	0.104%	0.161%	0.157%

- 5.20 As can be seen in the table above, the net financial income as a contribution to the Net Revenue Budget is less than 1% over the life of the Capital Strategy. Within the Capital Strategy 2021/22 to 2025/26 there are no future plans to invest in commercial activities solely to generate additional income.

6 Knowledge and Skills

- 6.1 The Capital and Treasury Finance Team has responsibility for both the preparation of and on-going management of the capital and treasury management strategies and Capital Programme. The team is staffed by professionally qualified accountants with extensive Local Government finance experience. Team members attend all relevant training courses, workshops and events to ensure that their knowledge and skills are up to date and the Council is in a position to address all new technical developments. They all follow a Continuous Professional Development Plan (CPD) as part their individual accountancy accreditation. The overall responsibility for capital and treasury activities lies with the Council's Section 151 Officer who, in accordance with statute, is professionally qualified and is suitably experienced to hold the post.
- 6.2 The Council provides training to Members on an annual basis, which is delivered by Council officers and external advisors. This ensures Members have a full understanding of key issues and have the appropriate knowledge and skills to make capital and treasury decisions. Members are updated on developments and any issues of significance throughout the year with information presented to the Audit Committee (responsible for Treasury Management), CIPB (responsible for the Capital Programme) and at Cabinet Member briefings.
- 6.3 The Council uses Link Asset Services Treasury Solutions as its external Treasury Management advisors. The Council recognises that it is essential to engage with external providers of Treasury Management services in order to acquire access to specialist skills and resources. Due to the impact of the Covid-19 pandemic it has not been possible to implement Treasury Management training during the financial year 2020/21 therefore the most recent training provided to Cabinet Members was in October 2018 and the Audit Committee in October 2019. The Council is planning external training session for Cabinet and Audit Committee Members during the financial year 2021/22.
- 6.4 When looking at a commercial element within a particular capital schemes that has a main focus is on public service, housing, regeneration, preventative objectives or treasury management investments, officers from relevant professional disciplines from across the Council are involved in conducting due diligence exercises. Alongside the internal teams the Council also uses external advisors to complete the due diligence process.

7 Treasury Management

- 7.1 The Council produces a Treasury Management Strategy which is approved by full Council annually as part of the Budget Setting process.
- 7.2 The Capital Strategy and Treasury Management Strategy are closely linked as the Capital Programme determines the borrowing need of the Council, essentially the long term cash flow planning and ensures that the Council can meet its capital spending obligations. The Capital Strategy is integral to treasury management activities throughout the year in the management of long term cash that may involve arranging long or short term loans or investing longer term cash flow surpluses. A treasury action is to look for opportunities to restructure any existing borrowing in support of the Councils budget process.
- 7.3 At the end of the five year Capital Strategy period the Council's debt is forecast to be £476.675m. Included within the Council's CFR under long term liabilities are items such as Private Finance Initiative (PFI) and leasing arrangements. The Council is currently expected to have £224.597m of such liabilities at the start of 2021/22 which is expected to reduce to £170.702m by the end of the Capital Strategy period. The Council's Operational Boundary for 2021/22 is forecast to be £516.500m. The Council's Authorised Borrowing limit will be £541.500m for 2021/22.
- 7.4 The Council is required to set aside 'prudent' provision for debt repayment where borrowing or credit arrangements have been used to finance capital expenditure. This is known as Minimum Revenue Provision (MRP). Over the Capital Strategy period the Council has an MRP provision of £66.717m.
- 7.5 The Audit Committee is responsible for the scrutiny and governance of Treasury Management activity within the Council. It reviews the Treasury Management policy and procedures and all Treasury Management reports. However, the Overview and Scrutiny Performance and Value for Money Select Committee also scrutinises the Treasury Management Strategy alongside the full suite of budget reports prior to their presentation to Cabinet and Council for final approval. As both the Treasury and Capital Strategies are reviewed together, it allows for a combined scrutiny process.
- 7.6 Throughout the year the Audit Committee receives regular updates on performance and emerging issues including the Mid-Year Review report which is also reported to full Council. It is also important to note that the Treasury Management function is subject to regular Internal and External Audit reviews. All recent reviews have highlighted the high standard by which the treasury management function is delivered.
- 7.7 Further detail can be found in the Treasury Management Strategy 2021/22 elsewhere on the agenda.

8 Long Term Loans

- 8.1 The Council has the ability, should it choose to exercise its powers, to enter into loan arrangements to support the delivery of strategic corporate priorities.
- 8.2 The Council has chosen to make some but limited use of its ability to enter into loan arrangements, but in such instances, all loans have been and will be approved in line with the Council's Constitution under the Financial Procedure Rules which ensures that they are prudent and secured by:
- A full independent due diligence process;
 - Ensuring adequate security for the loan is in place;

- Continuous monitoring of the loans and undertaking review meetings;
 - Ensuring the financial exposure of the Council is proportionate to its size.
- 8.3 The Council may choose to provide assistance to organisations where they have experienced difficulty in securing funds from other sources at affordable interest rates. In order to deliver corporate priorities, loans to third parties may be offered at an interest rate below the market rate. Where the loan is advanced at less than a market interest rate there is an associated loss of investment return which would otherwise have been earned on these funds. The cost to the Council in this respect would be reflected in the Council's Annual Accounts. Any loans to third parties are recognised as investments and detailed within the Annual Investment Report in the Treasury Management Strategy.
- 8.4 Loans are treated as capital expenditure and will therefore be approved as part of the Capital Programme.
- 8.5 The Council has recently provided a significant loan. The long-term loan to a strategic stakeholder partner that will generate a sustainable income source for the next 40 years. It also aligns to the Council's corporate priorities and the wider economic development of the GM area. Mindful of the requirements of State Aid regulations, the loans have been negotiated at commercial rates of interest.

9 Other Non-Treasury Investments

- 9.1 Until the recession in 2008, the Council achieved good investment returns on its surplus cash balances. Since then, however, falling interest rates and investment returns have contributed to the pressure on its revenue budget. Combined with the budget shortfall the Council faces and the continued low return on its cash investments, plus Central Government financial support for local public services having been reduced significantly during the previous decade, the Council investigated various options for generating enhanced returns.
- 9.2 In December 2019, Cabinet approved a Corporate Property Investment Strategy (CPIS) to facilitate investment in property solely to generate additional income. As previously explained, this strategy is now inconsistent with national policy direction and is no longer reflected in the Capital Strategy or Programme following the Council's review of the Capital programme
- 9.3 The Council continues to hold commercial property assets that were acquired prior to the introduction of the new PWLB lending criteria. These are located throughout the borough but were purchased to support local policy objectives including the acquisition of strategic sites to support a long term redevelopment and regeneration vision. The fair value of these assets will be reviewed as part of the Council's Treasury Management activities. Should the valuation be lower than the purchase cost, the Council will report this in the Treasury Management Strategy, along with the consequences of the loss on security of investments and any revenue consequences arising.
- 9.4 The Council has also invested in the Churches, Charities and Local Authorities (CCLA) property fund. As advised within the Treasury Management Strategy due to the anticipated fluctuations in price this is an investment with a minimum time horizon of 5 years. The Council currently holds £15.000m in the property fund and the investment currently generates a return of approximately 4.5% per annum.
- 9.5 Due to the uncertainty surrounding the longer-term impact of the Covid-19 pandemic and 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 be stable, and the dividends remained constant at a similar rate.

- 9.6 Any further investment in the CCLA or any such longer term investment funds/bonds will only be undertaken after detailed and thorough due diligence and having regard to the Treasury Management principles of security of capital, liquidity, yield and ethical investments.

10 Capital Resources to Support Capital Expenditure

10.1 The Utilisation of Capital Resources

- 10.1.1 The Council's strategy is to ensure that all resources are deployed to support the achievement of the Council's objectives. With the Government placing a greater emphasis on regional initiatives, the Council's Capital Strategy and capital planning arrangements need to be consistent with, and linked to, the Greater Manchester Strategy but also enhance the Council's own co-operative ethos and other corporate initiatives such as Get Oldham Working, with some devolving of resources and decision-making to Districts and Neighbourhoods. As such, the aspirations of District Partnerships need to be considered and they will be consulted, as appropriate, over possible bids for any available funding. The District Investment Fund and its replacement the Local Investment Fund are included in the Capital Programme, currently at £0.637m in the financial year 2021/22.

- 10.1.2 As most capital financing can be used for projects at the Council's discretion, the Council is able to address its own priorities and shape the Capital Programme to align with local, regional and national agendas.

10.2 Creation of a Central Pool of Capital Resources

- 10.2.1 The Council will ensure that it facilitates the achievement of Council objectives by taking full advantage of freedoms and flexibilities arising from the fact that most resources are un-ringfenced. All un-ringfenced capital funding and other non-specific Council capital resources, that are not required to finance existing commitments, will be pooled into one central fund. This corporate resource will then be managed so that only schemes which can demonstrate the attainment of Council capital priorities will be allocated funds. The Capital Investment Programme Board (CIPB) will review all bids for resources, evaluate them and then make recommendations to:

- a) Cabinet/Council on the prioritisation of resources for the initial 2021/22 to 2025/26 Capital Programme.
- b) The appropriate decision-maker for any subsequent revisions to the Capital Programme.

- 10.2.2 The Budget Council will make the final decision on the overarching Capital Programme for 2021/22 to 2025/26 and will subsequently delegate (subject to the provisions in the Council's Constitution) the updating of the programme and revisions to projects following review and recommendations by the CIPB.

- 10.2.3 The CIPB will review the usage of any ringfenced resources to ensure alignment with other spending plans and the maximisation of benefits to the Council.

- 10.2.4 In determining the size of the central fund, the CIPB will have regard to the following:

- a) Covid-19 Recovery Strategy and associated initiatives to create jobs and assist the regeneration of the local economy, incorporating the refreshed Creating a Better Place Strategy
- b) The statutory fourth Greater Manchester Local Transport Plan (GMLTP4). This is part of the long-term transport strategy for Greater Manchester to 2040 with a five-year delivery plan.
- c) The current pressure on primary and secondary places in certain areas of Oldham and the lack of capacity in the current school stock.
- d) The Disabled Facilities Grant (DFG) is provided to meet the Council's obligation to finance adaptations to the homes of disabled residents and its commitments to wider social care. The Council receives the DFG funding via the Better Care Fund (BCF) and this is included within the pooled funding arrangements with Oldham CCG.
- e) The Council's ambition to deliver its Housing Strategy.
- f) Social Care funding requirements arising from pooled funding arrangements.
- g) Any resources allocated by Central Government after approval of the Council's 2021/22 – 2025/26 Capital Strategy/Capital Programme.

10.2.5 The Council will therefore passport all of the un-ringfenced resources for schools (via the Education Basic Need grant), transport, Disabled Facilities Grant and housing related funding to support spending in the respective areas and potentially any new COVID related resources.

10.2.6 Grant funding allocations notified to the Council also include information regarding capital maintenance funding for Voluntary Aided (VA) schools. This grant is paid directly to the Church of England and Roman Catholic Diocesan authorities and is not therefore included within the Council's Capital Programme. Expenditure undertaken by the Council on VA schools is planned with regard to the availability of contributions from the VA grant and diocesan resources.

10.3 Methods of funding capital expenditure

10.3.1 There are a range of methods for funding capital expenditure. The methods that will be used by the Council are set out as follows:

a) Government Grants and Non-Government Contributions

10.3.2 Capital resources from Central Government can be split into two categories:

- i) Un-ringfenced – resources which are delivered through grant that can be utilised on any project (albeit that there may be an expectation of use for a specific purpose). This now encompasses the vast majority of Government funding.
- ii) Ring-fenced – resources which are ringfenced to particular areas and therefore have restricted uses.

10.3.3 Where there is a requirement to make an application to an external agency for external funding and, when appropriate, to commit Council resources as matched funding to any bid for external resources, a business case (following the three-stage process described at Section 11) must be presented to the CIPB for approval. This must justify the bid for external resources and any Council matched funding prior to submission of the bid.

b) Prudential Borrowing

- 10.3.4 The Council will consider financing capital projects using prudential borrowing where plans are sustainable, affordable and prudent. Full appraisal will take place to ensure that, where appropriate, sufficient revenue returns are generated to cover the cost of borrowing.
- 10.3.5 Where it is considered that Prudential Borrowing is the appropriate method of funding, but it requires additional revenue financing, the cost will be reflected in the revenue budget planning process.
- 10.3.6 As mention above in the section outlining PWLB Lending Criteria, in November 2020, the PWLB revised the terms of PWLB lending to ensure that Local Authorities continue to invest in housing, infrastructure, and public services whilst discouraging investment solely for income generation purposes. The Council's capital programme meets the new revised terms for PWLB lending therefore Prudential Borrowing from the PWLB can be undertaken if it is the most cost effective way to finance the programme.
- 10.3.7 Alongside the 2020 Spending Review announced in November 2020 and following on from PWLB consultation conclusion, HM Treasury revised the lending terms for the PWLB. HM Treasury reverted to the previous PWLB rates prior to the increase in October 2019, with rates from 26 November 2020 being priced at the current gilt rate plus 100 basis points for the standard loans and gilts plus 80 basis points for Authorities qualifying for the Certainty Rate. It is possible that there may be some separate terms for housing projects announced during 2021.
- 10.3.8 In September 2020 the Council applied for and received the PWLB Certainty Rate reduction. This entitles the Council to receive a 20 basis points rate reduction on the prevailing rate of PWLB on any borrowing undertaken from 1 November 2020 to 31 October 2021. The obvious benefit to the Council of the certainty rate is reflected in reduced Treasury Management borrowing costs in relation to any PWLB borrowing undertaken.

c) Capital Receipts

- 10.3.9 Section 9 (1) of the Local Government Act 2003 defines a capital receipt as "a sum received by the authority in respect of the disposal by it of an interest in a capital asset".
- 10.3.10 Section 9 (2) of the Act states "an asset is a capital asset if, at the time of the disposal, expenditure on the acquisition of the asset would be capital expenditure".
- 10.3.11 Capital receipts are usually restricted to use for:
- i) Financing new capital investment.
 - ii) Reducing borrowing under the Prudential Framework.
 - iii) Paying a premium charged in relation to any amounts borrowed.
 - iv) Meeting any liability in respect of credit arrangements.
 - v) Meeting disposal costs (not exceeding 4% of the receipt).
- 10.3.12 In general, capital receipts arising from the disposal of housing assets and for which account is made within the Housing Revenue Account (HRA), are governed by the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003. In summary the regulations require that receipts arising from:

- i) Right to Buy (and similar) sales may be retained to cover the cost of transacting the sales and to cover the debt on the properties sold, but a proportion of the remainder must be surrendered to Central Government; and
- ii) All other disposals may be retained in full provided they are spent on affordable housing, regeneration or the paying of housing debt.

10.3.13 Such receipts have reduced substantially since the transfer of the housing stock to First Choice Homes Oldham (FCHO).

Value Added Tax (VAT) Shelter

10.3.14 As part of the Housing Stock transfer that took place in February 2011 a Value Added Tax (VAT) shelter agreement was entered into with FCHO. This allows FCHO to obtain the same VAT exemption on its capital works as the Council. The shelter only applies for first-time improvements and is expected to cease in 2024/25. FCHO retained all the benefits in the first four years and the savings thereafter have been split 50:50 with the Council, although the first £6.000m was top sliced to deal with outstanding FCHO asbestos liabilities.

10.3.15 FCHO has provided an indicative notification of the release of resources from the VAT shelter for 2021/22 and this is being used to support the capital receipts requirement underpinning the Capital Programme.

Ringfencing of Capital Receipts

10.3.16 Where the sale of an asset leads to the requirement to repay grant, the capital receipt will be utilised for this purpose. Once this liability has been established and provided for, capital receipts will be available to support the Capital Programme as a corporate resource.

10.3.17 The only areas where the Council ringfences capital receipts is in respect of:

- i) The Equity Home Loan Initiative.
- ii) Saddleworth School as part of the Priority Schools Building Programme.
- iii) The Flexible Use of Capital Receipts Strategy – in 2021/22 the first £2.000m of unallocated receipts will be used to support the revenue budget via the financing of transformational projects.

Flexible Use of Capital Receipts

10.3.18 As part of the Local Government Finance Settlement (LGFS) in March 2016, the Secretary of State for Housing, Communities and Local Government provided Local Authorities with the opportunity to use capital receipts to fund the revenue costs of transformation. This flexibility was then extended to 2021/22 as part of the 2018/19 LGFS. As previously stated, the Council intends to utilise £2.000m of capital receipts to fund elements of Oldham's transformational agenda in line with the Directive guidance and therefore in 2021/22 the first £2.000m of unfettered receipts will be used to support the revenue budget via the financing of transformational projects.

10.3.19 The Flexible Use of Capital Receipts is designed to offset the revenue cost of transformational projects which are expected to deliver future ongoing revenue savings for either the Council or other public sector delivery partners.

10.3.20 In order to take advantage of this freedom and flexibility, the Council must act in accordance with the statutory guidance issued by the Secretary of State. This guidance requires the Council to prepare, publish and maintain a Flexible Use of Capital Receipts Strategy. The Council's Flexible Use of Capital Receipts Strategy is included in Annex D.

Availability of Capital Receipts

10.3.21 In considering the 2021/22 Capital Programme, and given the position with regard to capital receipts, a prudent approach has been taken with capital receipts assumed in accordance with an anticipated timeline for asset disposal. However as advised above, the Council anticipates utilising £2.000m under the Flexible Use of Capital Receipts Strategy in 2021/22 to support transformational projects.

10.3.22 The level of receipts upon which the programme relies to fund existing and new commitments has in the past been affected by the property market and more recently the Covid-19 pandemic which has impacted on the:

- i) Ability of the Council to sell assets within the timescale anticipated.
- ii) Level of receipt actually generated, which has sometimes been less than originally forecast.

10.3.23 The Council's objective to rationalise the corporate estate (as highlighted in the Medium Term Property Strategy and the Creating a Better Place strategy), will lead to the marketing of increasing numbers of surplus assets. This has the potential to affect both (i) and (ii) above. This is being carefully managed to ensure that the Council receives the best disposal price possible. The Council has specific staffing resources to manage the phased disposal of former schools' sites, residual Housing Market Renewal sites and other strategic regeneration sites. External expertise has been engaged to supplement in-house teams if required when rationalisation activity increases.

10.3.24 The availability of sites for sale could potentially be reduced if there is earmarking of key plots for inclusion in any future Joint Venture opportunity for or any regeneration project throughout the Borough. Again, this position will be carefully managed in the context of the overall financial position of the Council.

10.3.25 Monitoring of capital receipts is undertaken through an officer sub-group that reports to the CIPB and the Corporate Property Board (CPB); follow-up actions are initiated to address any comments raised. The capital monitoring report is usually presented to Cabinet at months 3, 6, 8 and 9 and advises Members of receipts compared to target. During the period of COVID-19, the reports are being presented to Cabinet from month 3 on a monthly basis to ensure Members are fully sighted on all key financial issues.

d) Revenue Contributions

10.3.26 A service or school may wish to offer some of its revenue budget or reserves to support the financing of a capital project. This is acceptable if it can be demonstrated that this funding is unfettered.

e) Use of Leasing

10.3.27 Some of the assets used by the Council have previously been financed by a lease arrangement, for example vehicles. Leasing is considered as a viable option for consideration when financing options are being appraised. Leasing may occasionally

offer better value for money than financing through prudential borrowing, however, at the time a decision is required, a full financial appraisal will be undertaken.

f) Section 106 Agreements

10.3.28 In considering an application for planning permission, the Council may seek to secure benefits to an area or restrict uses or activities related to a proposed development through the negotiation of a 'planning obligation' with the developer. Such obligations, authorised by Section 106 of the Town and Country Planning Act 1990, generally either improve the quality of the development, or overcome difficulties which would otherwise result in planning permission being refused. A planning obligation must be:

- i) Necessary to make the development acceptable in planning terms;
- ii) Directly related to the development; and
- iii) Fairly and reasonably related in scale and kind to the development.

10.3.29 As such, therefore, the Council may in some instances receive funds to enable it to undertake works arising from these planning obligations. Examples of the use of planning obligations are the:

- i) Provision of affordable housing.
- ii) Improvement to community facilities - Public open space/play areas, educational facilities.
- iii) Improved transport facilities - contributions have previously been used towards Oldham bus station, park and ride and the provision of cycle lanes.
- iv) Public art.
- v) Renewable energy measures.
- vi) Specific measures to mitigate the impact on a local area, for example parking restrictions, landscaping or noise insulation.

10.3.30 The use of any Capital Section 106 funding will be presented to the CIPB for review.

g) Community Infrastructure Levy

10.3.31 The Council has the option to charge a Community Infrastructure Levy (CIL), a planning charge based on legislation that came into force on 6 April 2010. The Council has considered this but at this time there are no plans to progress the CIL. The position will be kept under review as work is taken forward in relation to the Greater Manchester initiatives and the Council's own Local Plan.

h) Private Finance Initiative (PFI)

10.3.32 This was a means by which the Council facilitated major new infrastructure projects. Typically, the schemes involve partnerships between the public and private sector to fund public sector infrastructure projects with private capital. Oldham has considerable experience of PFI with two schools' projects, two housing projects, the Library and Lifelong Learning Centre and the street lighting initiative.

10.3.33 In the Autumn Budget 2018 the Government announced that there would no longer be the use of PFI for major investments and a new centre of excellence would be established to manage existing deals "in the taxpayer's interest". The Government

emphasised its commitment to maintaining current commitments on PFI contracts. As a result, no new PFI projects or similar initiatives are anticipated within the Strategy period.

i) UK Municipal Bonds Agency Plc

10.3.34 The UK Municipal Bonds Agency (UKMBA) is owned by the Local Government Association (LGA) and managed by PFM; the largest independent financial advisory firm in the United States that works solely for public sector clients. It has extensive experience in the US bonds market and has a wealth of experience of bringing bonds to market for public sector clients. The aim of the agency is to provide Councils with a cost-effective source of long term borrowing (as an alternative to the PWLB) and to introduce sector owned diversity into the Local Government lending market.

10.3.35 During 2020/21 the UKMBA issued its first ever bond, a £350-300m 5-year SONIA linked Floating Rate Note (FRN) and a £250m issue with a 40-year maturity, 80 basis points (bps) lower than the equivalent rate from the Public Works Loan Board. Work is ongoing, to issue the UKMBA's first proportionally guaranteed bond, that is likely to involve a number of Local Authorities. The pooled bond is expected to be a £250m 10-year fixed rate bond.

10.3.36 The Council has invested a total sum of £0.100m in the equity of the UKMBA. The Council will continue to monitor issuances by the UKMBA and cost of funds from the MBA as an alternative source of finance with a view to borrowing at an appropriate time if terms are preferential. It must be noted that, following, the reduction in PWLB rates announced alongside the 2020 Spending Review, the UKMBA cancelled the next planned bond issue whilst it looks at the impact of the PWLB rate reduction as this will make it more challenging for the UKMBA to be a more competitive option.

11. Capital Investment and Disposal Appraisal

11.1 Capital Investment

11.1.1 All capital investment will be commissioned on the recommendation of the Capital Investment Programme Board (CIPB) which will enable any expenditure and its funding to be better aligned with corporate priorities, partners and funding sources. Partners, from both the public and private sector will be at regional and local levels as well as at a district level.

11.1.2 Within the Council, a concept for a potential capital project should originate from, or at least be 'owned' by Senior Responsible Officer (SRO) or Directorate Management Teams (DMTs). The SRO or DMT that 'owns' the concept should prepare or direct the preparation of a Strategic Business Case (SBC) for the proposed project. The Strategic Business Case should be submitted to CIPB for consideration, with the exception of Strategic Regeneration projects where the Corporate Property Board (CPB) first reviews the SBC.

11.1.3 If the CIPB (or the CPB in the case of Strategic Regeneration Projects) is satisfied that the proposal meets investment criteria, it will be given approval to progress to Stage 2 of the process – the completion of an Outline Business Case (OBC). The OBC builds on the SBC providing more detailed information including the benefits that could be realised and may include a number of options to deliver the proposed benefits. The OBC will be submitted to the CIPB for consideration, and if it is satisfied with the proposal will give guidance for the development of a preferred option.

- 11.1.4 Stage 3 of the process entails the completion of a Final Business Case (FBC) which will then be submitted to the CIPB for final consideration. Again, building on the OBC, the FBC will contain evidence of a:
- a) Detailed financial analysis of all costs/income including how the project is financially sustainable and that any adverse revenue implications can be dealt with within existing budgets.
 - b) Robust delivery plan including how the chosen option delivers the highest impact in achieving the required outcomes with identified key project milestones enabling progress review.
 - c) Risk assessment and that appropriate actions to negate these risks have been identified.
 - d) Full exit strategy where the project involves a disposal.
 - e) Method of procurement that represents value for money.
- 11.1.5 By adopting the process outlined above, CIPB exercises control over capital projects through the recommendation of approval of:
- a) Strategic Business Cases (SBC) outlining the initial idea or 'concept' for a project.
 - b) Outline Business Cases (OBC) which will focus on links to the Corporate Plan and outcomes.
 - c) Full Business Cases (FBC) – the final investment decision. This will focus on how the priorities set out in the OBC will be delivered, including:
 - i) Project description
 - ii) Consultation
 - iii) Expenditure and funding including whole life costs and revenue implications
 - iv) Outputs
 - v) Option Appraisal
 - vi) Value for Money
 - vii) Delivery
 - viii) Risk Management
 - ix) Sustainability, Forward strategy and evaluation
 - x) Asset Management
 - xi) Procurement
 - xii) Social Value Impacts
 - xiii) Equality Impact Assessment
 - xiv) Environmental Impact Assessment
 - xv) Contribution to the achievement of corporate initiatives including Get Oldham Working
- 11.1.6 Depending on the circumstances of the bid for resources, the CIPB has the discretion to vary the three stage review process and omit one or more of the stages.

Gateway Review System

- 11.1.7 The Council has adopted a gateway review system for all projects within the Capital Programme to promote the following principles:
- a) Carrying out structured reviews at decision checkpoints, defined by boundaries between management stages, to test the project's management and its readiness to progress to the next stage.

- b) Promoting project assurance through the application of a structured project management system.
 - c) Informing the governance process.
- 11.1.8 The Gateway Review structure is designed to be efficient by only requiring detail when it is needed to get to the next stage. It also tries to minimise additional work for team members by using templates that build on each other, reducing the need for reworking.
- 11.1.9 Gateway Reviews are undertaken by the Strategic Regeneration Project Management Office which has been specifically set up to ensure there is a robust review process in place to support the delivery of capital schemes and therefore to support the work of the CIPB.
- 11.1.10 There are four Gateway Reviews which are initiated at key milestones in the delivery of a programme, Gateways 1 to 3 are undertaken in the approval process for the Strategic, Outline and Final business cases respectively, Gateway 4 is undertaken in support of the delivery and handover phase. It is important to note that the Gateway report is used to advise and inform those responsible for making the investment decision, the decision will not be made by the Gateway Review team.
- 11.2 **Service Challenge & Review, Efficient Use of Assets**
 - 11.2.1 As part of the Creating a Better Place Strategy, the Council has embarked on an ambitious programme of transformation utilising the corporate estate as a key driver for change and delivering revenue budget reductions.
 - 11.2.2 A review of the Council's operational land and property portfolio has been initiated to consider:
 - a) The core office estate;
 - b) The operational asset base used for district-based service delivery; and
 - c) Land.
 - 11.2.4 Through the Creating a Better Place strategy, an Assets Accommodation and Investment Group is leading work to further streamline the Council's core office accommodation, working collaboratively with other public sector partners, to exploit collective town centre property ownerships (including the recently acquired Spindles and Town Square Shopping Centres) to maximise benefits from regeneration, inward investment and improve efficiency in operating costs. This will align with the Government's One Public Estate (OPE) Programme and the work undertaken by the Strategic Estates Group (SEG).
 - 11.2.5 With regard to the review of operational district assets and Place-Based operating arrangements, the Property Team and services continue to work closely alongside wider public and third sector partners to ensure that portfolios are the best fit for purpose and efficient usage is maximised. Work with NHS partners has been accelerated to support the health and social care integrated working agenda.
 - 11.2.6 In taking forward the Creating a Better Place strategy, the disposal of land and property assets will be progressed with alignment to corporate objectives and incorporated into the asset rationalisation programme. The review of the Council's existing investment portfolio will be included as part of proposals to further streamline the Council's Asset Estate, in line with required capital receipts targets and proposed revenue savings.
 - 11.2.7 Governance of the Council's land and property portfolio is provided via the Land and Property Protocols which form part of the Council's Constitution, providing a strategic

governance framework within which land and property transactions are undertaken and the corporate portfolio is managed in a consistent, transparent and appropriate manner. The Protocols are regularly updated to reflect Statutory, Administrative and Organisational changes and have recently been revised in line with the recommendations of the Creating a Better Place strategy.

- 11.2.8 The Corporate Property Board oversees the acquisition and disposal of land and property assets and monitors the progress of the asset rationalisation programme and performance of the investment portfolio.

12 The Prioritisation of Capital Requirements

- 12.1 Once a bid for capital expenditure has passed through the Gateway process and has demonstrated that it meets Council Objectives and links to the Greater Manchester Strategy (if appropriate) and it has been agreed that it is suitable for capital investment, the strategic requirements will be prioritised using the following criteria (it should be noted that these are not mutually exclusive or in ranking order):

- 12.2 The criteria examine whether the proposal is:

- a) Related to mandatory, contractual or legislative service delivery requirements.
- b) Required to achieve the delivery of a specific revenue budget saving within the revenue budget setting process.
- c) Required to support Service Plan priorities.
- d) Enhancing the Co-operative Council agenda and demonstrating the delivery of wider Social Value.
- e) Supporting the Get Oldham Working priority initiative and demonstrating how it delivers the aim of local jobs for local people.
- f) Supporting integrated working with NHS partners or in support of other GM devolution objectives
- g) Linked into other regional objectives.
- h) Enhancing the asset management/estate management agenda.
- i) Providing general revenue budget reductions or offering the delivery of a more efficient service.
- j) Fully-funded from external resources.
- k) Bringing in substantial external resources for which Council matched funding is required.
- l) Likely to have the highest impact on achieving improved performance against the Council's key objectives.
- m) Making a contribution to carbon reduction targets and renewable energy initiatives as part of the Council's Green New Deal.
- n) Supporting regeneration and economic growth, particularly in the town centre and district centres.
- o) Supporting recovery from the impact of COVID

- 12.3 The results of this process will be presented to Members each year as part of the capital budget setting process, or during the year if projects come forward outside of the normal timeframe.

13 The Procurement of Capital Projects

- 13.1 The structure of the Council's procurement and strategic relationship management function includes designated Commercial Procurement Managers whose focus is to support all capital projects.
- 13.2 Integration of revenue and capital financial planning provides opportunities for greater efficiency by selection of the most effective procurement processes to ensure the best commercial solution.
- 13.3 The Council is keen to ensure that Social Value, is demonstrated during the procurement process, linked to the principles of the co-operative agenda. Therefore, this is of key importance in the procurement of all capital schemes. The social value deliverables are actively monitored by the procurement team throughout the life of the contract.
- 13.4 Efficiency gains via procurement will be achieved by:
- a) Efficient procurement processes which are constantly being enhanced with opportunities being developed to ensure the best commercial solution is selected and delivered.
 - b) Expanding the range of providers included within the Council's early payment discount scheme.
 - c) Strategic contract management of the wider supply chain to ensure continuous savings through the life of the project.
 - d) Procuring fixed price contracts with risk/reward terms to incentivise further efficiencies.
 - e) Joining in GM wide procurement initiatives which will provide savings through economies of scale.
 - f) Public Private Partnership (PPP) agreements and other innovative financing arrangements where practicable.
 - g) Leasing/borrowing strategies which will consider the most effective means of acquiring assets.

14 The Measurement of the Performance of the Capital Programme

- 14.1 The capital commissioning approach that has been adopted by the Council is supported by a strong programme management process in order to ensure a co-ordinated corporate approach to the strategic alignment of investments. The process has been modelled on the PRINCE 2 project management methodology and the Office of Government Commerce (OGC) Gateway Review System, incorporating risk assessment, risk management, option appraisal, cost v benefit analysis, etc. This ensures that investments are planned, managed and delivered prudently.
- 14.2 The Capital Investment Programme Board (CIPB) has a remit to review the financial performance of the Capital Programme and from month 3, it receives a monthly monitoring report. In addition, financial monitoring reports will be considered by Cabinet at months 3, 6, 8 and 9 (each month from 3-9 during the period of the COVID-19 pandemic), together with a capital outturn report. Issues that have been considered and agreed at the CIPB can be reported to Cabinet as necessary via the regular financial monitoring reports.
- 14.3 The undertaking of the detailed annual review of the Capital Programme provides the opportunity to review all schemes or focus on specific areas of concern.

- 14.4 Where a potential cost overrun has been identified, the CIPB will explore possible solutions in detail. It will also consider any under spending or identified surplus resources which can be added to the central pool of resources. The CIPB may also suggest a reallocation of resources to other projects.
- 14.5 Where there is a delay in the commitment of programme/project resources, the CIPB will require project managers to report the reasons for the delay and consider whether it would be appropriate to recommend the decommissioning of the project and the reallocation of un-ringfenced resources to other projects.
- 14.6 The performance of the Capital Programme is also measured by the prudential indicators which are reported to Cabinet/Council as part of the Treasury Management Strategy, the Treasury Management half-yearly review, and the annual review.

15 The Capital Investment Programme Board

- 15.1 The Capital Investment Programme Board (CIPB) is an Advisory Board and is chaired by the Deputy Leader and Cabinet Member for Finance and Green. The lead Chief Officer for CIPB is the Deputy Chief Executive People and Place. The Leader of the Council and the Deputy Leader and Cabinet Member for Covid-19 Response have a standing invitation to all meetings. The Board is supported by the Director of Finance, the Director of Economy, the Director of Education, Skills and Early Years and the External Funding Manager. The Board has a Terms of Reference and detailed reporting performance processes which are included at Annex B.
- 15.2 All Directorates are represented at Director level by invitation to attend CIPB as and when projects for which they are responsible are being considered. The Chair may also invite the relevant Cabinet Member to attend when a project within their portfolio is being discussed.

Priority Areas for Investment

The priority investment areas identified for the 2021/22 to 2025/26 period covered by this Capital Strategy document are set out below, along with information about longer term projects which are emerging through the vision for the borough.

The Capital Strategy is split between two distinctive elements, the short to medium term and a longer-term vision. The short to medium term years 0 to 5 focus towards the delivery and implementation of a wide range of capital schemes covering priority capital schemes. At this stage, the management of potential risks in the acquisition of assets or delivery of capital schemes is significant for the Council. It must be noted that within the short to medium term timeframes the Capital Programme may be amended with the introduction of urgent, high priority capital schemes. The programme will need to be flexible to ensure that it can incorporate schemes to meet the requirements or opportunities that arise. This stage also allows the Council to develop plans that contribute to the Council's immediate priority objectives such as the town centre vision, housing and borough wide regeneration.

The Council incorporates Capital Programme expenditure and funding projections into the medium term cashflow forecasting which in turn feeds into the debt management strategy for the Council. Decisions on debt financing will be influenced by capital projections as well as forecast capital receipts. The Capital Programme and the implications of the programme for MRP and debt financing costs are incorporated into the revenue budget and Medium-Term Financial Strategy.

The breakdown of funding by project area is shown across the current programme to 2025/26 at Annex C. The narrative supporting the programme is set out below together with information about projects which the Council plans to take forward in the following 10 years from 2026/27 to 2035/36.

1 Continuation Funding

There are requirements for the continued annual funding of existing programmes of work across the current five year programme and beyond. However, as mentioned in paragraph 3.3 in the Strategy, following the outcome of the review of the Capital Strategy 2021/22 to 2025/26, in the financial year 2025/26 no additional funding has been allocated to the programme in the following areas as cumulatively there is deemed to be sufficient unallocated resource to meet existing needs. The principle of continued funding remains and will be revisited as part of the 2022/23 Capital Strategy. The continuation of funding schemes are summarised as follows:

- a) Corporate Major Repairs /Disability Discrimination Act (DDA) Adaptations/ Legionella / Health and Safety Projects (Corporate Landlord Function)

Spending in this area aims to enable the Council to secure the integrity of the corporate estate and ensures that the Council is compliant with its statutory obligations under DDA and Health and Safety legislation. Provision for such expenditure is included within the People and Place – Corporate Property service budget which has an allocation of £6.435m in 2021/22.

- b) School Condition Works

The Council has provided resources to address the most immediate needs (priority 1) for condition works within the school estate. There is however, increasing demand

on the school condition works budget to address priority 1 condition issues as well as other preventative works prior to arrival at priority 1 status. Provision is included within the People and Place – Corporate Property (Education Premises) budget.

c) ICT Strategy

The core elements of the ICT strategy are still relevant and the Council is able to evolve and grow under the following principle themes:

- Mobility - enabling staff to work from where they need to, not where they have to. This has meant modernising end user devices (laptops and smartphones) and email as well as introducing Office365, including SharePoint, OneDrive and Teams as a collaboration platform. The introduction of this technology during 2018/19 enabled Oldham Council to quickly move to remote working in response to the COVID-19 pandemic during 2020. A focus for 2021 will be removing fixed desk telephones and introducing Wifi first.
- Platform + Agile - fewer systems that are better integrated (using an IBM integrated engine) and developed using Agile delivery techniques. This approach enabled the development of a system to coordinate contact from residents needing access to support as a result of COVID-19 by integrating core systems with a cloud based Customer Relationship Management tool to quickly develop functionality, enabling effective management and reporting in a rapidly changing landscape. This approach will be developed and reused by the Digital Strategy and Programme throughout 2021 and beyond.
- Cloud First - reducing technology assets that are owned and maintained by the Council, preferring ready to use digital tools that are available, securely, over the internet. This approach enables greater business agility especially when coupled with Agile delivery techniques and enables greater focus on creating better services for residents, rather than maintaining legacy systems.
- Data Analytics - building upon the above themes and principles to create the conditions where Oldham Council can understand the borough better and use this insight to improve services

All activity is aligned to ensuring Cyber Security Defences are in place and improving disaster resilience.

Provision is included within the People and Place – Information Technology service budget which has funding available of £2.898m in 2021/22.

d) Social Care

This resource will provide additional support for disabled adaptations, transformational schemes to further health and social care integration, and wider social care initiatives. Provision is included within the Community Health and Adult Social Care service budget.

e) Environmental Services

To support the purchase of environmental machinery, provision is included within the People and Place – Environment service budget. Funds for investment of £0.100m are available in 2021/22.

2 New Projects

New emerging projects for which funding may be required and for which funds could be allocated are set out in the following paragraphs. Each of these projects would need to be progressed by the submission of detailed and fully costed business cases demonstrating how they achieve corporate priorities. Projects have been categorised based on current information over a delivery timeframe focused on;

- those that will be initiated and delivered in the five years of this strategy period (2021/22 to 2025/26); and
- those which will progress from 2026/27 to 2035/36 (a further 10 year timeline).

It is probable that due to rephasing, some projects will move from the first to the second delivery period.

Projects to be Delivered in Years 0-5 (2021/22 to 2025/26)

a) Social Care

The Council has extensive responsibilities to deliver an adequate standard of social care and works closely with National Health Service partners. The Council will address identified needs or opportunities to facilitate enhanced service provision and support income generation in respect of community health and adult social care. The current budget within the strategy is £2.303m and is available for such investment. The provision is included within the Community Health and Adult Social Care service budget.

b) Better Care Fund (Disabled Facilities Grants)

The demand for major property adaptations to premises continues to rise, particularly because of the increase in numbers of elderly clients and also of very disabled children where medical advances have seen improvements in life expectancy. There are also increased requests for adaptations to FCHO properties.

This resource will provide additional support for disabled adaptations, transformational schemes to further health and social care integration, and wider social care initiatives. Provision is included within the Community Health and Adult Social Care service budget.

For 2020/21, the final Better Care Fund (BCF) capital allocation in the form of Disabled Facilities Grant (DFG) was £2.091m. The grant was un-ringfenced but, given the Council's obligation to undertake adaptations, the strategy of the Council is to passport the full grant allocation for the intended purpose; to support housing adaptations (it is important to note that grant is included within the Pooled Fund in place between the Council and Oldham CCG). Where 2020/21 resources have not been utilised, they will be carried forward into 2021/22 (estimated at £0.728m). At present, there is no notification of funding allocations for 2021/22. There is however an anticipation that it will be of a similar amount, therefore an estimated of £2.000m has been included in the 2021/22 Capital Programme. Any funding received will be allocated using the same principles as were applied in 2020/21. Total provision of £2.728m is included within the Community Health and Adult Social Care - Disabled Facilities Grant service budget for 2021/22.

c) Green Initiatives and Decarbonisation

In March 2020 the Council adopted the Oldham Green New Deal Strategy, which set carbon neutrality targets for Council Buildings and Street Lighting (by 2025) and for the borough (by 2030). The approach set out by the strategy envisages a mix of Council, private sector and national / third sector grant funding to finance the achievement of these targets, with a focus on stimulating economic activity in the key low carbon and environmental sector to create jobs and training opportunities for Oldham residents and businesses.

With this in mind, the Capital Programme included an allocation for Green New Deal schemes in the 2020/21 financial year. However, the financial impact of COVID-19 has meant that this specific allocation has been withdrawn. Instead, the commitment to reduce the Council's carbon footprint will now be a feature of all relevant major schemes included within the capital programme.

Nonetheless, the underlying principle of the Green New Deal approach is that investment to create environmental and economic benefits in the borough can be financed through financially sustainable business models which result in a positive cashflow for the Council even taking into account the cost of finance. Therefore, 'green' projects which can generate a return to the Council via an 'invest to save' model can also crucially generate economic activity and expenditure which can support the local economy, and in particular high quality jobs in the growing low carbon and environmental sector.

National Government recognises the potential of the low carbon and environmental sector to deliver a 'green recovery' from the economic impacts of the COVID-19 crisis, and substantial funds are being made available to Local Authorities to 'jump start' low carbon schemes which may have stalled. One of these schemes in Oldham is the proposed solar farm at Wrigley Head, the viability of which was challenged by the impact of the COVID-19 economic slowdown on the long-term wholesale price of electricity, and grant funding from the new national Public Sector Decarbonisation Fund is currently being sought to allow this project to proceed.

The Council will also seek to identify similar invest-to-save energy efficiency and renewable energy schemes across its estate, once the scope of the rationalisation of the estate is fully understood, in line with its stated aim of carbon neutrality by 2025.

d) Surplus Sites

The Council has an extended portfolio of surplus sites scheduled for disposal, for which up front capital funding may be required for enabling and other works to ensure that the land is suitable for redevelopment. The Medium Term Property Strategy and Creating a Better Place strategy encompass the disposal of surplus sites to create capital receipts and create a revenue saving. The Capital Strategy 2021/26 includes an allocation within the People and Place – Other Regeneration Priorities service budget to support this enabling work. It must be noted that the Capital Programme's financing is reliant on the income generated from these disposals in the form of capital receipts.

e) Working with NHS Partners

The Council is a key member of and a driving force in the activities of the Oldham Strategic Estates Group (SEG). The Department of Health initially required all Clinical Commissioning Groups (CCG) to establish a SEG within their locality, and

whilst the group initially had a 'Health' focus, this has been broadened to encompass a 'One Oldham Estate' approach. This is closely aligned to the Government's One Public Estate (OPE) principles which in essence seek to maximise the efficient use of the public sector estate through co-location and joint service delivery, releasing surplus land and property to support regeneration, residential development and inward investment. The Oldham SEG has a 'strategic' rather than 'operational' focus and has developed an SEG Implementation Plan (SEP), identifying development of integrated public sector hubs and mapping existing estate and utilisation as key priorities. It is closely aligned to and supports delivery of Oldham's Locality Plan for Health and Social Care.

The provision to support working with NHS partners is part of the Creating a Better Place Strategy within the People and Place Directorate.

f) School Investment

There continues to be pressure on primary and secondary places within areas of Oldham, with little capacity at several schools as the school population continues to increase. School capacity and improving the standard of the facilities within schools remains a priority and the Council will consider additional investment in its own right or to complement any Government resources that may become available.

The Council is aware that the Government could in the future introduce a range of grant funding opportunities for schools. There may also be opportunities to utilise funding from the Department of Education (DfE) for new schools with an academy partner. Schemes of this nature require the Council to release land for the school to be built upon. In such instances the Council will dispose of land without recompense, via a land swap or other such appropriate land transaction. The Council may also deem it appropriate to allocate its own resources to support schemes as it sees fit.

Provision for new investment as well as on-going commitments is included within the Children's Services – Schools (General, Primary, Secondary and Special) service budget.

g) GM Investment Fund Loans

In line with the approved scheme initiated and underwritten by the Greater Manchester Combined Authority (GMCA), the Council may manage loans to qualifying businesses to support the growth ambitions as set out in the GM strategy.

No specific provision has been allowed but will be managed from within available resources as schemes are identified.

h) Creating a Better Place including COVID-19 Recovery

This strategy sets out a comprehensive vision and strategic framework for the borough, which includes the Oldham Town Centre Vision, the Housing Strategy, and utilisation of the Council's corporate estate (land and property) to support development and open space requirements across the borough. The original strategy was approved by Cabinet across two reports in December 2019 and January 2020.

In light of the pandemic, the Council has had to respond with the provision of significant funding support to ensure the safety and welfare of Oldham's local communities. In addition, the national policy landscape changed significantly when

HM Treasury set out proposals for revising PWLB lending terms to discourage commercial investment solely for income generation purposes. Therefore, it was appropriate that the programme was reviewed to ensure that priorities were correct and that the projects supported economic recovery (post-COVID). Cabinet approved a revised vision for Creating a Better Place on 24 August 2020. The revised strategy still includes creating 2,400 (previously 2,000) new homes, 1,000 new jobs and 100+ new apprenticeships.

Key schemes within the Creating a Better Place Strategy include:

- Schools – A range of new build and school expansion schemes to ensure there are sufficient school places for the borough's children. Schemes include the provision of a new secondary school at Saddleworth and the expansion of North Chadderton school. The Creating a Better Place Strategy now encompasses schemes financed through Education Basic Need grant.
- New Homes – The aim of the Housing Strategy is to provide a diverse housing offer that is attractive and meets the needs of different sections of the population at different points in their lives and focusses on the dynamics between people, homes and the wider economy. A key strand of this approach remains the provision of a Flexible Housing Fund (FHF). This is a fund to support external partners and the Council to self-develop housing in less viable areas. It will ensure developments are brought forward and support the delivery of the required number of new homes within the borough. Investment in building new homes is a priority at key town centre sites and sites around the borough.
- Town Centre Regeneration – The Council continues to deliver considerable investment in the town centre with the recent acquisition of the Spindles and Town Square Shopping Centres. Plans are being created to redevelop the centre so it is not focused solely on retail. The centre's redevelopment will also release other town centre sites for repurposing including the provision of housing and additional green space. It will also help reduce corporate landlord costs and backlog maintenance liabilities which are reflected in the Council's revenue budget savings proposals.
- Borough-Wide Regeneration - The Council is investing in borough-wide regeneration initially via initiatives through housing and employment sites at Broadway Green, Hollinwood and Salmon Fields. All these sites are expected to advance further within the next five years. The Council will take advantage of suitable development opportunities throughout Oldham in order to advance its regeneration objective.

Following the refresh of the strategy and the introduction of stricter PWLB Lending Terms, schemes which were primarily associated with corporate property investment activities or which do not make a sufficient contribution to strategic objectives have been removed from the programme.

The Creating a Better Place programme includes £287.857m of schemes including £37.291m included within the 2020/21 programme, a further £250.466m between 2021/22 and 2025/26. The revised programme is forecast to achieve revenue savings of £8.2m per annum which are reflected in the Council's proposed revenue budget and medium term financial strategy. These savings largely rely on the

completion of capital schemes which can take time to deliver meaning their realisation will occur in 2022/23 and 2023/24.

It is also hoped that the ambition set out within the Creating a Better Place Strategy will be supported with significant grant support from the Government's National Infrastructure Strategy including the Towns Fund and the provisional award of £10.750m from Future High Streets Fund. At the time of preparing this strategy, the Council is still awaiting the outcome of bids for resources from the Towns Fund and is engaging with MHCLG regarding the allocation of provisional funding from the Future High Streets Fund which is £4.802m lower than the original bid of £15.552m.

i) Medium Term Property Strategy (MTPS)

The MTPS review is a key element of Creating a Better Place encompassing exciting plans for property led change.

The MTPS and its implementation is key to the Council achieving both cost savings and a more efficient use of the corporate estate, contributing to the delivery of revenue budget savings and a reduced requirement for backlog maintenance as well as informing the development of an asset disposals programme to reduce Council holdings of surplus assets and generate additional capital receipts.

Given the impact of the Covid-19 pandemic on current and future demand for property, the MTPS is currently under review. The MTPS is also at the centre of numerous interdependencies which will also shape future requirements including:

- The revised Creating a Better Place Strategy (see above);
- Housing delivery targets set out in the Council's Housing Strategy;
- The One Public Estate programme which seeks to deliver ambitious property-focused programmes in collaboration with central government and other public sector partners;
- Place-Based Working centred around providing services from five districts / hubs within the borough.

The MTPS seeks to take a holistic review of land and property assets whether Council owned or within the ownership of One Public Estate partners to ensure the Council:

- delivers against ambitions for energy efficiency;
- delivers against ambitions for public buildings to be carbon neutral by 2025;
- ensures scrutiny of its own accommodation to ensure value for money and best utilisation for staff and services; and
- has regard to the views of Ward Members / Portfolio holders.

The Covid-19 pandemic has undoubtedly had a major adverse impact on the economy, and this has inevitably disrupted the Council's asset disposal programme. Alongside the MTPS, the Council is currently reviewing its disposal programme to focus on 'fast tracking' a smaller number of assets for sale focusing on those with high management intensity and longer term liabilities/risks.

j) Housing Initiatives (Funded by Housing Revenue Account resources)

There are several major approved housing capital projects that the Council wishes to implement over the medium to long term to support the delivery of the overall

Housing Strategy. Approved capital projects that will specifically rely on use of HRA balances include:

- Ambitious town centre residential proposals to develop up to 2,000 new homes in town centre over the next 5 – 10 years.
- Developing temporary accommodation to meet homelessness demands -There has been a significant increase in the number of homeless households who need help and support. To address this, a range of sustainable options are being considered including the purchasing of a building which could accommodate 18 self-contained flats, and a long-term lease on a building which could accommodate 25 units of mixed accommodation (self-contained and shared). Pursuing these types of long-term arrangements would not only address a definite need but also support the revenue budget by reducing the high levels of reactive costs such as bed & breakfast accommodation charges.
- Developing the Purchase and Repair and Lease and Repair pilot schemes in the private rented sector - The Council has launched a pilot empty homes intervention project to work with owners of empty homes to bring their properties back into use through one of the two options available from the Council. A combination of HRA funding and Homes England Grant funding has enabled the development of Purchase & Repair and Lease & Repair options; designed to financially support landlords in bringing their properties back into use. It is envisaged that this scheme will be widened post the pilot phase. This accommodation will be used to prevent homelessness by offering suitable, long term accommodation for those in need. This accommodation will also assist with the 'move-on' options from those households in temporary accommodation by providing a suitable, longer term, settled abode.
- Direct delivery of new homes – Through the Creating a Better Place programme and the Flexible Housing Fund the Council is able to bring new homes online which will be added to the council's HRA stock. The development at Primrose Bank will see 19 units for social rent come online early in 2021. Some HRA infill sites are also being used to deliver specialist housing provision with a view to bringing on 40+ new units of specialised housing for social rent.

k) Greater Manchester Devolution and Related Initiatives

Development under the devolution agenda is an evolving programme of activity at the wider GM level. Working in partnership with the GMCA and other Local Authorities, the Council will seek to support new initiatives related to transport, housing and economic regeneration.

No specific provision has been allowed for such investment but will be managed from within available resources as schemes are identified.

l) Matched Funding for Grant Bids

The Council is mindful that the Government or the GMCA may introduce a range of grant funding opportunities for which bids must be submitted at short notice, some of which may have a matched funding requirement. The Council's strategy will be to respond as it considers appropriate to bidding arrangements, ensuring that bids are submitted which align with its objectives and that matched funding requirements are considered on a scheme by scheme basis with resource requirements prioritised accordingly.

Oldham is one of the 101 towns identified for support from the Towns Fund Government grant funding initiative. The Council has assembled a Towns Fund bid

worth around £41m. If successful, the bid will help finance the redevelopment of a number of key town centre sites, the Northern Roots project and the feasibility of developing a district heat network. Whilst the bid will require support from Council resources, it will have the potential, if successful, to provide a major source of funds to enhance the impact of the Creating a Better Place strategy. Any match funding requirements are accommodated within the overall resources included in this capital strategy.

It is not yet clear if any of the funding streams flowing from the National Infrastructure Strategy including the new Levelling Up Fund (£600m in 2021/22 and £4bn over the life of the Parliament) or the UK Shared Prosperity Fund (£220m in 2021/22 will require any matched funding.

m) Northern Roots

This scheme is part of a long term vision to develop Snipe Clough in the east of the borough to an agri-park. This incorporates a wide range of initiatives and includes growing hubs and recreation areas. The scheme will also contribute to social prescribing and boost tourism.

No specific provision has been included for Northern Roots within the capital programme but the scheme has been included within the Council's Towns Fund bid.

n) Royton Town Centre Development

In line with the Co-operative Council ethos, a capital priority is investment in neighbourhoods, in particular the creation of hubs around neighbourhood town halls. The allocation that remains within the Capital Strategy for the Royton Town Centre development is £1.500m. The provision is included within the Creating a Better Place Strategy in the People and Place Directorate under the heading of Royton Town Centre Developments.

o) Transport Capital Programme

The Council secures capital funding for investment in maintaining and improving the local transport network from several different sources, including Central Government, which allocates funding largely through the statutory Local Transport Plan (LTP) - the Greater Manchester Transport Strategy 2040 - and its supporting 5-year Delivery Plan. Most of this funding is brought into the Transport Capital Programme and comprises a mix of grants and borrowing. Where transport funding forms an integral part of a regeneration project, it may be brought into the Regeneration Capital Programme, as was the case with, for example, the Growth Deal 2 grant of £0.800m towards delivery of the highway infrastructure associated with the Albert Street development at Hollinwood.

Transport for Greater Manchester (TfGM) has been working with the GMCA, the ten Greater Manchester councils, including Oldham, and the Greater Manchester Mayor to prepare new, and updated, transport strategy documents that cover the entire city-region. This work includes a refreshed version of the region's long-term, statutory local transport plan - the Greater Manchester Transport Strategy 2040 - and a final version of Our Five-Year Delivery Plan (2020-2025) which sets out the practical actions planned to deliver the Strategy over the next 5 years. Approval will be sought from GMCA in early 2021 to publish final versions of these updated transport strategy documents. The five-year delivery plan is based on committed resources and intended to be updated annually. The Council has adopted the

principle that all un-ringfenced grants secured through the GM Local Transport Plan be passported for investment in the transport network.

Greater Manchester's suite of transport strategy documents will also now include ten Local Implementation Plans, one for each Greater Manchester Council, including Oldham Council, which provide more detail on the how the GM2040 Transport Strategy will be delivered locally.

Oldham Council normally prepares a Transport Capital Programme to cover a three-year timeframe for the resources allocated through the Local Transport Plan (LTP). The current programme ends in 2020/21. Further details are awaited about future allocations and as a result a programme for 2021/22 and potentially beyond will be prepared if there is certainty on allocations beyond a one-year settlement.

Key elements of the Transport Capital Programme include:

- A £6.000m investment of Devolved Growth Deal funding for the Growth Deal 3 Accessible Oldham Town Centre scheme forecast to be completed in 2021/22;
- An annual programme of minor LTP funded works that includes highway maintenance, bridges and structures, road safety, traffic management and cycling and walking schemes. The GMCA has to date distributed the LTP resource in line with the indicative Local Authority allocations calculated by the Department for Transport, including an Incentive Fund allocation and additional Integrated Transport Block resource;
- A £12.000m Highway Improvement Programme that the Council is funding with Prudential Borrowing to improve the condition of the network over the period 2019/20 – 2021/22 (in addition to the £6.000m included in the 2018/19 programme);
- A GM Mayor's Cycling and Walking Challenge Fund grant of £0.700m for delivery of Tranche 1 schemes and £11.8m for Tranche 6;
- A £4.714m DfT Highway Maintenance Challenge Fund grant for Waterloo Street and Wellington Street bridges on Oldham Way; and
- A £0.535m Department for Transport Active Travel Fund Tranche 2 grant.

Securing additional grant funding for investment in transport infrastructure is an Oldham Council priority and an ongoing activity. There are a number of bids for which the Council is awaiting a decision from the funder, which may or may not require a match funding contribution, including:

- The Department for Transport's Local Pinch Point Fund;
- The Future High Street Fund, for further elements of the Accessible Oldham Town Centre programme; and
- The Environment Agency (EA) Flood Management Programme (Grant in Aid and Local Levy Fund).

The National Infrastructure Strategy published along with the Government's Spending Review in November 2020 announced a number of transport funding opportunities that could result in significant levels of investment in the City-Region through competitive bidding processes. Further details of these funds and how they can be accessed are awaited, but at national level can be summarised as follows:

- £1.7bn in 2021/22 for local roads maintenance and upgrades to tackle potholes;
- An additional £120m in 2021/22 for electric buses;
- £300m to drive transformation of bus services;

- Five years of capital funding confirmed for HS2 (at around £5-6bn a year);
- £800m a year for the first three years of the £4.2bn Intracity Transport Fund for Mayoral Combined Authorities, to start in 2022-23 (plus £50m resource funding in 2021/22 to support Mayoral Combined Authorities to prepare for these settlements);
- £400-600m per year for electric vehicle charging infrastructure (£275m for charge points in homes, workplaces and on-street locations, and £90m for local EV charging infrastructure); and
- Active Travel Fund;

Transport for Greater Manchester is working in partnership with the ten GM Local Authorities to ensure that the city-region is in a position to maximise its share of any transport funding that does become available. As part of this process, Oldham Council will continue to make the case for transport investment in Oldham, which could require the Council to provide local funding contributions.

Provision for transport capital spending is included within the People and Place – Transport service budget (£27.394m in 2021/22).

Funding for Emerging Priorities

The Capital Programme includes an unallocated resource that can be deployed to support existing priority schemes or new initiatives, including those highlighted above for which no specific allocation exists, for example Greater Manchester Devolution and Related Initiatives and Matched Funding for Grant Bids.

This is considered a prudent approach to allow flexibility, revision and reassessment of understanding priorities. Provision of £1.442m is available in 2021/22 with a further £12.796m available over the rest of the Capital Programme period.

Projects to be delivered over a further 10 years (2026/27 to 2035/36)

The Council is implementing many new borough-wide strategies such as the Creating a Better Place strategy which encompasses the Town Centre Vision, refreshed MTPS and Housing Strategy. The Council has reviewed and developed these new strategies for meeting the investment need in the much longer term where there is considerable uncertainty and complexity. It has given consideration to:

- economic, social and technological factors that drive regeneration and redevelopment initiatives.
- long term planning issues to deliver properties e.g. the Council's ambition to deliver new homes.
- the HRA business plan which seeks to identify over a long term time horizon the likely financial and housing need provision for the HRA.
- the joint strategic needs assessment for Adult and Social Care.
- pupil planning data for future provision of school places.
- asset management planning for long-term property need and investment.

The Council therefore has a longer-term vision for capital spending outside the initial five year timeframe.

There is a clear link between long term planning for capital and for treasury management purposes. The Council's current debt portfolio contains loans that mature over the period up to 2079/80. The debt repayment profile will be managed alongside the longer-term expectations for capital expenditure and funding forecasting.

It is challenging to make accurate long-term forecasts. Those forecasts that are made can only be classed as best estimates and will be subject to amendment over time. However, long-term forecasting is valuable in informing strategic plans taking account of the sustainability and affordability of existing and planned investment, which will need to be repaid over future years. It is important that the funding arrangements and financial implications of major capital projects and investments that have been included within the updated strategies mentioned earlier, are understood and planned well in advance.

Most schemes included within the further than 10 year timeframe are the longer-term development of projects already within the initial 0 to 5-year timeline. However, each scheme will move through different phases with different objectives and expected outcomes. The schemes below have an implementation period of between 6 to 15 years covering the period 2026/27 to 2035/36 and reflect the next stage of the Creating a Better Place Strategy.

a) Town Centre Vision

The extent of capital funding required by the Council is currently uncertain and will need to be kept under review. As the programme of work evolves, this may require complementary investment for additional strategic acquisitions, car parking, public realm works or other regeneration developments.

b) Borough-Wide Regeneration

The Council is currently investing in borough-wide regeneration initiatives through housing and employment sites at Broadway Green and Hollinwood. Through the development partnerships and the Creating a Better Place strategy, further investment is required by the Council for larger regeneration at these sites.

c) Partnership and Joint Working

The Council will aim to pursue joint partnership working with other public bodies, not for profit organisations and the private sector where it is advantageous to do so and to keep under review existing relationships.

d) Northern Roots

As outlined earlier, this scheme is a long term vision to develop Snipe Clough in the east of the borough to an agri-park. It will be delivered in phases over an expected 10 year programme.

e) Housing

The Housing Strategy was approved at the Council meeting of 10 July 2019. The Strategy's key objective has been to reset the housing delivery governance framework that can then begin to start to tackle the challenges identified in the evidence based Local Housing Needs Assessment. Clearly, addressing the housing requirements in the borough is a long term initiative. However, business cases will be developed during the current Capital Programme timeframe, to take forward specific initiatives that will then be delivered over an expected 5 year plus horizon.

Capital Investment Programme Board

1 Terms of Reference

1.1 The Capital Investment Programme Board (CIPB)'s terms of reference are:

- a) To develop the overall Capital Strategy and annual programme in accordance with the priorities set out in the Council's corporate plan.
- b) The recommendation of the overall Capital Strategy and programme to Cabinet and Council.
- c) Once the overall Strategy and annual programme of expenditure have been approved at Council:
 - i) The consideration and recommendation of approval of the detail of the thematic programmes (e.g. Transport Capital Programme).
 - ii) The consideration and recommendation of approval of any amendments to the annual programme.
 - iii) The recommendation of approval of any new capital projects.
 - iv) The detailed appraisal of projects, taking into consideration the Council's Capital Strategy, priorities and annual aims and objectives.
 - v) The review of potential commercial risk and Value for Money issues on any proposal for the use of capital.
 - vi) To provide a forum for establishing and providing robust challenge and debate around the Capital Programme.
 - vii) To undertake a detailed annual review of the Capital Programme.
 - viii) The review of the Council's Capital Programme on an on-going basis and to ensure it is achieving the agreed outcomes and consideration of the financial monitoring report.
 - ix) The monitoring of the performance of projects and programmes within the Council's Capital Programme.

1.2 The Board oversees capital projects from inception to completion to ensure they are delivered efficiently and effectively and in line with the Council's corporate objectives.

1.3 The Board assesses all submissions for capital expenditure prior to them entering into the normal reporting process for approval. The Board therefore makes recommendations to the appropriate decision maker/forum, whether this is a Member under delegated responsibility, Cabinet or Council.

2 Membership

- 2.1 The Chair of the CIPB is the Deputy Leader and Cabinet Member for Finance and Green. The Leader of the Council and the Deputy Leader and Cabinet Member for Covid-19 Response have a standing open invitation, other Cabinet Members may be invited to attend CIPB at the discretion of the Chair.

The lead Chief Officer for CIPB is the Deputy Chief Executive, People and Place.

Officers in attendance at CIPB are:

- a) The Director of Economy
 - b) The Director of Finance
 - c) Senior Members of the Finance Service
 - d) Director of Education, Skills and Early Years
 - e) External Funding Manager
 - f) Representatives from Legal Services, Human Resources, Procurement and Information Technology as required
- 2.2 All Directorates will be represented at Director level by invitation to attend CIPB as and when projects for which they are responsible are being considered. The Chair may also invite the relevant Cabinet Member to attend when a project within their portfolio is being discussed.
- 2.3 The CIPB is supported in its work by the Strategic Regeneration Project Management Office which oversees the management and governance of strategic regeneration projects.

3 Reporting and Performance Process

- 3.1 CIPB will report to Cabinet, Council and the Overview and Scrutiny Performance and Value for Money Select Committee as appropriate.
- 3.2 CIPB has a remit to review the financial performance of the Capital Programme and it will receive a monthly monitoring (highlight) report from month 3 onwards.
- 3.3 The Board meets on a monthly basis to ensure there is a managed approach to:
- a) Discussing and recommending actions in relation to capital issues
 - b) Developing the Capital Strategy
 - c) Developing the Capital Programme for the year ahead
 - d) Considering and approving business cases
 - e) Monitoring performance of individual capital projects and the whole Capital Programme
 - f) Reviewing the availability of capital resources and reprioritisation of resources as required
- 3.4 The CIPB also undertakes an annual review of the Capital Programme which will examine all schemes in the programme to:
- a) Ensure that schemes still meet corporate priorities
 - b) Review their continued relevance in the context of a dynamic and constantly developing organisation
 - c) Consider the progress of schemes including any reasons for delayed starts or variations to approved budgetary allocations and rephasing of planned expenditure
 - d) Identify any unutilised or underutilised resources

e) Consider any reallocation of resources

- 3.5 It will also initiate periodic reviews of the whole or part of the programme as required in response to specific issues or concerns.
- 3.6 Issues that have been considered and agreed at the CIPB can be reported to Cabinet as necessary via the regular financial monitoring reports, presented at months 3, 6, 8 and 9 (at least).
- 3.7 Pooled and locally ring-fenced corporate capital resources will be managed by the CIPB; it will review all bids for resources, evaluate them and then agree on the prioritisation of resources accordingly. A proposal will be prioritised in accordance with criteria set out in Section 12 of the Strategy.
- 3.8 The CIPB will also review any bids for and use of any ringfenced capital resources to ensure alignment with other spending plans and the maximisation of benefits to the Council and achievement of Council objectives.
- 3.9 The CIPB will recommend the use of both un-ringfenced and ringfenced capital resources and also the general prioritisation of resources so that Council, Cabinet and Cabinet Members exercising delegated authority can make a final well-informed decision on the utilisation of resources, as appropriate.

4 Decision Making

- 4.1 In relation to the approved Capital Programme, CIPB will make recommendations regarding the approval of business cases and virements both within and between approved programme areas. In all such cases, the decision maker is the Deputy Leader and Cabinet Member for Finance and Green, in consultation with the Deputy Chief Executive, People and Place and the Director of Finance.

5 Decision Recording

- 5.1 CIPB will make recommendations on receipt of a formal delegated decision report which will be presented to the appropriate Members/Officers for approval. Key decisions must be included in the published key decision document and all decisions taken (see above) will be recorded on Modern.gov.

6 Governance

- 6.1 CIPB is the only body within the Council (below Council level) that can recommend new investment in projects within the approved Capital Programme. Therefore, the key role of CIPB is to consider the following milestones which define key stage boundaries that require investment decisions. A project can only progress to the next stage on the recommendation of CIPB.
- a) Strategic business case – initial concept/scope of a project.
 - b) Outline business case - delivery strategy to design and procurement stage.
 - c) Full business case - design and procurement stage to delivery and handover stage.
- 6.2 The Council has agreed that prudential borrowing provision is not necessary for capital expenditure incurred in lieu of capital receipts. Any such schemes will be classified by the CIPB as 'Borrowing in Lieu of Capital Receipts'. CIPB will also determine which capital receipts will be used to finance the scheme and as the receipts are achieved, they will be applied to repay the debt.

7 CIPB Sub-groups

- 7.1 CIPB may at its discretion convene a sub-group for a specific purpose or purposes. Updates from these meetings are reported to CIPB.

Current sub-groups are:

- a) Corporate Property Board
- b) Schools Capital Programme Board
- c) IT Strategic Investment Board
- d) Transport Programme Board

The core officer membership for each sub-group comprises:

- a) The relevant Director for specific Boards as Chair; e.g. the Director of Education, Skills and Early Years chairs the Schools Capital Programme Board
- b) The Director of Legal Services
- c) The Director of Finance

- 7.2 In addition there is an External Funding Group, chaired by the Director of Finance. The terms of reference of this group are to be refreshed, however, the remit of this Group will remain the same and it will therefore:

- a) Manage external funding at a strategic level.
- b) Identify potential grants and additional sources of funding.
- c) Manage the process for applying the funding and approve bids for funding.
- d) Monitor on-going compliance with grant terms and conditions and assess any financial risk including grant claw back.
- e) Provide a Regeneration Plan/framework that can enable the Council to proactively react to funding opportunities as they arise whether locally or nationally.
- f) Ensure there are sufficient personnel to enable the Council to proactively react to funding opportunities as they arise.

Capital Programme 2021/22 to 2025/26

Expenditure	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Corporate Services	5,320	69	69	138	-
Strategic Investments	3,320	69	69	138	-
Flexible Use of Capital Receipts	2,000	-	-	-	-
Children's Services	6,110	13,200	13,742	-	-
Children, Young People and Families	118	-	-	-	-
Schools - General	63	5,000	4,641	-	-
Schools - Primary	942	-	2,216	-	-
Schools - Secondary	1,404	4,200	6,884	-	-
Schools New Build	3,583	4,000	-	-	-
Communities & Reform	637	-	-	-	-
District Investment Fund/Local Investment Fund	637	-	-	-	-
Community Health and Adult Social Care	3,131	400	400	1,100	-
Social Care	403	400	400	1,100	-
Disabled Facilities Grant	2,728	-	-	-	-
People and Place	64,046	68,770	46,093	58,665	23,558
Corporate Property	6,435	1,359	1,500	1,500	-
Environment	188	1,092	100	100	100
Information Technology	2,898	2,487	2,186	-	-
Neighbourhood Development Fund	213	-	-	-	-
Other Regeneration Priorities	5,924	25,053	12,000	35,092	19,485
Private Sector Housing	929	5,110	5,000	5,000	-
Royton Town Centre Development	300	1,200	-	-	-
Schools	289	-	-	-	-
Town Centre Regeneration	19,477	26,194	23,292	15,000	2,000
Transport including Fleet	27,394	6,275	2,015	1,973	1,973
Housing Revenue Account	3,412	8,127	7,914	1,150	-
Housing Revenue Account	3,412	8,127	7,914	1,150	-
Capital General	1,442	4,200	3,200	1,500	3,896
Funding for Emerging Priorities	1,442	4,200	3,200	1,500	3,896
Budget Expenditure Total	84,099	94,765	71,418	62,553	27,454

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

Resources Available	2021/ 22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Ringfenced Grants	(21,973)	-	-	-	
Challenge Funding	(4,134)	-	-	-	-
Devolved Formula Capital (DFC)	(372)	-	-	-	-
Growth Deal 3	(4,932)	-	-	-	-
Healthy Pupil Capital Fund (HPCF)	(11)	-	-	-	-
Housing Infrastructure Fund - (HCA)	(729)	-	-	-	-
Mayor's Cycling and Walking Challenge Fund	(11,273)	-	-	-	-
Safer Roads Fund	(277)	-	-	-	-
School Nurseries Capital Fund (SNCF)	(239)	-	-	-	-
Special Provision Fund - Pupils with Special Educational Needs (SEN) And Disabilities 2018-2021	(6)	-	-	-	-
Un-ringfenced Grants	(11,793)	(4,605)	(8,971)	(1,973)	(1,973)
Basic Need Capital Grant	(1,479)	(2,200)	(6,998)	-	-
Better Care Fund (Disabled Facilities Grant) 2019/20	(728)	-	-	-	-
Better Care Fund (Disabled Facilities Grant) 2020/21	(2,000)	-	-	-	-
School Condition Allocation	(3,706)	-	-	-	-
Local Transport Programme - Highway Maintenance Grant	(3,880)	(2,405)	(1,973)	(1,973)	(1,973)
Other resources – Capital Receipts	(3,999)	(7,178)	(2,502)	(1,661)	-
Agreed Council Resources	(1,999)	(7,178)	(2,502)	(1,661)	-
Flexible Use of Capital Receipts	(2,000)	-	-	-	-
Other resources - Other	(51)	-	-	-	-
Contribution from 3rd Parties	(51)	-	-	-	-
Other resources - Prudential Borrowing	(42,871)	(74,856)	(52,031)	(57,769)	(25,481)
Prudential Borrowing	(42,871)	(74,856)	(52,031)	(57,769)	(25,481)
Revenue Contribution - Housing Revenue Account (HRA)	(3,412)	(8,127)	(7,914)	(1,150)	-
Revenue Contribution to Capital Outlay - HRA	(3,412)	(8,127)	(7,914)	(1,150)	-
Resources Total	(84,099)	(94,765)	(71,418)	(62,553)	(27,454)

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

Flexible Use of Capital Receipts Strategy

Introduction

In March 2016, the Secretary of State for Housing, Communities and Local Government issued Statutory Guidance that permitted Local Authorities to use capital receipts to fund the revenue costs of transformation for the period 1 April 2016 to 31 March 2019. This flexibility was then extended to 31 March 2022 as part of the 2018/19 Local Government Finance Settlement (LGFS).

Statutory Guidance

The Statutory Guidance and supporting 'informal commentary' published in March 2016 states that Qualifying Expenditure is "expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners. Within this definition, it is for individual Local Authorities to decide whether or not a project qualifies for the flexibility".

Examples of Qualifying Expenditure

The Ministry of Housing, Communities and Local Government (MHCLG) has indicated types of qualifying expenditure:

- Sharing back office and administrative services with one or more other Council or public sector bodies.
- Investment in service reform feasibility work e.g. setting up pilot schemes.
- Collaboration between Local Authorities and Central Government departments to free up land for economic use.
- Funding the cost of service reconfiguration, restructuring or rationalisation (staff or non-staff), where this leads to ongoing efficiency savings or service transformation.
- Sharing Chief Executives, management teams or staffing structures.
- Driving a digital approach to the delivery of more efficient public services and how the public interacts with constituent authorities where possible.
- Aggregating procurement on common goods and services where possible, either as part of local arrangements or using Crown Commercial Services or regional procurement hubs or Professional Buying Organisations.
- Improving systems and processes to tackle fraud and corruption in line with the Local Government Fraud and Corruption Strategy – this could include an element of staff training.
- Setting up commercial or alternative delivery models to deliver services more efficiently and bring in revenue (e.g. through selling services to others).
- Integrating public facing services across two or more public sector bodies (for example Children's Social Care, trading standards) to generate savings or to transform service delivery.

The Council has used these definitions to determine qualifying expenditure in the context of Oldham Council as highlighted in Table 1.

The Council's Strategy

The Council intends to make use of this flexibility for the financial year 2021/22.

The Council can only use capital receipts to finance Qualifying Expenditure as defined in this strategy (see Table 1) from the disposal of property, plant and equipment assets received in the year in which this flexibility is offered. The Council will not utilise capital receipts generated on or before 31 March 2021 to finance Qualifying Expenditure.

The direction states that the Council cannot borrow to finance the revenue costs of service reform and the Council will comply with this requirement.

This Strategy outlines the projects which plan to make use of the capital receipt flexibility and provides details of the expected savings/service transformation on a scheme by scheme basis. The Strategy can be replaced at any point during the financial year with a revised Strategy outlining an up to date position.

Council approval for the use of this flexibility is required on at least an annual basis, with plans published on the Council's website and notification of planned use sent to the MHCLG.

Summary of planned receipts

The Council's Capital Strategy and Capital Programme 2021/22 to 2025/26 includes £2.000m in capital receipts specifically for this purpose. The first call on new capital receipts received in 2021/22 will fund qualifying revenue expenditure as detailed within the Flexible Use of Capital Receipts Strategy.

Summary of planned use and savings

It is intended that capital receipts of £2.000m will fund the following transformational projects/expenditure as set out in Table 1 (note there is an element of contingency to allow for variation).

Table 1 – Planned qualifying expenditure

Scheme Description	Qualifying Expenditure	£000 2021/22
Creating a Better Place - Asset Rationalisation	Expenditure relation to developing and progressing the disposal strategy/asset rationalisation strategy to streamline the Council's (and partners' estates) in line with the principles of One Public Estate	250
Creating a Better Place - Major Projects/Regeneration	Expenditure in relation to developing major Town Centre Regeneration schemes proposals to Full Business Case level in relation to the Future High Street Fund, Towns Fund and Spindles projects to enable the transformation of both the Town Centre and the provision of Council and Partner services within it	750
Transformation Programme and Project resources to support the delivery of the transformation agenda.	A specialist team to wholly support and facilitate the delivery of the Council's Transformational Programme to meet efficiencies and savings anticipated in the Medium Term Financial Strategy (MTFS).	1,171
Total		2,171
Contingency for variation within schemes		(171)
Total Flexible Use of Capital Receipts Relied upon to support the revenue budget in 2021/22		2,000

The Council has set out a Medium Term Financial Strategy (MTFS) with a three year time horizon (2021/22 to 2023/24). This is shorter than the five year timeframe for the Capital Strategy and Programme primarily due to the uncertainties of COVID, the single year funding settlement and the potentially significant changes to the Local Government Finance regime, all of which make financial planning extremely challenging.

After having proposed the approach to balancing the budget for 2021/22, the MTFS has identified significant budget reduction requirements for 2022/23 and 2023/24. However, the Council has in place a transformation programme designed around four programme workstreams together with cross cutting initiatives which will drive the delivery of budget reductions and support the achievement of the Councils Medium Term Financial Strategy.

The four programme workstreams are:

- Place Based Integration/Communities;
- Children's Services;
- Health and Care; and
- Economy.

Each is led a Member of the Executive Management Team under the leadership of the Chief Executive. The aims of the programme workstreams and an indication of the work to be undertaken is set out in following paragraphs.

A number of the proposed 2021/22 budget reductions have on-going financial implications for 2022/23 and 2023/24. These are therefore establishing the first phase of this round of the transformation programme. Budget reductions aiming to deliver efficiencies of £5.263m in 2021/22 are linked to the proposals set to achieve £6.050m of efficiencies in 2022/23 and £4.756m in 2023/24 as illustrated at Table 2.

Table 2 – Forecast Revenue Savings to be Generated from 2021/22 Budget Proposals

Transformation Scheme Description	2021/22 £000	2022/23 £000	2023/24 £000	Total £000
Place Based Integration / Communities	(236)	(100)	0	(336)
Children's Services	(614)	(814)	(672)	(2,100)
Health and Care	(1,938)	(1,570)	(400)	(3,908)
Economy	(2,465)	(3,566)	(3,684)	(9,715)
Total	(5,253)	(6,050)	(4,756)	(16,059)

Forecast Service Transformation

Each of these programme workstreams has been assigned additional targets for further saving in 2022/23 and 2023/24. Preparatory work on these initiatives will be driven forward during 2021/22, with programme and project management support teams working with subject matter experts and liaising with Members, partners, and the public of Oldham in the delivery of current transformation initiatives and the design of new ones.

Programme 1 - Place Based Integration / Communities

The purpose of this programme is to transform the way in public services engage with and support communities. The place based model will underpin a new approach to engaging with people, working around a strengths-based approach and mobilising community resources with a focus on early intervention and prevention. New delivery models will be based on a single response to need, with services across the public and Voluntary, Community, Faith and Social Enterprise (VCFSE) sector working in a much more joined up way, sharing information and addressing common challenges, being closer to communities and working through the five districts of Oldham, with services configured and aligned to those localities. By organising services this way, it will reflect the needs of local areas and manage demand through more preventative approaches. This will include working through solutions to sustain Oldham's award winning approach to social prescribing using the innovation partnership. A key aim is to reduce the cost of service delivery through a reduction in buildings and assets and more effective deployment of a joint workforce (the realisation of efficiencies through the use of buildings and assets is included in the Economy programme)

Place based integration is not new to Oldham and is not a standalone programme unrelated to the way in which mainstream services are delivered. Rather it is the way that mainstream services will be delivered across public services and in partnership with residents. COVID has helped the acceleration of working as a unified public service by bringing services closer together with a new sense of shared purpose but also exacerbated the financial challenges and forced thinking about how meaningful and targeted services can still be delivered with less resources. In addition to the already well established approaches to working with NHS partners,

opportunities will be taken forward for closer working with police, housing providers, VCFSE organisations and others is improving operational efficiency and effectiveness whilst also strengthening local engagement and enabling communities to contribute more significantly to improving outcomes.

This approach underpins the activities of the other workstreams and the first stage has been the alignment of districts into 5 areas for which a saving of £0.136m has been proposed for 2021/22. Having established the new teams and working arrangements, this lays the foundation for future place based initiatives. Only one on-going saving of £0.100m can be aligned to this workstream, but there is a target of a further saving of £0.500m over the life of the MTFS .

Programme 2 - Children's Services

A recent focussed Ofsted visit recognised that a sharp focus had been maintained on improvement priorities over the six month period prior to the visit and that this has increased the pace of improvement and had a positive impact on workforce culture. It is from this encouraging position that plans for the continued transformation of services can be delivered. Although there has been investment in Children's Services, expenditure has exceeded budget over several years. However, the budget has been stabilised with the injection of some additional resources for 2021/22, there is therefore the opportunity to deliver future savings.

There is an identified need for social care strength in the early help provision at the front door. Work will be directed at preventative service provision to reduce demand, building on the work that is already in train and for which savings have already been proposed. Revised service delivery models will be based on the place based approach.

Services that are commissioned from external providers will be reviewed. As contracts come up for renewal, especially where there are several contracts with different providers for similar services, opportunities will be taken to amalgamate service provision into boarder contracts with more targeted performance measurements. Also, where appropriate, a joint commissioning approach will be taken with partners to drive efficiencies and improve service outcomes. Experiences of the delivery of services during the COVID-19 pandemic have begun to demonstrate that there are different, effective and more flexible delivery models which reflect the needs and views of children and young people.

Work will continue with schools and other partners to drive efficiency in Education Service provision, again around a place based model. Work is already in train to around Special Educational Needs and Disability provision and this will be developed across the whole of Education Services, also supporting the DSG recovery plan as well as the revenue budget.

Recognising that this is one of the largest areas of expenditure for the Council, budget proposals of £2.100m have already been presented for 2021/22 to 2023/24, however a further target of £6.025m has been assigned to this workstream bringing the total to £8.125m over the period 2021/22 to 2023/24.

Programme 3 - Health and Social Care Integration

The NHS Long Term Plan sets out a vision for integrated care around the needs of local people. A recent publication, Integrating Care – Next Steps to Building Strong and Effective Integrated Care Systems across England, has signalled an internal reorganisation by the NHS that will result in Integrated Care Systems (ICS) operating from no later April 2022.

These two key documents will shape the GM health and social care devolution agenda but also specifically the operational arrangements in Oldham.

In this regard, good progress continues to be made on Health & Social Care integration. Oldham is therefore well placed to adapt to the changes and development linked to the national and regional agenda. Oldham Council and Oldham CCG are working under a joint leadership structure and together with other health partners, continue to operate as Oldham Cares. There are ambitious plans for the improvement of the delivery of health and social care which aim to ensure the future financial sustainability of the local health and social care economy. Work is taking place to consider whole system sustainability across the footprint of the Oldham Borough and deliver cross sectoral savings and efficiencies.

Linked to the health and social care devolution agenda is the opportunity to develop closer working arrangements with other partners including other GM Authorities and the GMCA. The Council is building on the existing collaborative working arrangements by:

- Sharing and co-locating more services (Oldham CCG is now based at Oldham Civic Centre) as a means to deliver future financial and operational efficiencies building on the five cluster teams already in place across the borough; and
- Moving to an outcomes based commissioning model and integrating Council and CCG commissioning functions.

Locally, the model of integrated delivery will complement health and social care integration in neighbourhoods and the place based approach as described above.

It is inevitable that change of the magnitude envisaged will take time to be developed. Indicative savings so far included within the remit of this programme workstream total £3.908m and are all attributable to the Community Health and Adult Social Care Service. As this is one of the major spending services in the Council, it is appropriate that it makes a significant contribution to the financial sustainability of the Council. However, potential savings are expected from the wider programme from 2022/23 with an additional target of £8.225m, bringing the total to £12.133m over the period 2021/22 to 2023/34.

Programme 4 - Economy

This programme is divided into two main areas as described below:

a) Creating a Better Place - Projects and Assets

The financial challenges facing the public sector have been exacerbated by the reductions in revenue arising from the economic and social conditions in the Borough. By focusing on the development of robust economic initiatives a vibrant local economy can be rebuilt together with a high-quality environment that is attractive to resident and visitors.

Corporate land and property assets are essential to the delivery of the Council's priorities. As part of the refreshed 'Creating a Better Place' initiative approved by Cabinet on 24 August 2020, the previously approved Medium-Term Property Strategy (MTPS) has been reviewed to meet the scale of the change required. At a strategic level, the review has confirmed that the Council's property portfolio can be a catalyst for building new homes, creating job opportunities, re-skilling residents through new apprenticeship opportunities, and re-engaging communities and partners through property / estate co-location and collaboration.

Developing the existing programme of work on the use of property and assets, the Council will maximise the benefit from the corporate estate by developing property disposal and procurement routes that will ensure the Council is able to shape and maintain a property portfolio that will support service delivery and contribute a sustainable income stream.

In addition, the Council will rationalise its office accommodation, where possible, following the place based principles and co-locate staff with partners to maximise efficiencies and realise the potential of 'One Public Estate' for Oldham and Greater Manchester.

The regeneration of Oldham town centre remains a Council priority. The recent acquisition of the Spindles and Town Square Shopping Centres is a key part of the Creating a Better Place initiative unlocking land and development opportunities. There are also ambitious plans for the regeneration of the borough as a whole with investment in Royton and projects in train at Hollinwood and Foxdenton.

Significant capital investment is needed to deliver the town centre vision, new homes and the vision for the rest of the borough. It is essential to have the professional and technical expertise to drive forward the change and make the most efficient and effective use of the available resources.

In addition to the budget reduction of £1.541m proposed for 2021/22, further budget reductions are expected – net of required offsetting costs. The anticipated budget reduction for 2022/23 is £2.991m with £3.684m expected in 2023/24.

b) Digital by Design

The opportunity to utilise the advantages provided by new technology and digital is one of the key enablers for much of the Council's change agenda. The transformation of service delivery across the Council and the integrated working arising from health and social care devolution will be supported by a range of enabling activity including technology and digital change amongst others. The Council's current IT strategy (2017 – 2022) is determining the direction of travel and is supported by £7.571m of Capital Programme investment. This Strategy and the accompanying investment has served us well thus far and has already provided the platform for a more flexible approach to working through the delivery of technology that improves mobility (laptops, smart phones, MS Office 365, Teams and improved network access).

The IT Strategy is being refreshed and this, along with the new Digital Strategy sets out the principles and approach to be adopted in order to enable new and more efficient ways of working and sets out the building blocks to deliver across a range of themes.

A key strand of this investment is the Digital Oldham Ambition which is to inclusively deliver a connected Oldham for everyone across place, communities, services, teams and leadership.

The Digital Services strand of the Digital Strategy is key to enabling cost reduction. The intent is to support all Service areas to review how they deliver services currently and assist the Services to re-design their service provision in order to determine how digital and technology change may extract benefits by delivering efficient, simple and easy access.

Work has started to focus on Customer delivery to change our approach to engagement with residents and businesses. This will align with the place based model. It is proposed to redesign the service including customer support services, to provide an improved customer experience and journey with local support available where needed so there will no longer be a need to travel to a central point for service. A digital maturity assessment was undertaken in 2020, using a model that assesses an organisation against five key themes, including: governance and leadership; people and culture; capacity and capability; innovation and change and technology.

The reduction in costs associated with providing digital access, self-service, automation and more efficient ways of working are expected. Indicative savings so far included within the remit of this workstream total £1.499m. However, further savings, which are currently under development are expected to deliver savings from 2022/23.

Collectively the Economy workstream is expected to deliver additional savings of £5.475m 2022/23 to 2023/24 with an overall total of £15.190m over the three year MTFS period.

Enabling Activities

Each programme of work requires a specific focus from specialist functions that enable the delivery of business change. These typically include but are not limited to Human Resources and Organisational Design, Information and Communications Technology, Business Intelligence, Legal and Finance services. Through effective planning of these enabling activities the requirements of the totality of the programme will be managed to identify matters of timing, sequencing and capacity. It is evident that many of the planned workstreams and the themes within them are interlinked. However, the overall programme management of the workstreams will create a more coherent approach to the extensive change activities, provide focus on the most important projects and enable more effective management of the interdependencies.

Cross Cutting Initiatives

The opportunities for budget reductions are not confined to the four programmes or enabling activities. There are a wide range of other areas of the Council's operations that will be explored to identify other opportunities for savings and efficiencies including:

- Organisational Design
- Workforce Development
- Income Generation

Underpinning all transformation programmes will be:

- An approach to service delivery where the Council (and its partners) will be making new strategic choices based on the characteristics of Oldham, its people and communities within the borough, thus constantly striving for new opportunities for collaboration and new ways of working between organisations that share a common footprint;
- A review of the provision of discretionary services and also the level at which statutory services are delivered;
- Traditional approaches to reviewing budgets and the identification of service specific budget reductions and efficiencies including the use of benchmarking analysis and reviewing practices at other Local Authorities.

At this stage there is still further work to assign specific budget reduction targets to cross cutting activities, indeed the overarching target could change as is based on estimates, however it is expected that £10.706m of savings will be identified from cross cutting initiatives including income generation and service specific budget reductions and efficiencies. As initiatives are progressed, more definitive estimates will become available.

Summary Transformation Programme 2022/23 and 2023/24

The table below sets out the additional transformational programme savings planned for 2022/23 and 2023/24 for which enabling work will be undertaken in 2021/22. These are challenging targets but the infrastructure is in place to take this programme forward.

Table 3 – Transformation Programme and Cross Cutting Initiatives Summary

Workstream	2021/22 £000	2022/23 £000	2023/24 £000	Totals £000
Place Based Integration/Communities	0	(200)	(300)	(500)
Children's Services	0	(3,100)	(2,925)	(6,025)
Health and Care	0	(4,000)	(4,225)	(8,225)
Economy	0	(2,000)	(3,475)	(5,475)
Total Transformation Programme		(9,300)	(10,925)	(20,225)
Cross Cutting Initiatives	0	(4,823)	(5,883)	(10,706)
Total Budget Reduction Requirement		(14,123)	(16,808)	(30,931)

Given the importance of delivering budget reductions and embedding the programme of transformational change, during 2021/22, there will be a regular review of the progress of existing change programmes against the delivery milestones and financial targets. It will also ensure that there is continuous emphasis on the delivery of change and the achievement of the budget reductions required in line with the three year strategy.

Impact on Prudential Indicators

The prudential indicators that will be impacted by this strategy are set out below:

- Estimates of Capital Expenditure Indicator increased by £2.000m.
- Capital Financing Requirement increased by £2.000 as these capital receipts would have been used to support schemes within the existing programme that will now be financed through prudential borrowing.
- Financing costs as a percentage (%) of net revenue stream 13.34%

The Prudential Indicators show that this Strategy is affordable and will not impact on the Council's operational and authorised borrowing limits. Further details on the Council's Prudential Indicators can be found within the Treasury Management Strategy.

Monitoring

This Strategy will be monitored throughout the financial year and may be updated and replaced as proposals are developed and expenditure incurred.



Report to Overview and Scrutiny Performance and Value for Money Select Committee

Treasury Management Strategy Statement 2021/22

Including the Minimum Revenue Provision Policy Statement, Annual Investment Strategy and Prudential Indicators

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

Officer Contact: Anne Ryans, Director of Finance

Report Author: Lee Walsh, Finance Manager

Ext. 6608

28 January 2021

Reason for Decision

To present to Overview and Scrutiny Performance and Value for Money Select Committee (PVFM), the strategy for 2021/22 Treasury Management activities including the Minimum Revenue Provision Policy Statement, the Annual Investment Strategy and Prudential Indicators together with linkages to the Capital Strategy.

Executive Summary

The report outlines the Treasury Management Strategy for 2021/22 including the Minimum Revenue Provision Policy Statement, Annual Investment Strategy and Prudential Indicators together with linkages to the Capital Strategy.

The Council is required through regulations supporting the Local Government Act 2003 to 'have regard to' the Prudential Code and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable. It is also required to produce an annual Treasury Strategy for borrowing and to prepare an Annual Investment Strategy setting out the Council's policies for managing its investments and for giving priority to security and liquidity of those investments.

The Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management 2017 (the Code) also requires the receipt by full Council of a Treasury Management Strategy Statement.

The Strategy for 2021/22 covers two main areas.

Capital Issues

- The Capital expenditure plans and the associated Prudential Indicators
- The Minimum Revenue Provision (MRP) Policy Statement

Treasury Management Issues:

- The Current Treasury Position
- Treasury Indicators which limit the treasury risk and activities of the Council
- Prospects for Interest Rates
- The Borrowing Strategy
- The Policy on Borrowing in Advance of Need
- Debt Rescheduling
- The Investment Strategy
- The Creditworthiness Policy
- The Policy regarding the use of external service providers.

The report therefore outlines the implications and key factors in relation to each of the above Capital and Treasury Management issues and makes recommendations with regard to the Treasury Management Strategy for 2021/22.

The report includes an economic background commentary which has been updated to reflect the latest position, especially in relation to the UK leaving the EU on 31 December 2020.

The proposed Treasury Management Strategy is presented to the Overview and Scrutiny Performance and Value for Money Select Committee to enable scrutiny of the report so that any comments may be incorporated into the report before it is considered by Cabinet on 23 February 2021.

Recommendation

That the Overview and Scrutiny Performance and Value for Money Select Committee considers and commends to Cabinet as appropriate, the:

- 1 Capital Expenditure Estimates as per paragraph 2.1.2;
- 2 MRP policy and method of calculation as per Appendix 1;
- 3 Capital Financing Requirement (CFR) Projections as per paragraph 2.2.4;
- 4 Projected treasury position as at 31 March 2021 as per paragraph 2.3.3;
- 5 Treasury Limit's as per section 2.4;
- 6 Borrowing Strategy for 2021/22 as per section 2.6;
- 7 Annual Investment Strategy as per section 2.10 including risk management and the creditworthiness policy at section 2.11; and
- 8 Level of investment in specified and non-specified investments detailed at Appendix 5.

Treasury Management Strategy Statement 2021/22 Including the Minimum Revenue Provision Policy Statement, Annual Investment Strategy and Prudential Indicators

1 Background

- 1.1 The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the Treasury Management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low investment risk appetite, providing adequate liquidity initially before considering 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 that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short term loans or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.
- 1.3 The contribution the Treasury Management function makes to the Authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.
- 1.4 Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day to day treasury management activities.
- 1.5 Treasury management is defined as:
- “The management of the local authority's borrowing, 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.”

Source: The Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management in the Public Service's Code of Practice.

1.6 Reporting Requirements – Capital Strategy

- 1.6.1 The CIPFA Prudential and Treasury Management Codes (2017) require all Local Authorities to prepare a capital strategy report which will provide the following:
- a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
 - an overview of how the associated risk is managed; and
 - the implications for future financial sustainability.

- 1.6.2 The Council's capital strategy (which is elsewhere on the agenda) is therefore prepared following the required Codes of Practice to ensure that all Council Members are presented with the overall long-term capital investment policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.
- 1.6.3 The Council's capital strategy is reported separately from the Treasury Management Strategy Statement; non-treasury investments will be reported through the former. This ensures the separation of the core treasury function under security of capital, liquidity and yield principles, and the policy around commercial investments, usually driven by expenditure on an asset. Specifically, in relation to non-treasury investments, the capital strategy includes, where appropriate:
- The corporate governance arrangements for these types of activities;
 - Any service objectives relating to the investments;
 - The expected income, costs and resulting contribution to support the Council's budget;
 - The debt related to the activity and the associated interest costs;
 - The payback period (Minimum Revenue Provision (MRP) policy);
 - For non-loan type investments, the cost against the current market value;
 - The risks associated with each activity.
- 1.6.4 Where a physical asset is being bought, details of market research, advisers used, (and their monitoring), ongoing costs and investment requirements and any credit information will be disclosed, including the ability to sell the asset and realise the investment cash.
- 1.6.5 The Council will also follow the most recent guidance by CIPFA entitled Prudential Property Investment which was issued in November 2019. Having regard to all relevant guidance, the Council's Capital Strategy has been revised to take into account the recent change to the Public Works Loan Board (PWLB) lending criteria. Alongside, the 2020 Spending Review in November 2020, the Government largely confirmed the proposals set out in its consultation document issued in March 2020 that there would be stricter conditions associated with the approval of PWLB loans to Local Authorities. The PWLB will now no longer provide loans to a Local Authority if their Capital Strategies include any plans to buy investment assets primarily for income generation. The Council's Capital Strategy has therefore been revised so that it does not include income generation/commercial yield as a core principle.
- 1.6.6 If any non-treasury investment sustains a loss during the final accounts and audit process, the strategy and revenue implications will be reported through the same procedure as the capital strategy (to date there have been no such losses).
- 1.6.7 To demonstrate the proportionality between the treasury operations and the non-treasury operation, high-level comparators are shown throughout this report.
- 1.7 Treasury Management Reporting
- 1.7.1 The Council is currently required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals.
- a. Prudential and treasury indicators and treasury strategy (this report), the first and most important report which is a forward look to the year ahead and covers:
- The capital plans, (including prudential indicators);
 - A minimum revenue provision (MRP) policy, (how residual capital expenditure is charged to revenue over time);

The treasury management strategy, (how the investments and borrowings are to be organised), including treasury indicators; and

- An investment strategy, (the parameters on how investments are to be managed).

b. A mid-year treasury management report

This is primarily a progress report and will update Members on the capital position, amending prudential indicators as necessary, and whether any policies require revision.

c. An annual treasury report

This is a backward looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

- 1.7.2 The above reports are required to be adequately scrutinised before being commended to Cabinet and Council. The scrutiny of Treasury Management reports is undertaken by the Audit Committee. However, the scrutiny of the Treasury Management Strategy Statement by the Overview and Scrutiny Performance and Value for Money (PVFM) Select Committee alongside all the other reports which are presented to the annual Budget Council meeting, is a key part of the Select Committee's role. The Audit Committee has already scrutinised the Treasury Management Strategy Statement for 2021/22 at its meeting on 18 January 2021

1.8 Treasury Management Strategy for 2021/22

- 1.8.1 The strategy for 2021/22 covers two main areas:

1.8.2 Capital issues:

- The capital expenditure plans and the associated prudential indicators;
- The minimum revenue provision (MRP) policy.

1.8.3 Treasury management issues:

- The current treasury position;
- Treasury indicators which limit the treasury risk and activities of the council;
- Prospects for interest rates;
- The borrowing strategy;
- Policy on borrowing in advance of need;
- Debt rescheduling;
- The investment strategy;
- Creditworthiness policy; and
- The policy on use of external service providers.

- 1.8.4 These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, Ministry of Housing, Communities and Local Government (MHCLG) MRP Guidance, the CIPFA Treasury Management Code and MHCLG Investment Guidance.

1.9 Training

- 1.9.1 The CIPFA Code requires the responsible officer (in Oldham the Director of Finance) to ensure that Members with responsibility for treasury management receive adequate training in treasury management. This especially applies to Members responsible for scrutiny. Due

to the impact of the Covid-19 pandemic it has not been possible to deliver Treasury Management training during the financial year 2020/21 as initially envisaged therefore the most recent training was provided to Audit Committee Members on 1 October 2019. However, it must be noted that Members of the Audit Committee receive regular updates regarding any issues that affect Treasury Management. Training was also provided for Cabinet Members and Senior Officers in October 2018. The Council is planning external training session for Cabinet and Audit Committee Members during the financial year 2021/22.

- 1.9.2 The training needs of treasury management officers are periodically reviewed. The team is staffed by professionally qualified accountants with extensive Local Government finance experience. Team members attend all relevant training courses, workshops and events to ensure that their knowledge and skills are up to date and the Council is in a position to address all new technical developments. During 2020/21 these have all been held remotely via zoom or another online platform. All staff follow a Continuous Professional Development (CPD) Plan as part of their individual accountancy body accreditation. The overall responsibility for capital and treasury activities lies with the Council's Section 151 Officer (Director of Finance) who, in accordance with statute, is professionally qualified and is suitably experienced to hold the post.

1.10 Treasury Management Consultants

- 1.10.1 The Council uses Link Asset Services, Treasury Solutions as its external treasury management advisors.
- 1.10.2 The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon the services of our external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers.
- 1.10.3 It is also recognised that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.
- 1.10.4 When looking at a commercial element within a particular capital scheme that has a main focus on public services, housing, regeneration, preventative objectives or treasury management investments, the Council will require specialist advice that Link Asset Services may not provide. As part of the evaluation process and if required, appropriate external advice will be sought, and an extensive due diligence exercise will be undertaken.

2 Capital Plans & Prudential Indicators 2021/22 – 2023/24

2.1 Capital Plans

- 2.1.1 The Council's capital expenditure plans are the key driver of Treasury Management activity. The output of the capital expenditure plans is reflected in Prudential Indicators, which are designed to assist Members' overview and confirm capital expenditure plans. These indicators as per the Capital Programme include previous years' actual expenditure, forecast expenditure for this current year 2020/21 and estimates for the next three year period, the timeframe required by CIPFA's guidance.

Capital Expenditure Estimates

- 2.1.2 This first Prudential Indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. The Overview and Scrutiny Performance and Value for Money Select (PVFM) Committee is asked to consider the capital expenditure forecasts included in the table below presented to reflect previous years and current Portfolio management arrangements. The capital spending plans included in the Capital Strategy and Programme translate the ambition and vision for Oldham that were set out in the Cabinet reports.

Table 1 - Capital Expenditure Estimates

Capital Expenditure / Portfolio	2019/20 Actual £'000	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000
Corporate Services *	913	13,195	5,320	69	69
Children's Services	17,548	10,457	6,110	13,200	13,742
Community Health & Adult Social Care	2,407	2,011	3,131	400	400
People & Place	27,317	46,190	64,046	68,770	46,093
Communities & Reform	107	125	637	0	0
Emerging Priorities	0	342	1,442	4,200	3,200
General Fund Services	48,292	72,320	80,687	86,639	63,504
Housing Revenue Account (HRA)	2,134	4,952	3,412	8,127	7,914
HRA	2,134	4,952	3,412	8,127	7,914
Commercial Activities / Non-Financial Investments **	3,957	3,741	0	0	0
Commercial Activities / Non-Financial Investments	3,957	3,741	0	0	0
Total	54,383	81,013	84,099	94,765	71,418

* Excludes any commercial activities which were included in the Corporate Services capital programme.

** Relates to areas such as capital expenditure on investment properties, loans to third parties, purchase of equity shares etc.

- 2.1.3 The capital expenditure shown above excludes other long-term liabilities, such as Private Finance Initiative (PFI) and leasing arrangements which already include borrowing instruments. It should be noted that any new expenditure commitments are likely to increase the borrowing requirement.
- 2.1.4 Table 2 below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding need (borrowing).
- 2.1.5 The borrowing need for capital expenditure in 2021/22 is currently expected to be £42.871m. This will however change if there is a revision to the spending profile of the capital programme.
- 2.1.6 During 2020/21, the Council purchased the Spindles & Town Square Shopping Centres in borough. The purchase of the Shopping Centres was a key strand in the plan to regenerate the town centre of Oldham, as the shopping centres are a major strategic asset in the heart

of the town. The purchase was made following a substantial due diligence process. Since the purchase, the Centres continue to be operated in their present format in the short term while regeneration plans are prepared to remodel the asset, so it becomes a multi-functional town centre hub combining shopping, entertainment and office accommodation in one development.

Table 2 - Funding of the Capital Programme

Capital Expenditure	2019/20 Actual £'000	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000
General Fund Services	52,249	76,061	80,687	86,638	63,504
HRA	2,134	4,952	3,412	8,127	7,914
Commercial Activities	0	0	0	0	0
Total	54,383	81,012	84,098	94,765	71,418
Financed by:					
Capital receipts	(9,914)	(2,335)	(3,999)	(7,178)	(2,502)
Capital grants - Ringfenced	(42,091)	(5,998)	(21,973)	0	0
Capital grants – Un-ringfenced		(13,829)	(11,793)	(4,605)	(8,971)
Revenue	(244)	(323)	(51)	0	0
HRA Resources	(2,134)	(4,974)	(3,412)	(8,127)	(7,914)
Net financing need for the year	0	53,553	42,871	74,856	52,031

2.1.7 All other prudential indicators included within this report are based on the above capital estimates.

2.2 The Council's Borrowing Need - the Capital Financing Requirement (CFR)

2.2.1 The second Prudential Indicator is the Council's CFR. The CFR represents total historic outstanding capital expenditure which has not yet been financed from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure above, which has not immediately been financed from cash backed resources, will increase the CFR.

2.2.2 The CFR does not increase indefinitely, as the Council makes 'prudent' provision for debt repayment which broadly reduces indebtedness in line with each asset's life and so charges the economic consumption of capital assets as they are used. The approach to making prudent provision is set out in the MRP Policy Statement at Appendix 1.

2.2.3 The MRP policy for 2021/22 has not been amended since the policy was approved at Council on 28 February 2020.

2.2.4 The CFR includes other long term liabilities (e.g. Private Finance Initiative (PFI) schemes, finance leases etc.). Whilst these arrangements increase the CFR, and therefore the Council's borrowing requirement, such schemes also include a 'loan' facility meaning the Council is not required to make separate borrowing arrangements. The Council currently estimates a net figure of £213.357m of such schemes within the CFR for 2021/22, decreasing to £193.773m by 2023/24. From 2021/22 and future years an estimated of £0.644m has been included in the CFR to reflect anticipated costs associated with the implementation of IFRS 16 (see paragraph 2.15.3).

Table 3 Capital Financing Requirement (CFR)

	2019/20 Actual £'000	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000
Capital Financing Requirement (CFR)					
CFR - Services	472,377	504,935	525,647	579,968	608,139
CFR - Commercial Activities	0				
Total CFR	472,377	504,935	525,647	579,968	608,139
Movement in CFR	(21,503)	32,558	20,712	54,321	28,171
Movement in CFR represented by					
Net financing need for the year	0	53,553	42,871	74,856	52,031
PFI Repayments	(9,688)	(9,496)	(10,868)	(8,908)	(10,666)
Less MRP/VRP and other financing movements	(11,815)	(11,499)	(11,291)	(11,627)	(13,194)
Movement in CFR	(21,503)	32,558	20,712	54,321	28,171

- 2.2.5 A key aspect of the regulatory and professional guidance is that elected members are aware of the size and scope of any commercial activity in relation to the Authority's overall financial position. The capital expenditure figures shown in Table 1 at paragraph 2.1.2 and the details above demonstrate the scope of this activity and, by approving these figures, consider the scale proportionate to the Council's remaining activity.

2.3 Borrowing

- 2.3.1 The capital expenditure plans set out in section 2.1 to a large extent drive the borrowing estimates included in this report. The Treasury Management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Council's capital strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant Treasury and Prudential Indicators, the current and projected debt positions and the Annual Investment Strategy.

Current Borrowing Portfolio Position

- 2.3.2 The overall treasury management portfolio as at 31 March 2020 and for the position as at December 2020 are shown below for both borrowing and investments.

Table 4 Current Treasury Position

Treasury Investments	Actual 31/03/2020 £'000	Actual 31/03/2020 %	Current December 2020 £'000	Current December 2020 %
Banks	37,500	31.75%	20,000	24.43%
Local Authorities	28,500	24.13%	10,000	12.22%
Money Market Funds	37,120	31.43%	36,850	45.02%
Total Managed in House	103,120	87.30%	66,850	81.67%
Property Funds	15,000	12.70%	15,000	18.33%
Total Managed Externally	15,000	12.70%	15,000	18.33%
Total Treasury Investments	118,120	100.00%	81,850	100.00%
Treasury External Borrowing				
PWLB	35,482	21.14%	35,482	20.53%
LOBO'S	85,500	50.94%	85,500	49.47%
Market	46,600	27.76%	46,600	26.96%
Temporary other	261	0.16%	5,261	3.04%
Total Treasury External Borrowing	167,843	100.00%	172,843	100.00%
Net Treasury Investments / (Borrowing)	(49,723)		(90,993)	

2.3.3 The Council's forward projections for borrowing are summarised below. The table shows the actual external debt, the Treasury Management operations, against the underlying capital borrowing need, the CFR, highlighting any over or under borrowing. Table 5 shows the forecast position of gross borrowing as at 31 March 2021 at £402.195m (debt at 31 March 2021 at £177.598m plus Closing OTIL at 31 March 2021 of £224.597m) and an under borrowed position of £102.740m.

Table 5 Current and Forecast Treasury Portfolio

	2019/20 Actual £'000	Forecast position as at 31/3/21 £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000
External Debt					
Debt at 1 April	147,846	167,843	177,598	197,593	250,988
Actual/Expected change in debt	19,997	9,755	19,995	53,395	24,995
Debt at 31 March	167,843	177,598	197,593	250,988	275,983
Opening OLTL* at 1 April	246,610	235,867	224,597	213,729	204,816
Expected change in OLTL	(10,743)	(11,270)	(10,868)	(8,912)	(10,672)
Closing OLTL at 31 March	235,867	224,597	213,729	204,816	194,145
Actual/ Forecast gross debt (borrowing requirement) at 31 March	403,710	402,195	411,322	455,804	470,128
The Capital Financing Requirement	472,377	504,935	525,647	579,968	608,139
Under / (over) borrowing	68,667	102,740	114,325	124,164	138,011

* Other Long-Term Liabilities

2.3.4 Table 5 above shows the Council will need to undertake significant additional borrowing in

future years if capital programme expenditure matches the anticipated spending profile. The borrowing requirement is a key driver of the borrowing strategy as set out in section 2.6 below. The timing of any additional borrowing given the amounts indicated in the table above will be closely monitored. Members will recall that capital spending plans have been reprofiled year on year and it is possible that the trend could be repeated in 2021/22 and future years.

- 2.3.5 There are a number of key Prudential Indicators to ensure that the Council operates its activities within well-defined limits. The Council must ensure that gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2021/22 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue or speculative purposes. It is clear from the table above that the Council's gross borrowing position remains within these limits.
- 2.3.6 The Council has complied with this Prudential Indicator in the current year and does not envisage any difficulties with compliance in the future. This view takes into account current commitments, existing plans, and the proposals set out in this report.
- 2.3.7 The Council should include within the forecast gross borrowing figures in Table 5, any debt that relates to commercial activities / non-financial investment. The Council has no external debt for commercial activities/non-financial investment that is included in the gross borrowing figures in Table 5. Under the Prudential Code, there is a requirement to provide the information in the Treasury Management Strategy which shows that to date there has been a minimal impact on debt from potential investments in commercial activities compared to the Council's overall borrowing (excluding long-term liabilities).

2.4 Treasury Limits for 2021/22 to 2022/23

- 2.4.1 The Council is required to determine its Operational Boundary and Authorised Limit for external debt for the next three financial years.

Operational Boundary

- 2.4.2 The forecast Operational Boundary for 2020/21 together with the proposed operational boundaries for 2021/22 to 2023/24 are set out in Table 6 below. The boundary reflects the maximum anticipated level of external debt which is not expected to be exceeded. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on levels of actual debt and the ability to fund under-borrowing by other cash resources. This boundary will be used as a management tool for ongoing monitoring of external debt and may be breached temporarily due to unusual cash flow movements. However, a sustained or regular trend above the Operational Boundary should trigger a review of both the operational boundary and the authorised limit.

Table 6 Operational Boundary

Operational boundary	2020/21 Forecast £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000
Borrowing	285,000	301,500	378,500	417,500
Other long term liabilities	227,500	215,000	207,500	196,500
Commercial activities / non-financial investments	0	0	0	0
Total	512,500	516,500	586,000	614,000

Authorised Limit

- 2.4.3 A further key Prudential Indicator, the Authorised Limit controls the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit may only be determined by full Council. It reflects the level of external debt which, while not desirable, is affordable in the short term, but is not sustainable in the longer term. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all Councils' plans, or those of a specific Council, although this power has not yet been exercised.
- 2.4.4 The Overview and Scrutiny Performance & Value for Money (PVFM) Select Committee is asked to consider the proposed Operational Boundary for each financial year from 2020/21 to 2023/24 as set out in Table 6 above and Authorised Limit as set out in Table 7 below:

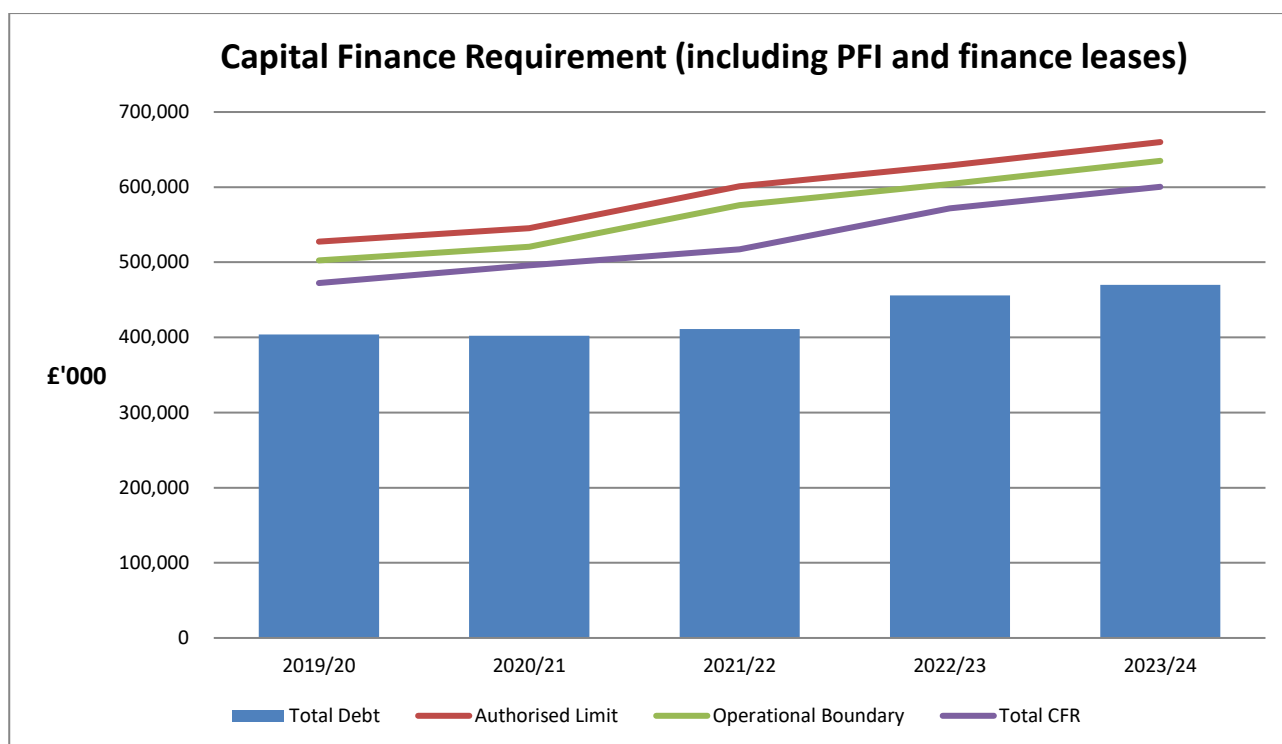
Table 7 Authorised Limit

Authorised Limit	2020/21 Forecast £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000
Borrowing	305,000	321,500	398,500	437,500
Other long term liabilities	232,500	220,000	212,500	201,500
Commercial activities / non-financial investments	0	0	0	0
Total	537,500	541,500	611,000	639,000

- 2.4.5 Table 8 and the graph below show how the two indicators above, the Operational Boundary and the Authorised Limit compare to actual external debt and the CFR.

Table 8 Estimated Capital Financing Requirement, Debt and Treasury Indicators

Capital Financing Requirement (CFR) including PFI and finance leases	Actual 2019/20 £'000	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000
General Fund CFR	472,377	504,935	525,647	579,968	608,139
Commercial activity / non-financial investments	0	0	0	0	0
Total CFR	472,377	504,935	525,647	579,968	608,139
External Borrowing	167,843	177,598	197,593	250,988	275,983
Other long term liabilities	235,867	224,597	213,729	204,816	194,145
Total Debt	403,710	402,195	411,322	455,804	470,128
Operational Boundary	495,000	512,500	516,500	586,000	614,000
Authorised Limit	512,000	537,500	541,500	611,000	639,000



2.5 Prospects for Interest Rate

- 2.5.1 The Council has appointed Link Asset Services as its Treasury Adviser and part of its service is to assist the Council to formulate a view on interest rates. The table below gives Link Asset Services central view of interest rates from December 2020 to March 2024. The rates are based on the PWLB Certainty Rate. The Certainty Rate is 80 basis points over gilt yields, and is a reduced rate offered to Local Authorities who qualify providing their plans for long-term borrowing and associated capital spending meet the criteria. The Council has applied for and been approved for the Certainty Rate which covers the period November 2020 to October 2021. The rates included in Table 9 are based on the Certainty Rate and include the 1% reduction announced as part of the change to the PWLB lending criteria.

Table 9 Interest Rate Forecast

Period Ending	Bank Rate	PWLB Borrowing Rates %			
	%	5 year	10 year	25 year	50 year
December 2020	0.10	0.80	1.10	1.50	1.30
March 2021	0.10	0.80	1.10	1.50	1.30
June 2021	0.10	0.80	1.10	1.60	1.40
September 2021	0.10	0.80	1.10	1.60	1.40
December 2021	0.10	0.80	1.10	1.60	1.40
March 2022	0.10	0.90	1.20	1.60	1.40
June 2022	0.10	0.90	1.20	1.70	1.50
September 2022	0.10	0.90	1.20	1.70	1.50
December 2022	0.10	0.90	1.20	1.70	1.50
March 2023	0.10	0.90	1.20	1.70	1.50
June 2023	0.10	1.00	1.30	1.80	1.60
September 2023	0.10	1.00	1.30	1.80	1.60
December 2023	0.10	1.00	1.30	1.80	1.60
March 2024	0.10	1.00	1.30	1.80	1.60

- 2.5.2 The coronavirus outbreak has done huge economic damage to the UK and economies around the world. After the Bank of England took emergency action in March to cut Bank Rate to first 0.25%, and then to 0.10%, it left Bank Rate unchanged at its subsequent meetings to 5 November 2020, although some forecasters had suggested that a cut into negative territory could happen.
- 2.5.3 However, the Governor of the Bank of England has made it clear that he currently thinks that such a move would do more damage than good and that more quantitative easing is the favoured tool if further action becomes necessary.
- 2.5.4 As shown in the forecast table above, no increase in Bank Rate is expected as economic recovery is expected to be only gradual and, therefore, prolonged.

Gilt Yields / PWLB Rates.

- 2.5.5 There was much speculation during the second half of 2019 that bond markets were in a bubble which was driving bond prices up and yields down to historically very low levels. The context for that was a heightened expectation that the US could have been heading for a recession in 2020.
- 2.5.6 In addition, there were growing expectations of a downturn in world economic growth, especially due to fears around the impact of the trade war between the US and China, together with inflation generally at low levels in most countries and expected to remain subdued. Combined, these conditions were conducive to very low bond yields.
- 2.5.7 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. The consequence of this has been the gradual lowering of the overall level of interest rates and bond yields in financial markets over the last 30 years.
- 2.5.8 Over the year prior to the coronavirus crisis, this has seen many bond yields up to 10 years turn negative in the Eurozone. In addition, there has, at times, been an inversion of bond yields in the US whereby 10-year yields have fallen below shorter-term yields. In the past, this has been a precursor of a recession.
- 2.5.9 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.
- 2.5.10 Gilt yields had therefore already been on a generally falling trend up until the coronavirus crisis hit western economies during March 2020. After gilt yields spiked up during the financial crisis in March, these yields have fallen sharply to unprecedented lows as investors panicked during March in selling shares in anticipation of impending recessions in western economies and moved cash into safe haven assets i.e. Government bonds.
- 2.5.11 However, major western central banks took rapid action to deal with excessive stress in financial markets during March, and started massive quantitative easing purchases of Government bonds: this also acted to put downward pressure on Government bond yields at a time when there has been a huge and quick expansion of Government expenditure financed by issuing Government bonds. Such unprecedented levels of issuance in "normal" times would have caused bond yields to rise sharply. Gilt yields and PWLB rates have been at remarkably low rates so far during 2020/21.

- 2.5.12 As the interest forecast table for PWLB Certainty Rate above shows, there is expected to be little upward movement in PWLB rates over the next two years as it will take economies, including the UK, a prolonged period to recover all the momentum they have lost in the sharp recession caused during the coronavirus shut down period. From time to time, gilt yields, and therefore PWLB rates, can be subject to exceptional levels of volatility due to geo-political, sovereign debt crisis, emerging market developments and sharp changes in investor sentiment (as shown on 9 November when the first results of a successful COVID-19 vaccine trial were announced). Such volatility could occur at any time during the forecast period.

Investment and borrowing rates

- 2.5.13 Investment returns are likely to remain low during 2021/22 with little increase in the following two years.
- 2.5.14 Borrowing interest rates fell to historically very low rates as a result of the COVID crisis and the quantitative easing operations of the Bank of England: indeed, gilt yields up to 6 years were negative during most of the first half of 2020/21.
- 2.5.15 The policy of avoiding new borrowing by running down spare cash balances has served the Council well over the last few years. The unexpected increase of 100 basis points (bps) in PWLB rates on top of the then current margin over gilt yields of 80 bps in October 2019, required an initial major rethink of Local Authority treasury management strategy and risk management.
- 2.5.16 However, in March 2020, the Government started a consultation process for reviewing the margins over gilt rates for PWLB borrowing for different types of Local Authority capital expenditure. (It must be noted that the Council and other Local Authorities had concerns over this approach, as the fundamental principle of Local Authority borrowing is that borrowing is a treasury management activity and individual sums that are borrowed are not linked to specific capital projects). It also introduced the following rates for borrowing for different types of capital expenditure:
- PWLB Standard Rate – gilt plus 200 basis points (G+200bps)
 - PWLB Certainty Rate - gilt plus 180 basis points (G+180bps)
 - PWLB HRA Standard Rate - gilt plus 100 basis points (G+100bps)
 - PWLB HRA Certainty Rate - gilt plus 80 basis points (G+80bps)
 - Local Infrastructure Rate - gilt plus 60 basis points (G+60bps)
- 2.5.17 As a consequence of these increases in margins, many Local Authorities decided to refrain from PWLB borrowing unless it was for HRA or local infrastructure financing, until such time as the review of margins was concluded.
- 2.5.18 On 25 November 2020, alongside the Spending Review, the Chancellor announced the conclusion to the review of margins over gilt yields for PWLB rates; the standard and certainty margins were reduced by 1% but a prohibition was introduced to deny access to borrowing from the PWLB for any Local Authority which had purchase of assets for yield in its three year capital programme. The new margins over gilt yields are as follows:
- PWLB Standard Rate - gilt plus 100 basis points (G+100bps)
 - PWLB Certainty Rate - gilt plus 80 basis points (G+80bps)
 - PWLB HRA Standard Rate - gilt plus 100 basis points (G+100bps)
 - PWLB HRA Certainty Rate - gilt plus 80 basis points (G+80bps)
 - Local Infrastructure Rate - gilt plus 60 basis points (G+60bps)

Borrowing for capital expenditure

- 2.5.19 As Link's long-term forecast for Bank Rate is 2.00%, and all PWLB rates are under 2.00%, there is now value in borrowing from the PWLB for all types of capital expenditure for all maturity periods, especially as current rates are at historic lows.
- 2.5.20 However, greater value can be obtained in borrowing for shorter maturity periods so the Council will assess its risk appetite in conjunction with budgetary pressures to reduce total interest costs. Longer-term borrowing could also be undertaken for the purpose of certainty, where that is desirable, or for flattening the profile of a heavily unbalanced maturity profile.
- 2.5.21 The Council will not be able to avoid borrowing to finance new capital expenditure with the rundown of reserves. However, due to timing of the borrowing there may be a cost of carry (the difference between higher borrowing costs and lower investment returns), to any new borrowing that causes a temporary increase in cash balances as this position will, most likely, incur a revenue cost.

2.6 Borrowing strategy

- 2.6.1 The factors that influence the 2021/22 strategy are:

- The movement in CFR as set out in Table 3 above;
- Forthcoming 'Option' dates on £54m of Lender Option Borrower Option loans (LOBO's) in 2021/22;
- The interest rate forecasts (set out in Table 9 above);
- Aiming to minimise revenue costs to reduce the impact on the Council Tax Requirement; and
- The impact of the Council's Capital and Property Investment Programmes.

- 2.6.2 The Council is currently maintaining an under-borrowed position. This means that the CFR has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is still an issue that needs to be considered.

- 2.6.3 Against this background and the risks within the economic forecast, caution will be adopted with the 2021/22 treasury operations. The Treasury Management team will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances so that:

- if it was considered that there was a significant risk of a sharp fall in long and short term rates (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowing will be postponed.
- if it was considered that there was a significant risk of a much sharper rise in long and short term rates than that currently forecast, perhaps arising from an acceleration in the start date and in the rate of increase in central rates in the USA and UK, an increase in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised. The likely action would be that fixed rate funding will be drawn whilst interest rates are still lower than they will be in the next few years.

- 2.6.4 The forecast gross borrowing requirement in Table 5 at 2.3.3 above shows, based on current estimates, that the Council will need to drawdown a significant amount of new borrowing, to support the capital programme. Any additional borrowing will be completed

with regard to the limits, indicators and interest rate forecasts set out above. As noted earlier, initial estimates of borrowing have changed in previous years due to the reprofiling of the capital programme once the financial year has begun.

2.6.5 During 2021/22, £54m of LOBO (Lender Option Borrower Option) debt will reach the option renewal date. Table 10 below, sets out the maturity structure of fixed rate debt. At the renewal date the loans will either:

- Move to the option rate of interest, which in all cases will be the same as the current rate; or
- Be offered at a rate above the option rate, in which case the Council has the option to repay. This would then require refinancing at the prevailing market rates.

Table 10 Maturity Structure of Fixed Rate Debt

Maturity Structure of fixed interest rate debt	2021/22 Actual
under 12 months	32.47%
12 months and within 24 months	9.89%
24 months and within 5 years	12.81%
5 years and within 10 years	4.47%
10 years to 20 years	7.59%
20 years to 30 years	2.98%
30 years to 40 years	2.98%
40 years to 50 years	14.89%
50 years to 60 years	11.92%
60 years and above	0.00%

2.6.6 Due to the current interest rate forecast it is not anticipated that any of these LOBO loans will be called.

2.6.7 The 2021/22 Capital Programme now shows anticipated prudential borrowing of £42.871m with £74.856 in 2022/23, £52.031m in 2023/24. These figures have been reflected in this report and factored into the borrowing strategy for 2021/22 and future years.

2.6.8 Members are advised that indicators for interest rate exposure are no longer a requirement under the Treasury Management Code. However, as interest rate exposure risk is an important issue, officers will continue to monitor the balance between fixed and variable interest rates for borrowing and investments. This will aim to ensure the Council is not exposed to adverse fluctuations in fixed or variable rate interest rate movements.

2.6.9 This is likely to reflect higher fixed interest rate borrowing if the borrowing need is high or fixed interest rates are likely to increase, or a higher variable rate exposure if fixed interest rates are expected to fall. Conversely if shorter term interest rates are likely to fall, investments may be fixed earlier, or kept shorter if short term investments are expected to rise.

2.6.10 The balance between variable rate debt and variable rate investments will be monitored as part of the overall treasury function in the context of the overall financial instruments structure and any under or over borrowing positions.

2.7 Policy on Borrowing in Advance of Need

- 2.7.1 The Council will not borrow more than or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved CFR estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds. Any borrowing will follow the most recent guidance issued by CIPFA.
- 2.7.2 Borrowing in advance will be made within the constraint that the Council would not look to borrow more than 24 months in advance of need.
- 2.7.3 Risks associated with any borrowing in advance of activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting arrangements.

2.8 Debt Rescheduling

- 2.8.1 In preparing the Treasury Management Strategy for 2021/22, it was important to consider publication by HM Treasury in March 2020 of a consultation document seeking views on proposed changes to the lending terms of the PWLB. The Government launched the consultation as it was concerned that PWLB resources were being used to fund commercial investments solely for income generation purposes and carried a significant degree of risk. To address this issue, the consultation proposed revising the terms of PWLB lending to ensure that Local Authorities continue to invest in housing, infrastructure, and public services whilst discouraging investment solely for income generation purposes. The Council provided its response to the consultation in July 2020.
- 2.8.2 Alongside the 2020 Spending Review in November 2020, the Government largely confirmed the proposals set out in the original consultation meaning there would be stricter conditions associated with the approval of PWLB loans to Local Authorities. The PWLB will now no longer provide loans to a Local Authority if their Capital Strategies include any plans to buy investment assets primarily for income generation.
- 2.8.3 These new terms apply to all loans arranged on or after 26 November 2020. Further guidance has been provided to help Local Authorities determine whether a proposed project meets the new lending criteria. The key features of the new lending terms are:
- As a condition of accessing the PWLB, Local Authorities will be asked to submit a high-level description of their capital spending and financing plans for the following three years, including their expected use of the PWLB. This will clearly align to the approved capital strategy;
 - As part of this process, the PWLB will ask the Director of Finance (Section 151 Officer) to confirm that there is no intention to buy investment assets primarily for yield at any point during the next three years. This assessment must be based on the Director of Finance's professional interpretation of guidance issued alongside these lending terms.
 - As it is impossible to reliably link individual loans to specific capital spending, this restriction of purchasing investment assets primarily for yield applies on a 'whole plan' basis. This means that the PWLB will not lend to any Local Authority which plans to buy investment assets primarily for yield anywhere in their Capital Strategy, regardless of whether the transaction would notionally be financed from a source other than the PWLB.
 - When applying for a new loan, the Local Authority will be required to confirm that the plans they have submitted remain current and provide assurance that they still do not intend to buy investment assets primarily for yield.
 - If HM Treasury has concerns that a loan may be used in a way that is incompatible with HM Treasury's duties to ensure that public spending represents good value for money

to the taxpayer, it will contact the Local Authority to gain a better understanding of the situation. Should it transpire that a Local Authority has deliberately misused the PWLB, HM Treasury has the option to suspend access to the PWLB, and in the most extreme cases, to require that loans be repaid.

- 2.8.4 The Government will monitor the implementation of these reforms to make sure that the new lending arrangements are operating as intended. The Ministry of Housing, Communities and Local Government (MHCLG) is reviewing the effectiveness of the Local Government borrowing and investment framework and is developing options to intervene directly where there are concerns that Authorities are not complying with the intent of the Prudential regime. Any future amendments that effect the Council's Treasury Management Strategy will be reported to Members at the appropriate time.
- 2.8.5 The Councils Capital Strategy has been prepared to ensure it complies with requirements so that it has access to PWLB resources.
- 2.8.6 Rescheduling of current borrowing in the debt portfolio will be considered where appropriate given the changes to the PWLB borrowing criteria, however it must be stated that the 100 basis points reduction in PWLB rates only applied to new borrowing rates and not to premature debt repayment rates.
- 2.8.7 The reasons for any rescheduling to take place will include:
- the generation of cash savings and/ or discounted cash flow savings;
 - helping to fulfil the treasury strategy;
 - enhancing the balance of the portfolio (amending the maturity profile and/or the balance of volatility).
- 2.8.8 All re-scheduling will be reported to the Audit Committee, Cabinet and Council at the earliest meeting following its action.
- 2.9 New Financial Institutions as a Source of Borrowing
- 2.9.1 Following the reduction in PWLB rates announced in November 2020, alternative sources of funding are under review whilst Councils look at the impact of the PWLB rate reduction. It will make it more challenging for these alternative sources of funding to be a more competitive option than PWLB on the financing costs associated with new loans. However, consideration will still be given to sourcing funding from the following:
- Local Authorities (primarily shorter dated maturities);
 - Financial institutions (primarily insurance companies and pension funds but also some banks. These deals may include borrowing based on forward dates and an agreed future market rate);
 - UK Municipal Bonds Agency (which has recently negotiated its first bond issue). Members will recall that the Council has invested £0.100m in the UKMBA and would seek to make use of this new source of borrowing as and when appropriate.
- 2.9.2 The degree which any of these options proves cheaper than the PWLB Certainty Rate is still evolving, however, all funding options will be fully evaluated, and the most appropriate option will be taken. Link Asset Services the Council's treasury advisors will keep the Council informed regarding different options available when borrowing is undertaken.

2.10 Annual Investment Strategy

Investment Policy – Management of Risk

- 2.10.1 The MHCLG and CIPFA have extended the meaning of ‘investments’ to include both financial and non-financial investments. This report deals solely with financial investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets, are covered in the Capital Strategy elsewhere on the agenda.

The Council's investment policy has regard to the following:

- MHCLG's Guidance on Local Government Investments (“the Guidance”);
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 (“the Code”); and
- CIPFA Treasury Management Guidance Notes 2018.

- 2.10.2 The Council's investment priorities will be:

- firstly, the security of capital;
- secondly, the liquidity of its investments;
- thirdly, the optimum return on its investments commensurate with proper levels of security and liquidity; and
- finally, ethical investments.

- 2.10.3 In the current economic climate it is considered appropriate to keep investments short term to cover cash flow needs. However, where appropriate (from an internal as well as external perspective), the Council will also consider the value available in periods up to 12 months with high credit rated financial institutions, as well as wider range fund options.

- 2.10.4 The above guidance from the MHCLG and CIPFA place a high priority on the management of risk. This Authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

- Minimum acceptable credit criteria are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.
- Other information: ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as “credit default swaps” and overlay that information on top of the credit ratings.
- Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

- 2.10.4 This report defines the list of types of investment instruments that the treasury management team are authorised to use. There are two lists in Appendix 5 under the categories of ‘specified’ and ‘non-specified’ investments.

- Specified investments are those with a high level of credit quality and subject to a maturity limit of one year.
- Non-specified investments are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by Members and officers before being authorised for use. Once an investment is classed as non-specified, it remains non-specified all the way through to maturity i.e. an 18 month deposit would still be non-specified even if it has only 11 months left until maturity.

- 2.10.5 For non-specified investments, the Council has determined that it will limit the maximum total exposure to non-specified investments as being 50% of the total investment portfolio.
- 2.10.6 Lending limits, (amounts and maturity), for each counterparty, will be set through applying the matrix table in paragraph 2.11.3.
- 2.10.7 Transaction limits are set for each type of investment in 2.11.3.
- 2.10.8 The Council has set a limit for the amount of its investments which are invested for longer than 365 days, (see paragraph 2.13.12).
- 2.10.9 Investments will only be placed with counterparties from countries with a specified minimum sovereign rating, (see paragraph 2.12.3) and Appendix 6.
- 2.10.10 The Council has engaged external consultants, (see paragraph 1.10), to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of the Council in the context of the expected level of cash balances and need for liquidity throughout the year.
- 2.10.11 All investments will be denominated in sterling.
- 2.10.12 As a result of the change in accounting standards for 2020/21 under IFRS 9, consideration will be given to the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. (In November 2018, MHCLG concluded a consultation for a temporary override to allow English Local Authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years commencing from April 2018, ending March 2023).
- 2.10.13 However, the Council will also pursue value for money in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance, (see paragraph 2.14). Regular monitoring of investment performance will be carried out during the year.
- 2.10.14 The risk management criteria are unchanged from last year.

2.11 Creditworthiness policy

- 2.11.1 Oldham Council utilises the creditworthiness service provided by Link Asset Services. This service employs a sophisticated modelling approach, utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor. The credit ratings of counterparties are supplemented with the following overlays:
- credit watches and credit outlooks from credit rating agencies;

- Credit Default Swap (CDS) spreads to give early warning of likely changes in credit ratings;
- sovereign ratings to select counterparties from only the most creditworthy countries.

2.11.2 This modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the duration and maximum investment value for each counterparty.

2.11.3 Institutions are split into colour bandings and the Council will therefore use counterparties within these colours, durational bands and investment limits. Table 12 below shows these limits.

Table 12 Investment Criteria

Counter Party	Link Colour Band and Long Term Rating where applicable	Maximum Duration	Maximum Principal Invested per Counterparty
Banks	Yellow (Note 1)	5 Years	£10m
Banks	Dark Pink (Note 2)	5 Years	£10m
Banks	Light Pink (Note 3)	5 Years	£10m
Banks	Purple	2 Years	£20m
Banks	Blue (Note 4)	1 Year	£20m
Banks	Orange (Note 5)	1 Year	£15m
Banks	Red	6 months	£10m
Banks	Green	100 days	£10m
Banks	No Colour	Not to be used	Not to be used
Local Authorities/ Public Bodies	Internal Due Diligence	5 Years	£10m
GMCA	Internal Due Diligence (Note 6)	5 Years	£30m
Debt Management Account Deposit Facility (DMADF)	UK Sovereign rating	6 months	£40m
	Fund Rating	Maximum Duration	Maximum Principal Invested per Counterparty
Money Market Fund			
Constant	AAA	Liquid	£20m
Low Volatile	AAA	Liquid	£20m
Variable	AAA	Liquid	£20m

Note 1 – UK Government debt or equivalent

Note 2 – Enhanced money market funds (EMMF) with a credit score of 1.25

Note 3 – Enhanced money market funds (EMMF) with a credit score of 1.5

Note 4 – Blue Institutions only applies to nationalised or semi nationalised UK Banks, which currently include the RBS Group (Royal Bank of Scotland, NatWest Bank and Ulster Bank).

Note 5 - Includes the Council's banking provider (currently Barclays), if it currently falls into category below this colour band.

Note 6 – The higher maximum principal is to facilitate joint initiatives and activities related to the devolution agenda.

2.11.4 The Link Asset Services creditworthiness service uses a wider array of information than just primary ratings and by using a risk weighted scoring system, does not give undue preponderance to just one agency's ratings.

2.11.5 Typically the minimum credit ratings criteria the Council uses will be a Short-Term rating (Fitch or equivalents) of F1 and a Long-Term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In this instance consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

2.11.6 All credit ratings will be monitored on a weekly basis. The Council is alerted to changes to ratings of all three agencies through its use of the Link Asset Services creditworthiness service.

- If a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn or notice given to withdraw immediately.
- In addition to the use of credit ratings the Council will be advised of information in movements in the Credit Default Swap Index against the iTraxx benchmark and other market data on a daily basis via its Passport website, provided exclusively to it by Link Asset Services. Extreme market movements may result in the downgrading of an institution or its removal from the Council's lending list.

2.11.7 Sole reliance will not be placed on the use of this external service. In addition, the Council will also use market data and market information, information on any external support banks to help support the decision making process.

Creditworthiness

2.11.8 Although the credit rating agencies changed their outlook on many UK banks from Stable to Negative during the quarter ended 30 June 2020 due to upcoming risks to banks' earnings and asset quality during the economic downturn caused by the pandemic, the majority of ratings were affirmed due to the continuing strong credit profiles of major financial institutions, including UK banks.

2.11.9 However, during Q1 and Q2 2020, banks made provisions for *expected* credit losses and the rating changes reflected these provisions. As we move into future quarters, more information will emerge on *actual* levels of credit losses. (Quarterly earnings reports are normally announced in the second half of the month following the end of the quarter.)

2.11.10 This has the potential to cause rating agencies to revisit their initial rating adjustments earlier in the current year. These adjustments could be negative or positive, although it should also be borne in mind that banks went into this pandemic with strong balance sheets. This is predominantly a result of regulatory changes imposed on banks following the Great Financial Crisis. Indeed, the Financial Policy Committee (FPC) report on 6 August 2020

revised down their expected credit losses for the UK banking sector to “somewhat less than £80bn”. It stated that in its assessment, “banks have buffers of capital more than sufficient to absorb the losses that are likely to arise under the MPC’s central projection”. The FPC stated that for real stress in the sector, the economic output would need to be twice as bad as the MPC’s projection, with unemployment rising to above 15%.

- 2.11.11 All three rating agencies have reviewed banks around the world with similar results in many countries of most banks being placed on Negative Outlook, but with a small number of actual downgrades.

CDS Price

- 2.11.12 Although bank CDS prices, (these are market indicators of credit risk), spiked upwards at the end of March / early April 2020 due to the heightened market uncertainty and ensuing liquidity crisis that affected financial markets, they have returned to more average levels since then. Nevertheless, prices are still elevated compared to the end of February 2020. Pricing is likely to remain volatile as uncertainty continues. However, sentiment can easily shift, so it will remain important to undertake continual monitoring of all aspects of risk and return in the current circumstances. Link monitor CDS prices as part of their creditworthiness service to Local Authorities and the Council has access to this information via its Link-provided Passport portal.

2.12 Country and Sector Limits

- 2.12.1 It is not proposed to restrict the Council’s investment policy to only UK banks and building societies. In addition to the credit rating criteria set out above consideration will be given to the sovereign rating of the country before any investment is made.
- 2.12.2 In February 2013 the UK lost its AAA rating and moved to an AA rating. The sovereign rating of the UK may come under more pressure due to COVID-19. The Council will however continue to invest with UK Banks, providing the individual institutions still meet the relevant criteria.
- 2.12.3 The Council has determined that it will only use approved counterparties from the UK and from other countries with a minimum sovereign credit rating of AAA from Fitch (or equivalent). The list of countries that qualify using this credit criteria as at the date of this report are shown in Appendix 6. This list will be amended by officers should ratings change in accordance with this policy, therefore for illustrative purposes the appended list is extended to also show AA- i.e. the countries currently assessed to be in the rating below those that currently qualify. It is important to note that although able to, the Council has chosen not to invest overseas in recent years.

2.13 Investment Strategy

- 2.13.1 Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. While most cash balances are required to manage the ups and downs of cash flow, any cash identified that could be invested for longer periods will be carefully assessed.
- If it is thought that bank rate is likely to rise significantly within the time horizon being considered, then consideration will be given to keeping most investments as being short term or variable.

- Conversely, if it is thought that bank rate is likely to fall within that time period, consideration will be given to locking in higher rates currently obtainable, for longer periods.

2.13.2 The Council currently has one investment totalling £5m which spans the financial year as shown in Table 13.

Table 13 The Investment maturing in 2021/22

Counterparty	Amount	Maturity Date	Rate
Santander UK Plc 180 Notice Account	£5,000,000	28/05/2021	0.58%
Total	£5,000,000		

2.13.3 Bank Rate is unlikely to rise from 0.10% for a considerable period. It is very difficult to say when it may start rising so it may be best to assume that investment earnings from money market-related instruments will be sub 0.50% for the foreseeable future.

2.13.4 The suggested budgeted investment earnings rates for returns on investments placed for periods up to 100 days during each financial year are as follows (the long-term forecast is for periods over 10 years in the future):

- 2020/21 0.10%
- 2021/22 0.10%
- 2022/23 0.10%
- 2023/24 0.10%
- 2024/25 0.25%
- Longer term later years 2.00%

2.13.5 The overall balance of risks to economic growth in the UK is probably now tilted to the upside but is subject to major uncertainty due to the virus and how quickly successful vaccines can be widely administered to the population. It may also be affected by the trade deal recently negotiated as part of Brexit.

2.13.6 There is relatively little UK domestic risk of increases or decreases in Bank Rate and significant changes in shorter term PWLB rates. The Bank of England has effectively ruled out the use of negative interest rates in the near term and increases in Bank Rate are likely to be some years away given the underlying economic expectations. However, it is always possible that safe haven flows, due to unexpected domestic developments and those in other major economies, or a return of investor confidence in equities, could impact gilt yields, (and so PWLB rates), in the UK.

Negative Interest Rates

2.13.7 While the Bank of England reported in August / September 2020 that it is unlikely to introduce a negative Bank Rate, at least in the next 6 -12 months, and in November the Bank of England omitted any mention of negative rates in the minutes of the meeting of the MPC, some deposit accounts are already offering negative rates for shorter periods. As part of the response to the pandemic and lockdowns, the Bank and the Government have provided financial markets and businesses with plentiful access to credit, either directly or through commercial banks.

2.13.8 In addition, the Government has provided large sums of grants to Local Authorities to help deal with the Covid-19 pandemic. This has caused some Local Authorities to have sudden

large increases in cash balances searching for an investment home, some of which was only very short term until those grants were paid out.

- 2.13.9 As for money market funds (MMFs), yields have continued to drift lower. Some fund managers have already resorted to trimming fee levels to ensure that net yields for investors remain in positive territory where possible and practical. Investor cash flow uncertainty, and the need to maintain liquidity in these unprecedented times, has meant there is an excess of money in the market at the very short end of the market. This has seen a number of market operators, now including the Debt Management Accounting Deposit Facility (DMADF), offer nil or negative rates for very short-term maturities.
- 2.13.10 This is not universal, and MMFs are still offering a marginally positive return, as are a number of financial institutions for investments at the very short end of the yield curve.
- 2.13.11 Inter-Local Authority lending and borrowing rates have also declined due to the surge in the levels of cash seeking a short-term home at a time when many Local Authorities are probably having difficulties over accurately forecasting when disbursements of funds received will occur or when further large receipts will be received from the Government.

Investment Treasury Indicator and Limit

- 2.13.12 This indicator considers total principal funds invested for greater than 365 days. These limits have regard to the Council's liquidity requirements and reduce the need for the early redemption of investments and are based on the availability of funds after each year end.

Table 14 – Maximum principal sum invested greater than 365 days

Upper Limit for principal sums invested for longer than 365 days	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate
Principal sums invested for longer than 365 days	£50m	£50m	£50m	£50m
Current investments as at December 2020 in excess of 1 year	£15m	£15m	£15m	£15m

- 2.13.13 For cash flow generated balances, the Council will seek to utilise its business reserve instant access and notice accounts, money market funds and short dated deposits (overnight to 100 days), in order to benefit from the compounding of interest.

2.14 Investment Risk Benchmarking

- 2.14.1 These benchmarks provide simple guides to maximum risk, and may be breached from time to time, depending on movements in interest rates and counterparty criteria. These benchmarks provide officers with a baseline against which current and trend positions can be monitored. It may be necessary to amend the operational strategy to manage risk as conditions change. Any breach of the benchmarks will be reported, with supporting reasons in the mid-year or Annual Report to Members.

Liquidity – in respect of this area the Council seeks to maintain:

- A Bank overdraft facility of £0.100m;
- Liquid short term deposits of at least £10m available with a week's notice.

Yield - local measures of yield benchmarks are:

- Investments – internal returns above the 7 day LIBID (London Interbank Bid Rate) rate multiplied by 5%
- Investments – internal returns above the 1 month LIBID rate multiplied by 5%
- Investments – internal returns above the 3 month LIBID rate multiplied by 5%
- Investments – internal returns above the 6 month LIBID rate multiplied by 5%
- Investments – internal returns above the 12 month LIBID rate multiplied by 5%

- 2.14.2 The Council is aware that the provision of London Inter-Bank Offered Rate (LIBOR) and associated LIBID rates is expected to cease at the end of 2021. It will work with its advisors in determining suitable replacement investment benchmark(s) ahead of this cessation and will report back to Members accordingly.

2.15 Other Treasury Management Issues

Legal Action being taken by the Council

- 2.15.1 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.

Brexit

- 2.15.2 The Council is mindful of the UK's exit from the EU and will continue to ensure that treasury activity is managed to minimise any risk to the Council.

International Financial Reporting Standard (IFRS) 16 – Leases

- 2.15.3 IFRS 16 is a new standard for lease accounting which came into force in January 2019. The changes apply to the accounting arrangements for lease agreements that organisations take out property, plant and equipment (PPE). It had previously been reported that the standard for the public sector would commence from 1 April 2020, however this date has been put back a further year and will be implemented in 2022/23, this will require implementation from 1 April 2021 to allow prior year comparison. Previously, leases were split into finance leases and operating leases however, from 1 April 2021 they will now be accounted for as finance leases. Under the current regime, operating leases were not included in Balance Sheets as assets and expenditure were charged to Comprehensive Income and Expenditure Statement in the Council's accounts. Under IFRS 16 all leases must now be accounted for on the Balance Sheet. Work is currently ongoing to assess the full impact, but an estimate has been included in the Council's CFR so that the Council's prudential indicators are not adversely affected by the implementation of IFRS 16.

3 **Options/Alternatives**

- 3.1 In order to comply with the CIPFA Code of Practice on Treasury Management, the Overview and Scrutiny Performance and Value for Money Select Committee is requested to scrutinise and comment upon the content of this report. Therefore, no other options/alternatives have been presented.

4 Preferred Option

- 4.1 The preferred option is that the Overview and Scrutiny Performance and Value for Money Select Committee considers the report and advises of any comments.

5 Consultation

- 5.1 There has been consultation with Link Asset Services, the Council's Treasury Management Advisors. The consideration of the Treasury Management Strategy for 2020/21 by the Overview and Scrutiny Performance and Value for Money Select Committee is a key strand in the consultation process. The report has also been scrutinised by the Audit Committee.

6 Financial Implications

- 6.1 Financial Implications are detailed within the report.

7 Legal Services Comments

- 7.1 There are no legal implications.

8 Co-operative Agenda

- 8.1 The Treasury Management strategy embraces the Council's cooperative agenda. The Council will develop its investment framework to ensure it complements the co-operative ethos of the Council.

9 Human Resources Comments

- 9.1 There are no Human Resource Implications.

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 the Internal and External Auditors' reports presented to the Audit Committee. An issue dependent upon market developments which may need to be considered in the future is refinancing some of the long-term loans. This can be mitigated by effective monitoring of the market.

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 & 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 No

17 Key Decision

17.1 Yes

18 Key Decision Reference

18.1 FG-10-20

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: Background papers are provided in Appendices 1 - 8
Officer Name: Lee Walsh / Talei Whitmore
Contact No: 0161 770 6608/ 4924

20 Appendices

Appendix 1 Minimum Revenue Provision (MRP) Policy Statement
Appendix 2 Prudential and Treasury Indicators 2021/22 – 2023/24
Appendix 3 Link Asset Services - Treasury Advisor's Interest Rate Forecast 2019-20221
Appendix 4 Economic Background
Appendix 5 Treasury Management Practice (TMP1) – Credit and Counterparty Risk Management
Appendix 6 Approved Countries for Investments
Appendix 7 Treasury Management Scheme of Delegation
Appendix 8 Treasury Management Role of the Statutory Chief Finance Officer (Director of Finance)

Appendix 1 – Minimum Revenue Provision (MRP) Policy Statement

1.1 General Principles and Practices

- 1.1.1 Local Authorities are required to set aside 'prudent' provision for debt repayment where they have used borrowing or credit arrangements to finance capital expenditure. Ministry for Housing, Communities and Local Government (MHCLG) regulations require the full MRP Statement to be decided upon at least annually and reported to the Council Meeting. The Council has to ensure that the chosen options are prudent.

1.2 Link to Asset Life/Economic Benefit

- 1.2.1 Where capital expenditure on an asset is financed wholly or partly by borrowing or credit arrangements, MRP will normally be determined by reference to asset life, economic benefit or MHCLG Guidance.
- 1.2.2 To the extent that expenditure cannot be linked to the creation/enhancement of an asset and is of a type that is subject to estimated life periods that are referred to in the MHCLG guidance (paragraph 24), these periods will generally be adopted by the Council.
- 1.2.3 Where certain types of capital expenditure incurred by the Council are not capable of being related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure.
- 1.2.4 Whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of expenditure and will only be divided up in cases where there are two or more major components with substantially different useful economic lives.

1.3 Methods for Calculating MRP

- 1.3.1 Any of the methods for calculating MRP that are set out below may be used. MRP will commence in the financial year after the completion of assets rather than when expenditure is incurred. All methods, with the exception of the approach taken to Previously Supported General Fund Borrowing are based on Asset Life/Economic Benefit. These methods include but are not limited to:

The Annuity Method

- 1.3.2 This calculation seeks to ensure the revenue account bears an equal annual charge (for principal and interest) over the life of the asset by taking account of the time value of money. Since MRP relates only to 'principal', the amount of provision made annually gradually increases during the life of the asset. The interest rate used in annuity calculations will be referenced to either prevailing or average PWLB rates.

Equal Instalments of Principal

- 1.3.3 MRP is an equal annual charge calculated by dividing the original amount of borrowing by the useful life of the asset.

Previously Supported General Fund Borrowing

- 1.3.4 General Fund Borrowing that was previously supported through the Revenue Support Grant (RSG) system will be provided for in equal annual instalments over a 50 year period commencing 1 April 2016. As at 1 April 2016, the value of this borrowing equalled

£134,376,866 and results in an equal annual minimum revenue provision of £2,742,385; the final instalment of which will be provided for by no later than 31 March 2066. In the event of:

- transfers of Capital Financing Requirement between the General Fund element and Housing element;
- additional voluntary revenue provision being made

the annual MRP charge will be adjusted to ensure that full provision will continue to be made by no later than 31 March 2066.

Bespoke Repayment Profiles:

- 1.3.5 With regard to credit arrangements that are implicit in Finance Lease or PFI arrangements, any 'debt' repayment element (notional or otherwise) included in charges associated with these arrangements will be classified as MRP.

1.4 Voluntary Revenue Provision

- 1.4.1 The Council has the option of making additional Voluntary Revenue Provision (VRP) in addition to MRP. The Council may treat VRP as 'up-front' provision (having a similar impact to the early repayment of debt) and thus recalculate future MRP charges accordingly. Where the Council has made additional VRP's for debt repayment in previous years, in year MRP charges may be adjusted to reflect this provided it does not result in a negative MRP charge. To the extent charges are adjusted, current and future year's charges will be recalculated to ensure the Council continues to make prudent provision for debt repayment in relation to historic capital expenditure. The Council may in some circumstances apply VRP to relatively short-life assets/expenditure in order to facilitate a reduction in the future base revenue budget needed to fund capital financing costs.

1.5 Local Exceptions to the Guidance

- 1.5.1 The Council reserves the right to determine useful life periods and prudent MRP in certain circumstances or where the recommendations of the MHCLG guidance are not appropriate to local circumstances. Examples include:

Assets Under Construction

- 1.5.2 No MRP charge will be made until the financial year after that in which an item of capital expenditure is fully incurred and, in the case of a new asset, comes into service use.

Local Authority Mortgage Scheme (LAMS)

- 1.5.3 The Council operated a Local Authority Mortgage Scheme (LAMS) using the cash backed option. The mortgage lenders require a five-year deposit from the Local Authority to match the five-year life of the indemnity. The deposit placed with the mortgage lender provides an integral part of the mortgage lending and is treated as capital expenditure and a loan to a third party. The CFR will increase by the amount of the total indemnity. The cash advance is due to be returned in full at maturity, with interest paid annually. Once the cash advance matures and funds are returned to the Local Authority, the returned funds are classed as a capital receipt, which will be applied to reduce the CFR. As this is a temporary (five years) arrangement and the funds will be returned in full, there is no need to set aside MRP to repay the debt liability in the interim period. All previous LAMS schemes are now completed, with the deposits repaid in full. However, the option is still available should the Council see it as a corporate priority.

Loans to Third Parties

- 1.5.4 The Council has considered the Statutory Guidance, which recommends a 25 year repayment charge for loans to third parties and concluded that provision is not necessary. The Council considers an MRP charge is not necessary in respect of any loans made to third parties as the debt liability is covered by the existence of a debtor and the associated obligation to make repayments. Any loans given are subject to substantial due diligence process by both internal officers and were appropriate external advisors.

1.6 Borrowing in Lieu of Capital Receipts

- 1.6.1 The Council has concluded that MRP provision is not necessary for capital expenditure incurred in lieu of capital receipts. Any such schemes will be classified by the Capital Investment Programme Board (CIPB) as 'Borrowing in Lieu of Capital Receipts'. CIPB will also determine which capital receipts will be allocated to the scheme and as the receipts are achieved, they will be applied to repay the debt.

The Application of Capital Receipts in Lieu of MRP

- 1.6.2 Where the Council has received uncommitted and unapplied Capital Receipts, it retains the option to set aside those Capital Receipts as part of its arrangements for making 'prudent' provision for debt repayment rather than using them for capital financing purposes.
- 1.6.3 As Capital Receipts may form part of the Councils arrangements for making 'prudent' provision, setting aside Capital Receipts in this manner can be carried out in lieu of MRP whereby the MRP charge will be reduced by an amount equal to that set aside from Capital Receipts.

1.7 HRA Capital Financing Requirement (CFR)

- 1.7.1 MRP will equal the amount determined in accordance with the former regulations 28 and 29 of the 2003 Regulations (SI 2003/3146) as if they had not been revoked. This approach is consistent with paragraph 7 of the MHCLG Guidance on MRP.
- 1.7.2 The basic MRP charge relating to the HRA CFR is therefore nil. However, the Council may make 'Voluntary Revenue Provision' provided such an approach is prudent and appropriate in the context of financing the HRA capital programme and is consistent with the delivery of the HRA Business Plan.

Appendix 2 Prudential and Treasury Indicators 2021/22 – 2023/24

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

Capital expenditure

Capital Expenditure / Portfolio	2019/20 Actual £'000	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000
Corporate Services *	913	13,195	5,320	69	69
Children's Services	17,548	10,457	6,110	13,200	13,742
Community Health & Adult Social Care	2,407	2,011	3,131	400	400
People & Place	27,317	46,190	64,046	68,770	46,093
Communities & Reform	107	125	637	0	0
Emerging Priorities	0	342	1,442	4,200	3,200
General Fund Services	48,292	72,320	80,686	86,639	63,504
Housing Revenue Account (HRA)	2,134	4,951	3,412	8,127	7,914
HRA	2,134	4,952	3,412	8,127	7,914
Commercial Activities / Non-Financial Investments **	3,957	3,741	0	0	0
Commercial Activities / Non-Financial Investments	3,957	3,741	0	0	0
Total	54,383	81,012	84,098	94,766	71,418

* Excludes any commercial activities which were included in the Corporate Services capital programme.

** Relate to areas such as capital expenditure on investment properties, loans to third parties, purchase of equity shares etc.

The Overview and Scrutiny Performance & Value for Money Select Committee is asked to consider the following indicators:

Affordability prudential indicators

The table above presents the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances.

Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital, (borrowing and other long-term obligation costs net of investment income), against the net revenue stream.

	2019/20 Actual £'000	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000	2023/24 Estimate £'000
General Fund excluding DSG*	13.41%	14.67%	13.34%	13.35%	14.77%

*Dedicated Schools Grant

The estimates of financing costs include current commitments and the proposals in the budget report.

Maturity structure of borrowing

Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing and are required for upper and lower limits.

The Overview and Scrutiny Performance & Value for Money (PVFM) Select Committee is asked to consider the following treasury indicators and limits:

Maturity Structure of fixed interest rate debt 2021/22	Lower Limit	Upper Limit
Under 12 months	0.00%	40.00%
12 months and within 24 months	0.00%	40.00%
24 months and within 5 years	0.00%	40.00%
5 years and within 10 years	0.00%	40.00%
10 years to 20 years	0.00%	50.00%
20 years to 30 years	0.00%	50.00%
30 years to 40 years	0.00%	50.00%
40 years to 50 years	0.00%	50.00%
50 years to 60 years	0.00%	50.00%

Control of interest rate exposure

Members are advised that indicators for interest rate exposure are no longer a requirement under the new Treasury Management Code. However, as interest rate exposure risk is an important issue, officers will continue to monitor the balance between fixed and variable interest rates for borrowing and investments. This will aim to ensure the Council is not exposed to adverse fluctuations in fixed or variable rate interest rate movements.

This is likely to reflect higher fixed interest rate borrowing if the borrowing need is high or fixed interest rates are likely to increase, or a higher variable rate exposure if fixed interest rates are expected to fall. Conversely if shorter term interest rates are likely to fall, investments may be fixed earlier, or kept shorter if short term investments are expected to rise.

The balance between variable rate debt and variable rate investments will be monitored as part of the overall treasury function in the context of the overall financial instruments structure and any under or over borrowing positions.

Appendix 3 – Link Asset Services Interest rate forecast 2020 – 2024

The PWLB rates below are based on the new margins over gilts announced on 26th November 2020. PWLB forecasts shown below have taken into account the 20 basis point certainty rate reduction effective as of the 1st November 2012.

Link Group Interest Rate View		9.11.20		(The Capital Economics forecasts were done 11.11.20)											
These Link forecasts have been amended for the reduction in PWLB margins by 1.0% from 26.11.20															
	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	
BANK RATE	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	
3 month ave earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	
6 month ave earnings	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	
12 month ave earnings	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	
5 yr PWLB	0.80	0.80	0.80	0.80	0.80	0.90	0.90	0.90	0.90	0.90	1.00	1.00	1.00	1.00	
10 yr PWLB	1.10	1.10	1.10	1.10	1.10	1.20	1.20	1.20	1.20	1.20	1.30	1.30	1.30	1.30	
25 yr PWLB	1.50	1.50	1.60	1.60	1.60	1.60	1.70	1.70	1.70	1.70	1.80	1.80	1.80	1.80	
50 yr PWLB	1.30	1.30	1.40	1.40	1.40	1.40	1.50	1.50	1.50	1.50	1.60	1.60	1.60	1.60	
Bank Rate															
Link	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	
Capital Economics	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	-	-	-	-	-	
5yr PWLB Rate															
Link	0.80	0.80	0.80	0.80	0.80	0.90	0.90	0.90	0.90	0.90	1.00	1.00	1.00	1.00	
Capital Economics	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	-	-	-	-	-	
10yr PWLB Rate															
Link	1.10	1.10	1.10	1.10	1.10	1.20	1.20	1.20	1.20	1.20	1.30	1.30	1.30	1.30	
Capital Economics	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	-	-	-	-	-	
25yr PWLB Rate															
Link	1.50	1.50	1.60	1.60	1.60	1.60	1.70	1.70	1.70	1.70	1.80	1.80	1.80	1.80	
Capital Economics	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	-	-	-	-	-	
50yr PWLB Rate															
Link	1.30	1.30	1.40	1.40	1.40	1.40	1.50	1.50	1.50	1.50	1.60	1.60	1.60	1.60	
Capital Economics	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	-	-	-	-	-	

Appendix 4: Economic Background

Set out below is a more detailed analysis of the Economic Background used to support the preparation of the 2021/22 Treasury Management Strategy Statement.

UK.

The key quarterly meeting of the Bank of England Monetary Policy Committee kept Bank Rate unchanged on 5 November 2020. However, it revised its economic forecasts to take account of a second national lockdown from 5 November to 2 December which would obviously put back economic recovery and do further damage to the economy. It therefore decided to do a further tranche of quantitative easing (QE) of £150bn, to start in January when the current programme of £300bn of QE announced in March to June, runs out. The aim is that announcing further asset purchases now should support the economy and help to ensure the unavoidable near-term slowdown in activity was not amplified by a tightening in monetary conditions that could slow the return of inflation to the target.

Its forecasts appeared, at the time, to be rather optimistic in terms of three areas:

- The economy would recover to reach its pre-pandemic level in Q1 2022
- The Bank also expected there to be excess demand in the economy by Q4 2022.
- CPI inflation was therefore projected to be a bit above its 2% target by the start of 2023 and the inflation risks were judged to be balanced.

Significantly, there was no mention of negative interest rates in the minutes or Monetary Policy Report, suggesting that the MPC remains some way from being persuaded of the case for such a policy, at least for the next 6 -12 months. However, rather than saying that it stands ready to adjust monetary policy, the MPC this time said that it will take whatever additional action was necessary to achieve its remit. The latter seems stronger and wider and may indicate the Bank's willingness to embrace new tools.

One key addition to the Bank's forward guidance in August was a new phrase in the policy statement, that it does not intend to tighten monetary policy until there is clear evidence that significant progress is being made in eliminating spare capacity and achieving the 2% target sustainably. What this indicates is that even if inflation rises to 2% in a couple of years' time, there should be no expectation of any action from the MPC to raise Bank Rate, until they can clearly see that level of inflation is going to be persistently above target should it takes no action to raise Bank Rate. Link's Bank Rate forecast currently shows no increase or decrease through to quarter 1 2024 but there could well be no increase during the next five years as it will take some years to eliminate spare capacity in the economy, and therefore for inflationary pressures to rise to cause the MPC concern. Inflation is expected to briefly peak at 2% towards the end of 2021, but this is a temporary short-lived factor and therefore not a concern.

However, the MPC minutes did contain several references to downside risks. The MPC reiterated that the recovery would take time, and the risks around the GDP projection were judged to be skewed to the downside. The minutes also mentioned, the risk of a more persistent period of elevated unemployment remained material. Downside risks could well include severe restrictions remaining in place in some form during most of January and February – the new lockdown period from 5 January for an initial 6 week period. Upside risks included the early roll out of vaccines.

It is only to be expected that some businesses that have barely survived the first lockdowns, will fail to survive the third lockdown, especially those businesses that depend on a surge of business in the run up to Christmas each year. This will mean that there will be some level of further permanent loss of economic activity, although the extension of the furlough scheme to the end of April 2021 will limit the degree of damage done.

We had been waiting expectantly for news that various COVID19 vaccines would be cleared as being safe and effective for administering to the general public. The Pfizer announcement on 9 November was

very encouraging as its 90% effectiveness was much higher than the 50-60% rate of effectiveness of flu vaccines which might otherwise have been expected. However, the vaccine demands cold storage requirements of minus 70C that impairs the speed of application to the general population. It has therefore been particularly welcome that the Oxford University/AstraZeneca vaccine has now been rolled out which is much cheaper and only requires fridge temperatures for storage. The Government is aiming to vaccinate at a rate of 2 million people per week, though this rate is currently restricted by a bottleneck on vaccine production. A new UK production facility is due to be completed in June.

These announcements plus expected further announcements that other vaccines will be approved soon have enormously boosted confidence that life could largely return to normal during the second half of 2021. With activity in the still-depressed sectors like restaurants, travel and hotels returning to their pre-pandemic levels, this will help to bring the unemployment rate down. With the household saving rate having been exceptionally high since the first lockdown in March there is plenty of pent-up demand and purchasing power stored up for these services. A comprehensive roll-out of vaccines might take into late 2021 to fully complete but if these vaccines prove to be highly effective, then there is a possibility that restrictions could begin to be eased, beginning possibly in Q2 2021, once vulnerable people and front-line workers have been vaccinated. At that point, there would be less reason to fear that hospitals could become overwhelmed. Effective vaccines would radically improve the economic outlook once they have been widely administered and it may allow GDP to rise to its pre-virus level a year earlier than otherwise and mean that the unemployment rate peaks at 7% in 2021 instead of 9%.

Public borrowing was forecast in November by the Office for Budget Responsibility (the OBR) to reach £394bn in the current financial year, the highest ever peace time deficit and equivalent to 19% of GDP. In normal times, such an increase in total gilt issuance would lead to a rise in gilt yields, and therefore PWLB rates. However, the QE done by the Bank of England has depressed gilt yields to historic low levels, (as has similarly occurred with QE and debt issued in the US, the EU and Japan). This means that new UK debt being issued, and this is being done across the whole yield curve in all maturities, is locking in those historic low levels through until maturity. In addition, the UK has one of the longest average maturities for its entire debt portfolio, of any country in the world. Overall, this means that the total interest bill paid by the Government is manageable despite the huge increase in the total amount of debt. The OBR was also forecasting that the government will still be running a budget deficit of £102bn (3.9% of GDP) by 2025/26. However, initial impressions are that they have taken a pessimistic view of the impact that vaccines could make in the speed of economic recovery.

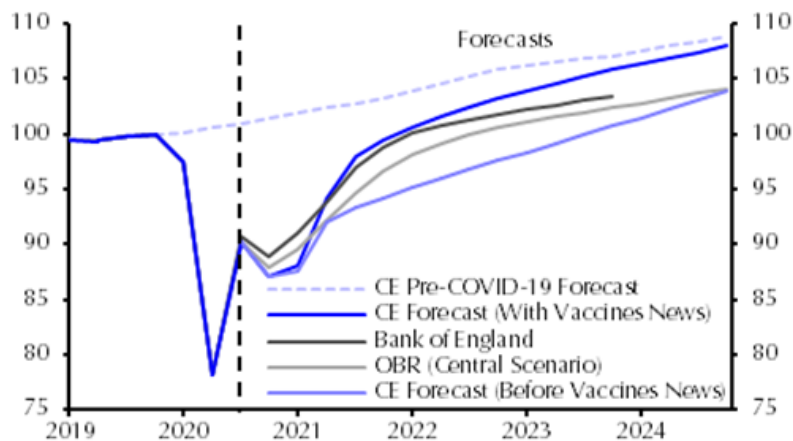
Overall, the pace of recovery was not expected to be in the form of a rapid V shape, but a more elongated and prolonged one. The initial recovery was sharp after quarter 1 saw growth at -3.0% followed by 18.8% in quarter 2 and then an upswing of +16.0% in quarter 3; this still left the economy 8.6% smaller than in Q4 2019. It is likely that the one month national lockdown that started on 5 November, will have caused a further contraction of 8% month on month (m/m) in November so the economy may have then been 14% below its pre-crisis level.

December 2020 / January 2021

Since end of the 2nd national lockdown there has been a rapid back tracking on easing restrictions due to the spread of a new mutation of the virus by the imposition of severe restrictions across all four nations. These restrictions were changed on 5 January to national lockdowns of various initial lengths in each of the four nations as the NHS was under extreme pressure. It is now likely that wide areas of the UK will remain under severe restrictions for some months. This means that the near-term outlook for the economy is grim. However, the distribution of vaccines and the expected consequent removal of COVID-19 restrictions, should allow GDP to rebound rapidly in the second half of 2021 so that the economy could climb back to its pre-pandemic peak as soon as late in 2022. Provided that both monetary and fiscal policy are kept loose for a few years yet, then it is still possible that in the second half of this decade, the economy may be no smaller than it would have been if COVID-19 never happened. The significant caveat is that another mutation of COVID-19 does not appear that defeats the current batch of vaccines.

However, now that science and technology have caught up with understanding this virus, new vaccines ought to be able to be developed more quickly to counter such a development and vaccine production facilities are being ramped up around the world.

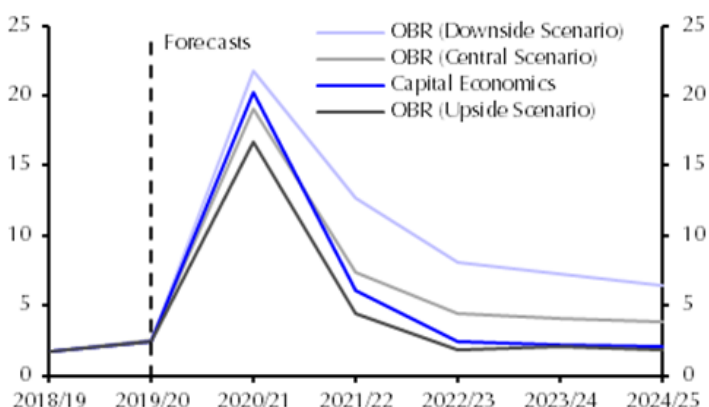
Chart: Level of real GDP (Q4 2019 = 100)



(if unable to print in colour..... the key describing each line in the above graph is in sequential order from top to bottom in parallel with the lines in the graph.)

This recovery of growth which eliminates the effects of the pandemic by about the middle of the decade would have major repercussions for public finances as it would be consistent with the government deficit falling to around 2.5% of GDP without any tax increases. This would be in line with the OBR's most optimistic forecast in the graph below, rather than their current central scenario which predicts a 4% deficit due to assuming much slower growth. However, Capital Economics forecasts assumed that there is a reasonable Brexit deal and also that politicians do not raise taxes or embark on major austerity measures and so depress economic growth and recovery.

Chart: Public Sector Net Borrowing (As a % of GDP)



(if unable to print in colour..... the key describing each line in the above graph is in sequential order from top to bottom in parallel with the lines in the graph.)

- There will still be some longer-term adjustments as e.g. office space and travel by planes, trains and buses may not recover to their previous level of use for several years, or possibly ever, even if

vaccines are fully successful in overcoming the current virus. There is also likely to be a reversal of globalisation as this crisis has exposed how vulnerable long-distance supply chains are. On the other hand, digital services are one area that has already seen huge growth.

Brexit

While the UK has been gripped by the long running saga of whether or not a deal would be made by 31 December, the final agreement on 24 December, followed by ratification by Parliament and all 27 EU countries in the following week, has eliminated a significant downside risk for the UK economy. The initial agreement only covers trade so there is further work to be done on the services sector where temporary equivalence has been granted in both directions between the UK and EU. That now needs to be formalised on a permanent basis. As the forecasts in this report were based on an assumption of a Brexit agreement being reached, there is no need to amend these forecasts.

Monetary Policy Committee meeting of 17 December

All nine Committee members voted to keep interest rates on hold at +0.10% and the Quantitative Easing (QE) target at £895bn. The MPC commented that the successful rollout of vaccines had reduced the downsides risks to the economy it had highlighted in November. But this was caveated by stating that, although all members agreed that this would reduce downside risks, they placed different weights on the degree to which this was also expected to lead to stronger GDP growth in the central case. Therefore, while the vaccine is a positive development, in the eyes of the MPC at least, the economy is far from out of the woods. As a result of these continued concerns, the MPC voted to extend the availability of the Term Funding Scheme with additional incentives for small and medium size enterprises for six months from 30 April until 31 October 2021. The MPC had assumed that a Brexit deal would be agreed.

Fiscal Policy

In the same week as the MPC meeting, the Chancellor made a series of announcements to provide further support to the economy:

- An extension of the COVID-19 loan schemes from the end of January 2021 to the end of March 2021.
- The furlough scheme was lengthened from the end of March 2021 to the end of April 2021.
- The Budget on 3 March 2021 will lay out the “next phase of the plan to tackle the virus and protect jobs”. This does not sound like tax rises are imminent, which could hold back the speed of economic recovery.

The Financial Policy Committee (FPC) report on 6 August 2020 revised down their expected credit losses for the banking sector to somewhat less than £80bn. It stated that in its assessment, banks have buffers of capital more than sufficient to absorb the losses that are likely to arise under the MPC's central projection. The FPC stated that for real stress in the sector, the economic output would need to be twice as bad as the MPC's projection, with unemployment rising to above 15%.

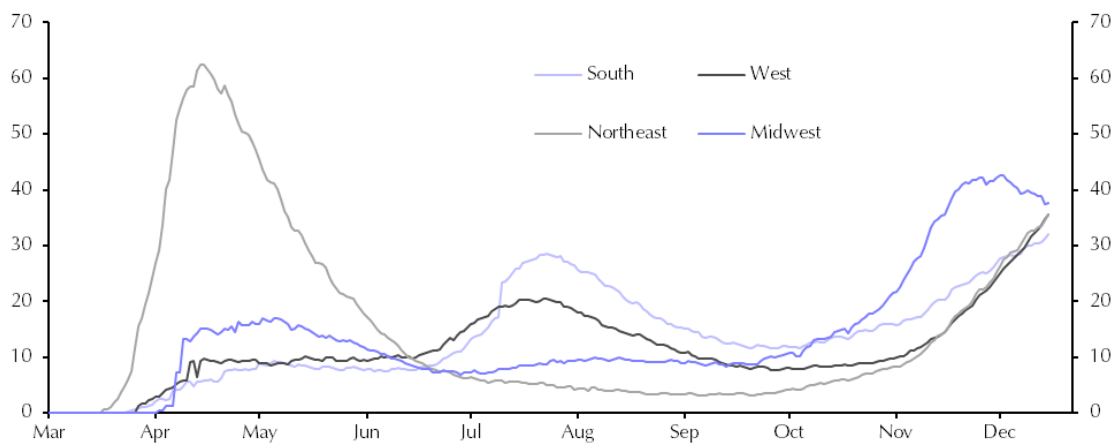
US

The result of the November elections means that the Democrats gained the presidency and a majority in the House of Representatives and are on the verge of taking a majority of seats in the Senate. If those two seats do swing to the Democrats, they will then control both Houses and President Biden will consequently have a free hand to determine policy and to implement his election manifesto.

The economy had been recovering quite strongly from its contraction in 2020 of 10.2% due to the pandemic with GDP only 3.5% below its pre-pandemic level and the unemployment rate dropping below

7%. However, the rise in new cases during quarter 4 2020, to the highest level since mid-August 2020, suggests that the US could be in the early stages of a fourth wave. While the first wave in March and April was concentrated in the Northeast, and the second wave in the South and West, third wave in the Midwest looks as if it now abating. However, it also looks as if the virus is rising again in the rest of the country. The latest upturn poses a threat that the recovery in the economy could stall. This is the single biggest downside risk to the shorter term outlook, a more widespread and severe wave of infections over the winter months, which is compounded by the impact of the regular flu season and, as a consequence, threatens to overwhelm health care facilities. Under those circumstances, states might feel it necessary to return to more draconian lockdowns.

COVID-19 hospitalisations per 100,000 population



The restrictions imposed to control its spread are once again weighing on the economy with employment growth slowing sharply in November and retail sales dropping back. The economy is set for further weakness in December and into the spring. However, a \$900bn fiscal stimulus deal passed by Congress in late December will limit the downside through measures which included a second round of direct payments to households worth \$600 per person and a three-month extension of enhanced unemployment insurance (including a \$300 weekly top-up payment for all claimants). GDP growth is expected to rebound markedly from the second quarter of 2021 onwards, as vaccines are rolled out on a widespread basis and restrictions are loosened.

After Chair Jerome Powell unveiled the US Federal Reserve's (Fed) adoption of a flexible average inflation target in his Jackson Hole speech in late August 2020, at the mid-September 2020 meeting of the Fed agreed by a majority to a toned down version of the new inflation target in his speech, that it would likely be appropriate to maintain the current target range until labour market conditions were judged to be consistent with the Committee's assessments of maximum employment and inflation had risen to 2% and was on track to moderately exceed 2% for some time. This change was aimed to provide more stimulus for economic growth and higher levels of employment and to avoid the danger of getting caught in a deflationary trap like Japan. It is to be noted that inflation has actually been under the 2% target significantly for most of the last decade, so financial markets took note that higher levels of inflation are likely to be in the pipeline. As a result, long-term bond yields duly rose after the meeting. The Federal Open Market Committee's (FOMC) updated economic and rate projections in mid-September 2020 showed that officials expect to leave the Fed funds rate at near-zero until at least end-2023 and probably for another year or two beyond that. There is now some expectation that where the Fed has led in changing its inflation target, other major central banks will follow. The increase in tension over the last year between the US and China is likely to lead to a lack of momentum in progressing the initial positive moves to agree a phase one trade deal.

The Fed's meeting on 5 November was unremarkable but at a politically sensitive time around the elections. At its 16 December meeting the Fed tweaked the guidance for its asset purchases in the statement issued after the conclusion of today's FOMC meeting, with the new language implying those purchases could continue for longer than previously believed. Nevertheless, with officials still projecting that inflation will only get back to 2.0% in 2023, the vast majority expect the Fed funds rate to be still at near-zero until 2024 or later. Furthermore, the new rate forecast tables reveal that officials think the balance of risks surrounding that median inflation forecast are firmly skewed to the downside. The key message is still that policy will remain unusually accommodative – with near-zero rates and asset purchases – continuing for several more years. This is likely to result in keeping Treasury yields low – which will also have an influence on gilt yields in this country

EU

In early December, the figures for Q3 GDP confirmed that the economy staged a rapid rebound from the first lockdowns. This provides grounds for optimism about growth prospects for next year. In Q2, GDP was 15% below its pre-pandemic level. But in Q3 the economy grew by 12.5% Quarter on Quarter (q/q) leaving GDP down by “only” 4.4%. That was much better than had been expected earlier in the year. However, growth is likely to stagnate Q1 of 2021, as a second wave of the virus has affected many countries it is likely to hit hardest those countries more dependent on tourism. The €750bn fiscal support package eventually agreed by the EU after prolonged disagreement between various countries, is likely to provide significant support, and will make a difference in the worst affected countries.

With inflation expected to be unlikely to get much above 1% over the next two years, the European Central Bank (ECB) has been struggling to get inflation up to its 2% target. It is currently unlikely that it will cut its central rate even further into negative territory from -0.5%, although the ECB has stated that it retains this as a possible tool to use. The ECB's December meeting added a further €500bn to the PEPP scheme (purchase of government and other bonds) and extended the duration of the programme to March 2022 and re-investing maturities until December 2023. Three additional tranches of TLTRO (cheap loans to banks) were approved, indicating that support will last beyond the impact of the pandemic, implying indirect yield curve control for government bonds for some time ahead. The Bank's forecast for a return to pre-virus activity levels was pushed back to the end of 2021, but stronger growth is projected in 2022. The current Pandemic Emergency Purchase Programme (PEPP) scheme of €1,350bn of QE which started in March 2020 is providing protection to the sovereign bond yields of weaker countries like Italy. There is therefore unlikely to be a euro crisis while the ECB is able to maintain this level of support.

However, as in the UK and the US, the advent of highly effective vaccines will be a game changer, although growth will struggle before Q2 of 2021.

China

After a concerted effort to get on top of the virus outbreak in Q1, economic recovery was strong in Q2 and then into Q3 and Q4. This has enabled China to recover all of the contraction in Q1. Policy makers have both quashed the virus and implemented a programme of monetary and fiscal support that has been particularly effective at stimulating short-term growth. At the same time, China's economy has benefited from the shift towards online spending by consumers in developed markets. These factors help to explain its comparative outperformance compared to western economies.

However, this was achieved by major Central Government funding of yet more infrastructure spending. After years of growth having been focused on this same area, any further spending in this area is likely to lead to increasingly weaker economic returns in the longer term. This could, therefore, lead to a further misallocation of resources which will weigh on growth in future years.

Japan

A third round of stimulus in early December took total fresh fiscal spending in response to the virus close to 12% of pre-virus GDP. That's huge by past standards, and one of the largest national fiscal responses. The budget deficit is now likely to reach 16% of GDP this year. Coupled with Japan's relative success in containing the virus without draconian measures so far, and the likelihood of effective vaccines being available in the coming months, the Government's latest fiscal arrow should help ensure a strong recovery and to get back to pre-virus levels by Q3 2021 – around the same time as the US and much sooner than the Eurozone.

World Growth

World growth will have been in recession in 2020. Inflation is unlikely to be a problem for some years due to the creation of excess production capacity and depressed demand caused by the coronavirus crisis.

Until recent years, world growth has been boosted by increasing globalisation i.e. countries specialising in producing goods and commodities in which they have an economic advantage and which they then trade with the rest of the world. This has boosted worldwide productivity and growth, and, by lowering costs, has also depressed inflation. However, the rise of China as an economic superpower over the last thirty years, which now accounts for nearly 20% of total world GDP, has unbalanced the world economy. The Chinese Government has targeted achieving major world positions in specific key sectors and products, especially high-tech areas and production of rare earth minerals used in high tech products. It is achieving this by massive financial support, (i.e. subsidies), to state owned firms, Government directions to other firms, restrictions on market access by foreign firms and informal targets for the domestic market share of Chinese producers in the selected sectors. This is regarded as being unfair competition that is putting western firms at an unfair disadvantage or even putting some out of business. It is also regarded with suspicion on the political front as China is an authoritarian country that is not averse to using economic and military power for political advantage. The current trade war between the US and China therefore needs to be seen against that backdrop. It is, therefore, likely that we are heading into a period where there will be a reversal of world globalisation and a decoupling of western countries from dependence on China to supply products. This is likely to produce a backdrop in the coming years of weak global growth and so weak inflation.

Summary

Central banks are, therefore, likely to support growth by maintaining loose monetary policy through keeping rates very low for longer. Governments could also help a quicker recovery by providing more fiscal support for their economies at a time when total debt is affordable due to the very low rates of interest. They will also need to avoid significant increases in taxation or austerity measures that depress demand in their economies.

If there is a huge surge in investor confidence as a result of successful vaccines which leads to a major switch out of Government bonds into equities, which, in turn, causes Government debt yields to rise, then there will be pressure on central banks to actively manage debt yields by further QE purchases of Government debt. This would help to suppress the rise in debt yields and so keep the total interest bill on greatly expanded government debt portfolios within manageable parameters. It is also the main alternative to a programme of austerity.

The graph below as at 10 November 2020, shows how the 10 and 30 year gilt yields in the UK spiked up after the Pfizer vaccine announcement on the previous day, (though they levelled off during late November at around the same elevated levels): -



Interest Rate Forecasts

Brexit

The interest rate forecasts provided by Link in Section 2.5 were predicated on an assumption of a reasonable agreement being reached on trade negotiations between the UK and the EU by 31 December 2020. There is therefore no need to revise these forecasts now that a trade deal has been agreed.

Brexit may reduce the economy's potential growth rate in the long run. However, much of that drag is now likely to be offset by an acceleration of productivity growth triggered by the digital revolution brought about by the COVID crisis.

The balance of risks to the UK:

- The overall balance of risks to economic growth in the UK is probably now skewed to the upside but is still subject to some uncertainty due to the virus and the effect of any mutations, and how quickly vaccines are in enabling a relaxation of restrictions.
- There is relatively little UK domestic risk of increases or decreases in Bank Rate and significant changes in shorter term PWLB rates. The Bank of England has effectively ruled out the use of negative interest rates in the near term and increases in Bank Rate are likely to be some years away given the underlying economic expectations. However, it is always possible that safe haven flows, due to unexpected domestic developments and those in other major economies, could impact gilt yields, (and so PWLB rates), in the UK.

Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

- UK government takes too much action too quickly to raise taxation or introduce austerity measures that depress demand in the economy.
- UK - 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. The ECB has taken monetary policy action to support the bonds of EU states, with the positive impact most likely for weaker countries. In addition, the EU agreed a €750bn fiscal support package. These actions will help shield weaker economic regions for the next two or three years. However, in the case of Italy, the cost of the virus crisis has added to its already huge debt mountain and its slow economic growth will leave it vulnerable to markets returning to taking the view that its level of debt is unsupportable. There remains a sharp divide between northern EU countries favouring low debt to GDP and annual

balanced budgets and southern countries who want to see jointly issued Eurobonds to finance economic recovery. This divide could undermine the unity of the EU in time to come.

- Weak capitalisation of some European banks, which could be undermined further depending on extent of credit losses resultant of the pandemic.
- German minority government & general election in 2021. In the German general election of September 2017, Angela Merkel's CDU party was left in a vulnerable minority position dependent on the support of the SPD party, as a result of the rise in popularity of the AfD party. The CDU has done badly in subsequent state elections, but the SPD has done particularly badly. Angela Merkel has stepped down from being the CDU party leader, but she will remain as Chancellor until the general election in 2021. This then leaves a major question mark over who will be the major guiding hand and driver of EU unity, when she steps down.
- Other minority EU governments. Austria, Sweden, Spain, Portugal, Netherlands, Ireland and Belgium also have vulnerable minority governments dependent on coalitions which could prove fragile.
- Austria, the Czech Republic, Poland and Hungary now form a strongly bloc within the EU which had threatened to derail the 7-year EU budget until a compromise was agreed in late 2020.
- Geopolitical risks, for example in China, Iran or North Korea, but also in Europe and other Middle Eastern countries, which could lead to increasing safe haven flows.

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

- UK - a significant rise in inflationary pressures, for example caused by a stronger than currently expected recovery in the UK economy after effective vaccines are administered quickly to the UK population leading to a rapid resumption of normal life and a return to full economic activity across all sectors of the economy.
- 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 rapid series of increases in Bank Rate to stifle inflation.

Appendix 5: Treasury Management Practice (TMP1) – Credit and Counterparty Risk Management

Specified Investments: All such investments will be sterling denominated, with **maturities up to a maximum of 1 year**, meeting the minimum ‘high’ quality criteria where applicable.

Non-specified Investments: These are any investments which do not meet the specified investment criteria. A maximum of 50% will be held in aggregate in non-specified investment

A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made it will fall into one of the above categories.

The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

Specified Investments

	Minimum credit criteria / colour band	** Max % of total investments/ £ limit per institution	Max. maturity period
DMADF – UK Government Debt Management Account Deposit Facility	N/A	£40m	6 months
UK Government gilts	UK sovereign rating	£20m	12 months
UK Government Treasury bills	UK sovereign rating	£20m	12 months
Bonds issued by multilateral development banks	AAA	£10m	6 months
Money Market Funds Constant Net Asset Value (CNAV)	AAA	£20m	Liquid
Money Market Funds Low Volatility Net Asset Value (LVNAV)	AAA	£20m	Liquid
Money Market Funds Variable Net Asset Value (VNAV)	AAA	£20m	Liquid
Enhanced Cash Funds with a credit score of 1.25	AAA	£20m	Liquid
Enhanced Cash Funds with a credit score of 1.5	AAA	£20m	Liquid
Local Authorities	Yellow	£10m	12 months
Public Bodies	N/A	£10m	12 months
Term deposits with banks and building societies	Blue Orange Red Green No Colour	£20m £15m £10m £10m Not for use	12 months 12 months 6 months 100 days Not for use
CDs or corporate bonds with banks and building societies	Blue Orange Red Green No Colour	£20m £15m £10m £10m Not for use	12 months 12 months 6 months 100 days Not for use
Gilt funds	UK sovereign rating	£10m	12 months

REPO's (Collateralised deposit)	100% Collateral	£5m	12 months
GMCA	Internal Due Diligence	£30m	12 months
GM Public Bodies	Internal Due Diligence	£30m	12 months

Accounting treatment of investments. The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by the Council. To ensure that the Council is protected from any adverse revenue implications, which may arise from these differences, the accounting implications of new transactions will be reviewed before they are undertaken.

Non-specified Investments: A maximum of 50% will be held in aggregate in non-specified investments

Maturities in excess of 1 year

	* Minimum Credit Criteria	Use	£ limit per institution	Max. maturity period
Term deposits – local authorities and other public institutions	Yellow	In-house	£10m	5 years
Term deposits – banks and building societies	Yellow Purple	In-house	£10m £10m	5 years 2 years
Certificates of deposit issued by banks and building societies	Yellow Purple	In-house	£10m £10m	5 years 2 years
Certificates of deposit issued by banks and building societies	Short-term F1 Long-term AA	Fund Managers	£5m	2 years
Collateralised deposit	UK sovereign rating	In-house and Fund Managers	£5m	2 years
UK Government Gilts	UK sovereign rating	In-house and Fund Managers	£10m	5 years
Bonds issued by multilateral development banks	AAA	In-house and Fund Managers	£10m	3 years
Sovereign bond issues (other than the UK Government)	AAA	In-house and Fund Managers	£5m	2 years
Corporate bonds	Short-term F1 Long-term AA	In-house and Fund Managers	£5m	5 years
Green Energy Bonds	Internal Due Diligence	In-house and Fund Managers	£10m	10 years
Property Funds	Internal Due Diligence	In-house	£30m	10 years
Floating Rate Notes	Long Term A	In-house	£5m	5 years
REPO's (Collateralised deposit)	100% Collateral	In-house	£5m	5 years
GMCA	Internal Due Diligence	In-house	£30m	5 years
Covered Bonds	Long term A	In-house	£5m	5 years
UK Municipal Bonds Agency	Internal Due Diligence	In-house	£1m	10 years
Local Authority Fixed Income Fund	Internal Due Diligence	In-house	£5m	10 years
Unrated Bonds, backed by securitised Assets	Internal Due Diligence	In-house and fund managers	£5m	5 years
Asset Backed Pooled Investment Funds	Internal Due Diligence	In-house and fund managers	£5m	5 years
Fixed term deposits with variable rate and variable maturities	Internal Due Diligence	In-house and External Advice	£20m	50 years
Debt Financing	Internal Due Diligence & External Advice	In-house and External Advice	£30m	10 years

Appendix 6: Approved Countries for Investments (as at January 2021)

AAA

- Australia
- Canada
- Denmark
- Germany
- Luxembourg
- Netherlands
- Norway
- Sweden
- Switzerland

AA+

- Finland
- U.S.A.

AA

- France
- U.K.

AA-

- Belgium

Appendix 7: Treasury Management Scheme of Delegation

The scheme of delegation is as follows:

Full Council is the responsible body for:

- receiving and reviewing reports on Treasury Management policies, practices and activities;
- the approval of the annual strategy, mid-year review and outturn report.
- approval of/amendments to the organisation's Treasury Management Policy Statement;
- budget consideration and approval;
- approval of the division of responsibilities;
- receiving and reviewing regular monitoring reports and acting on recommendations;

Cabinet is the responsible body for:

- considering the Treasury Management Policy and Procedures and making recommendations to the responsible body.
- considering Treasury Management reports and commending to Council.

Audit Committee is responsible for scrutiny:

- reviewing the Treasury Management Policy and Procedures and making recommendations to the responsible body.
- Reviewing Treasury Management reports and making recommendations to the responsible body.

Cabinet Member for Finance and Green is responsible for:

- approving the selection of external service providers and agreeing terms of appointment

Note : The Overview and Scrutiny Performance and Value for Money Select Committee reviews and scrutinises the Annual Treasury Management Strategy report along with the suite of other budget reports (including the Capital Strategy).

Appendix 8: The Treasury Management Role of the Statutory Chief Finance Officer (Director of Finance)

The Statutory Chief Financial Officer will discharge the Treasury Management role by:

- recommending Treasury Management Policy/Practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular Treasury Management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing Treasury Management information reports;
- reviewing the performance of the Treasury Management function;
- ensuring the adequacy of Treasury Management resources and skills, and the effective division of responsibilities within the Treasury Management function;
- ensuring the adequacy of internal audit processes, and liaising with external audit;
- recommending the appointment of external service providers.
- preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long term timeframe
- ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority
- ensuring that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing
- ensuring the proportionality of all investments so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk compared to its financial resources
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long term liabilities
- the provision to Members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees
- ensuring that Members are adequately informed and understand the risk exposures taken on by an authority
- ensuring that the authority has adequate expertise, either in house or externally provided, to carry out the above
- the creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following -
 - o Risk management (TMP1 and schedules), including investment and risk management criteria for any material non-treasury investment portfolios;
 - o Performance measurement and management (TMP2 and schedules), including methodology and criteria for assessing the performance and success of non-treasury investments;
 - o Decision making, governance and organisation (TMP5 and schedules), including a statement of the governance requirements for decision making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;

- o Reporting and management information (TMP6 and schedules), including where and how often monitoring reports are taken;
- o Ensuring appropriate training and qualifications (TMP10 and schedules), including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.

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Report to Overview and Scrutiny Performance and Value for Money Select Committee

Statement of the Chief Financial Officer on Reserves, Robustness of Estimates and Affordability and Prudence of Capital Investments

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

Officer Contact: Anne Ryans, Director of Finance

Report Author: Mark Stenson, Head of Corporate Governance
Ext. 4783

28 January 2021

Reason for Decision

To recommend that Overview and Scrutiny Performance and Value for Money Select Committee considers the level of balances necessary to support the 2021/22 budget underpinned by the agreed policy on Earmarked Reserves, setting a properly balanced revenue budget which includes the financing of capital investments within the present investment proposals.

Executive Summary

In order to comply with Section 25 of the Local Government Act 2003; the Authority's Chief Financial Officer (the Director of Finance) is required to report on the robustness of the estimates made for the purposes of the revenue budget calculations and the adequacy of the proposed reserves. This information enables a longer-term view of the overall financial resilience of the Council to be taken. It also reports on the Director of Finance's consideration of the affordability and prudence of capital investment proposals. The level of general balances to support the budget and an appropriate level of Earmarked Reserves maintained by the Council in accordance with the agreed Council Policy on Earmarked Reserves, are an integral part of its continued financial resilience supporting the stability of the Council.

There have been several reports issued on the subject of the financial resilience of Local Authorities alongside the publication by the Chartered Institute of Public Finance & Accountancy (CIPFA) of a Local Authority Financial Resilience Index and the implementation

of a Financial Management Code. These issues are highlighted in Section 5 of the report but were largely prompted by the financial challenges at Northamptonshire County Council during 2018 followed by both Nottingham City Council (NCC) and the London Borough of Croydon Council (LBC) in 2020 and the raising of significant concerns about the financial stability of other Local Authorities.

Whilst the Council has prepared a detailed revenue budget within a three year Medium Term Financial Strategy (MTFS), a five year Capital Programme and continues the closure of accounts within an appropriate timeframe allowing early focus on the upcoming challenges and a robust financial transformation programme, there continues to be a reliance on the use of reserves to balance the revenue budget.

Since 2016/17, reserves of £32.945m have been used to underpin the Council's revenue budget alongside a number of one-off measures. In 2020/21, £10.008m of reserves and £5.150m of one-off measures were used to support the revenue budget. Included within the Medium Term Financial Strategy is the required use of reserves of £29.000m over the next two financial years. For 2021/22, it is proposed to use corporate reserves of £16.988m and specific reserves of £0.127m together with £25.463m to offset the Collection Fund deficit arising from the awarding of business rates reliefs in 2020/21 (this is a technical accounting adjustment) combined with one-off measures totaling £2.000m. The remaining corporate Balancing Budget reserve of £12.012m will be used to support 2022/23.

There is, therefore, a considerable reliance on the use of reserves to balance the budget in 2021/22 and also 2022/23. The continued use of reserves and one-off measures has had the impact of deferring the changes that are required to balance the revenue budget by on-going sustainable means. The implementation of the next phase of the transformation programme in 2021/22 is expected to begin to address this challenge although this has been impacted by the global pandemic. The expected benefits of the transformation programme will be phased over several financial years and will be supported by the use of reserves over the short term.

As detailed within the Council's Audit Completion Report, presented alongside the Statement of Accounts, the External Auditors concluded that for 2019/20 the Council had made proper arrangements to deliver financial sustainability in the medium term. However, it was also pointed out that "The Council has significant levels of Earmarked Reserves as at 31 March 2020, but these are not sufficient to sustain the Council's financial position over the medium term". It is important to note that the public findings into both NCC and LBC indicate Councils at risk of not being able to agree balanced budgets as their reserves are insufficient to mitigate either in year or 2021/22 estimated shortfalls in resources.

Financial resilience does depend in part on the Council maintaining an adequate level of reserves which are set out in this report. In order to scrutinise the level of reserves held by the Council the policy on Earmarked Reserves was considered by the Audit Committee in July 2020 and it is proposed to action the same review again in 2021/22 after the closure of the accounts for 2020/21.

Whilst the Council is utilising a number of reserves to support the 2021/22 revenue budget and anticipates a use of reserves in 2022/23, Members can be assured that Oldham Council currently remains financially resilient. Work is taking place to address the on-going financial pressures that the Council is facing. At the start of 2021/22 it continues to be well placed to meet the difficult financial challenges ahead. However, this strategy relies on the delivery of

the transformation programme over the short to medium term, so the comments made by the external auditor to support the value for money conclusion for the financial year-end 2020/21 are fair. However, transformational change at pace is required. Public findings reported elsewhere have shown that some Authorities have not, in a small number of cases, been able to deliver the level of transformational savings required.

In conclusion, the Chief Finance Officer is able to advise Members of the robustness of the estimates and the affordability and prudence of capital estimates for 2021/22. Despite the use of reserves over recent years, the level of reserves remains adequate to support the 2021/22 financial position and demonstrates financial resilience. However, this is only the case provided that action is taken to ensure that the balances are set at the level of £15.641m for 2021/22 as calculated in this report and that all budget options, or in year alternatives, are delivered as planned and monitored.

Recommendations

It is recommended that Overview and Scrutiny Performance and Value for Money Select Committee considers and comments upon:

- The proposed General Fund Balance currently calculated for 2021/22 at £15.641m.
- The initial estimate of General Fund Balances to support the Medium Term Financial Strategy is as follows:
 - o £17.349m for 2022/23 and
 - o £18.602m for 2023/24.
- The intended report to be presented to the Audit Committee on Earmarked Reserves to ensure this area is subject to appropriate scrutiny.
- The actions necessary to secure a properly balanced budget as presented in paragraph 3.6.
- The actions necessary to ensure the prudence of the capital investments as noted in Section 4.

Statement of the Chief Financial Officer on Reserves, Robustness of Estimates and Affordability and Prudence of Capital Investments

1. Background on Calculating the Recommended Level of General Balances to support the 2020/21 Budget

- 1.1. There are two approaches for deciding the optimum level of the general contingency reserve required for the Council to support its annual budget process. This is either a percentage of expenditure, which at one stage was recommended by the external auditors to be at a minimum 5% of net expenditure, or an approach based on an assessment of risk.
- 1.2. The agreed Council approach adopted for a number of years is to use a risk based approach based upon 11 areas of assessed risk:
- Inflation is underestimated in the original estimates
 - Interest rates are underestimated
 - Changes to grant funding regimes
 - Some budgets are only indicative at the time the budget is agreed
 - Volatility in some budget headings between years
 - Efficiency gains expected in the agreed budget are not achieved
 - Unforeseen insurance costs
 - Emergencies which cannot be foreseen which occur on an ad hoc basis
 - Changes to budgets where targets are not met
 - Financial and Partnership guarantees given by the Council including Health Devolution
 - Unforeseen events
- 1.3. The calculation to support the 2021/22 revenue budget is detailed at Appendix 1. It also calculates an indicative recommended level of balances to support the 2022/23 and 2023/24 budgets. These allow for the current pressured state of the Council's finances which, by way of example, include the unprecedented impact of the COVID-19 global pandemic.
- 1.4. The recommended level of general balances to support the 2021/22 budget is £15.641m. Although the Council is currently reporting a forecast adverse position it is anticipated that management actions alongside additional Central Government funding to support the Council's response to COVID-19 and partner contributions will ensure that there will be no requirement to supplement the revenue budget from balances in 2020/21 and that this General Fund balance will be achieved.
- 1.5. The detailed assumptions supporting the assessment of risk within the detailed general balances calculation are set out in Appendix 2.
- 1.6. The indicative level of balances for the Medium Term are £17.349m for 2022/23 and £18.602m for the years 2023/24. These are in line with the level of risk included in the 2021/22 calculation and reflect the need to keep an appropriate level of general balances to manage known challenges.

2. Earmarked Reserves

- 2.1. The Council has 12 Earmarked Reserves as summarised in Appendix 3 and has estimated Earmarked Reserves at the 2020/21 year-end totalling £84.915m. This total is after the anticipated call down of £21.417m in year offset by a Section 31 grant for Business Rate compensation at a value of £25.463m. This additional Section 31 funding will be used in 2021/22 in full to support the Collection Fund Deficit as a result of the global pandemic. In

addition, a further £1.000m of Section 31 grant is to be transferred to reserve at the end of 2020/21, the anticipated Government compensation for irrecoverable Collection Fund losses in 2020/21. Alongside this there is further anticipated transfer to reserves of £0.084m with regards to Mercury Emissions and the reclassification of reserves between categories totalling £0.425m. This will be used to support the 2021/22 revenue budget. Management of these reserves takes place via the monthly monitoring reports during the financial year and at year-end as part of the closure of accounts.

- 2.2. The projected level of reserves does not allow for the carry forward of any COVID related Government grant funding which has been awarded in 2020/21 but may not be spent by the end of the financial year. At this stage it is not clear if or how much of such grant will remain unspent at 31 March 2021.
- 2.3. Further detail of the estimated Earmarked Reserves held by the Council which are supported by the Reserves Policy are detailed in Appendix 3. The Earmarked Reserves to meet known or expected liabilities where it is challenging to be specific about the exact financial amount of liability are:
 - Council Initiatives
 - Insurance Reserve
 - Levy Reserve
 - Adverse Weather Reserve
 - Transformation Reserve
 - Lifecycle Costs Reserve
 - Fiscal Mitigation Reserve
- 2.4. The Earmarked Reserves required for other more specific, including invest to save purposes are:
 - Balancing Budget Reserve
 - Regeneration Reserve
 - Integrated Working Reserve
 - Directorate Reserves
 - District Executive Reserve
- 2.5. In addition, there are two other reserves, the School Balances reserve (which is not available for the Council to utilise) and the Revenue Grants reserve which is for specific grant related initiatives.
- 2.6. Since 2016/17, reserves of £32.945m have been used to underpin the Council's revenue budget alongside other one-off measures. In 2020/21, £10.008m of reserves and £5.150m of one-off measures were used to support the revenue budget. Included within the Medium Term Financial Strategy (MTFS), is the required use of reserves of £29.000m over the next two financial years. For 2021/22, it is proposed to use £16.988m of the corporate Balancing Budget reserve and two specific reserves held within the Balancing Budget Reserve:
 - a) the reserve to support budget proposal REF-BR1-432 – Review of Elected Member Reserves of £0.127m
 - b) £25.463m relating to grant compensation received in 2020/21 to support Collection arising from the award by Government of business rates relief

This will be combined with other one-off measures totalling £2.000m. The remaining £12.012m of the corporate Balancing Budget reserve will be used to support 2022/23.

- 2.7. As shown, the reliance upon reserves remains considerable. However, this approach has enabled the Council to balance its budget, but this has had the impact of deferring the changes that are required to balance the revenue budget by on-going sustainable means. The implementation of the next phase of the transformation programme in 2021/22 is expected to begin to address this challenge although this has been impacted by the global pandemic. The expected benefits of the transformation programme will be phased over several financial years supported by reserves over the short term.
- 2.8. As detailed within the Council's Audit Completion Report, presented alongside the Statement of Accounts, the External Auditors concluded that for 2019/20 the Council had made proper arrangements to deliver financial sustainability in the medium term. However, it was also pointed out that "The Council has significant levels of Earmarked Reserves as at 31 March 2020, but these are not sufficient to sustain the Council's financial position over the medium term". It is therefore evident that the reliance on one off measures cannot continue.
- 2.9. Whilst the level of reserves expected to be available to support the Council in 2021/22 and 2022/23 ensures it remains financially resilient, it is evident that continued use of the reserves to underpin the budget over time will reduce future levels of resilience and is not sustainable. This is highlighted by the most recent financial challenges experienced by Nottingham City Council and London Borough of Croydon Council where reserves were depleted over several years to support the revenue budget. In addition to one off measures, there was an over reliance on commercial income which meant those Councils had not realigned their core activities in a transformative way, resulting in an inability to set or sustain a balanced budget.
- 2.10. Oldham Council does have an extensive transformation programme; however, it is essential that this delivers to timeline and to the anticipated budgetary levels required to avoid further unplanned reliance on reserves.

3. Robustness of the Estimates

- 3.1. Key factors in ensuring the robustness of estimates include the initial challenge process to establish budget reduction proposals, essential project management to ensure the delivery of the proposals, monitoring and reporting arrangements and the utilisation of key, skilled finance staff in drawing up detailed estimates and monitoring proposals going forward. Cross cutting and sound key assumptions are also vital in ensuring proper estimates.
- 3.2. There are a large number of factors which make the management of the Authority's budget much more challenging than it has been in the past. These include:
- The unprecedented impact of the global pandemic in 2020/21. This has had a significant impact on all Local Authorities as they have been at the forefront of the country's response to support its residents. This has had a significant impact across all Council services during the financial year with far reaching implications of long COVID expected over the medium term. Whilst this has greatly impacted Local Authorities, there has been significant additional resources provided by Central Government which has, in the main, underpinned the extra expenditure / lost income for 2020/21. The Government has advised of continued grant support in 2021/22, although it is as yet unclear whether this will be sufficient. A particular concern is in regard to the continuation of support for adult social care which is received from the Department of Health via Oldham Clinical Commissioning Group (CCG). In the longer term, the impact of COVID on the Collection Fund is difficult to quantify and has moved this area from one of relative stability to significant uncertainty.
 - Councils such as Oldham in areas where deprivation is causing pressures on services, face significant continued financial challenges. Unprecedented reductions in

Government funding for a sustained period, constrained Council Tax increases to fund Adult Social Care, a decline in other income, rising costs and growing demand for many services are all challenging Councils' financial management and resilience.

- Considerable uncertainty surrounding the national political landscape, Brexit and the lack of certainty about the future funding of Local Authorities has had an impact. Despite COVID being a major focus for central Government, the impact of the recent trade deal between the United Kingdom (UK) and the European Union (EU) will lead to more uncertainty as to how this will affect the country and Local Authorities.
- Whilst the publication of the Provisional Local Government Finance Settlement on 17 December 2020 provided indicative funding information for 2021/22 to assist with financial planning over the next financial year, it gave no financial foresight over the longer term making medium term planning more challenging. The funding allocated for COVID related activities in 2021/22 may yet prove insufficient.
- There continues to be potential changes in Council funding particularly around the movement of Business Rates Retention to a 75% model. It was expected that this would be in place for 2020/21 however, this will be delayed until at least 2022/23. The Council has now received confirmation that the Greater Manchester 100% business rates retention pilot scheme, of which Oldham has been a part since 2017/18, will continue for 2021/22.
- Major changes to the Local Government Finance System are planned to coincide with a multi-year Spending Review now due to take place in 2021 (having been deferred from 2019/20). As well as reviews and changes to the operation of the Business Rates Retention system, it is expected that there will be a 'Fair Funding' review that will examine how resources are distributed among Local Authorities taking account of spending needs and the ability to raise tax revenues and potentially other income locally. These reviews, coupled with the lack of information regarding Government Departmental spending totals for 2022/23 and beyond, means preparing robust forecasts for all of the Council's Government provided/controlled funding sources is extremely challenging, and is based on informed estimates.
- As detailed within the Council's Month 8 financial monitoring report, Community Health and Adult Social Care (CHASC) and Children's Social Care (CSC) continue to be areas which are reporting adverse variances. Whilst an element of this will be due to COVID-19, there are significant Business as Usual issues. Despite investment of resources as part of the budget setting process over a number of financial years, there continues to be a structural overspend. For 2020/21 there is a projected business as usual overspend of £1.560m for CHASC and £3.311m for CSC.
- There is a continued pressure for the Council with regard to its Dedicated Schools Grant (DSG) and in particular the High Needs Block. Despite the support from the Schools block in 2020/21, the DSG in Oldham is still expected to have an overall deficit of £4.559m at the year end. It is an important element of the financial management of the Authority that the DSG is not in a deficit position. There has been action to try to address this, however, this has been more than offset by the increasing numbers of children with special needs entering the schools system. This remains a challenging issue for the Council. Oldham is one of 32 Local Authorities who provided a Recovery Plan in 2019 to the Department for Education (DfE) to outline how it will bring the DSG into balance. The Recovery Plan illustrates that, with the increased funding anticipated and the planned actions to address new operating arrangements to generate efficiencies, the DSG should be brought into a position where there is a small surplus in 2023/24. The new 2020 Regulations mean that there will no longer be an automatic

1% trigger for the production of a DSG deficit recovery plan, instead the DfE will focus on those Authorities requiring help through a more measured and targeted approach. As the current recovery plan has been agreed with the Schools Forum, the Council will continue to use the recovery plan arrangements as an effective means of monitoring the DSG position and returning the deficit to a surplus and will continue to liaise with the Schools Forum accordingly.

- 3.3. As shown above, the impact of these changes and the level of further funding available in future years is not fully known, but the financial climate is more volatile with the Council carrying more financial risk than has ever been the case.
- 3.4. These current and future financial challenges pose significant and increasing risks and require robust financial management along with sufficient reserves to strengthen resilience against future uncertainty.
- 3.5. The preparation of the estimates has been based on the following base assumptions:
 - Pressures – As identified within the revenue budget monitoring throughout 2020/21, there are a number of pressures which cannot be absorbed by the Directorates. In these instances, the 2021/22 estimates reflect the additional resources required by these particular service areas. However, these assumptions are based on a prudent approach to budget setting and these services will be continually monitored throughout 2021/22 to determine if these additional resources are required or if they can be released to support the overall financial position.
 - Interest and inflation assumptions - a prudent view of interest rates and inflation has been taken when constructing estimates for 2021/22. Whilst these estimates are considered to be adequate at this point in time the uncertainty within the economy may lead to further revision.
 - Invest to save initiatives – The Council is continuing with its Transformation Agenda and the Medium Term Financial Strategy (MTFS) reflects the requirement to invest in transformational activities which will deliver savings in the longer term.
 - Council Tax income assumptions - the estimates for Council Tax Base setting rely on an overall collection rate of 96.75%. This is a reduction from 97% in 2020/21, reflecting the impact of the increase in those qualifying for Council Tax Reduction and the general economic position. The position will be monitored during the year, but the tax yield could vary for matters outside the control of the Council.
 - A best estimate of the amount of income to be collected from Non Domestic Rates with the most up to date information available with regard to the Greater Manchester Business Rates pilot scheme arrangements.
- 3.6. In order to secure a balanced budget year on year, it is essential that the Council's financial arrangements ensure:
 - That all budget changes agreed by the Council are actioned to deliver the estimated savings, or alternatives found to the same net value, by the relevant responsible officers.
 - Monthly monitoring of all budgets and reporting on an exception basis through the Director of Finance to senior officers and Cabinet.

- Action is being taken to address future forecast budget shortfalls in advance of the forthcoming financial years. In respect of this the Council's recent and on-going preparation of a multi-year MTFS is an example of enhanced good practice.
- There is a minimum call on reserves, except for agreed corporate priorities.
- Management accountability for budgets so that financial challenges are addressed quickly.

4. Affordability and Prudence

- 4.1. The current prudential borrowing regime places a duty on the Chief Financial Officer to ensure that the financial impact of decisions to incur additional borrowing over and above that supported by direct Government resources are affordable both in the immediate and over the longer term.
- 4.2. However, given the changes in Local Government finance introduced in 2006/07, there is no longer any direct relationship between supported borrowing and the grant to finance it. Consideration of all new capital schemes and their revenue impact is therefore undertaken alongside other revenue issues to ensure that resources are allocated appropriately and are affordable.
- 4.3. In 2017 the Chartered Institute of Public Finance & Accountancy (CIPFA) issued revised Prudential and Treasury Management Codes which required all Local Authorities to prepare a Capital Strategy report. The Council traditionally prepared a Capital Strategy, however under the new guidance additional disclosures have been added to ensure compliance. The Strategy is now presented so that it includes a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services. It also provides the implications for future financial sustainability.
- 4.4. A review of the Capital Programme was undertaken when preparing Capital Strategy and Capital Programme 2021/22 to 2025/26, not only to ensure that it reflected the most up to date forecasts, but also to see if there were opportunities to alleviate some of the revenue budget pressures of the Council. The reprofiling of planned capital spending in accordance with current projections has facilitated a revision to estimated capital financing costs for 2021/22 of £2.150m.
- 4.5. As part of the review, Cabinet approved a revised vision and strategic framework for 'Creating a Better Place' which places more emphasis on economic recovery and accelerating the potential for generating revenue budget savings. The report was the culmination of a fundamental review of the programme which saw approximately £90m of schemes removed from the programme. These were schemes primarily associated with corporate property investment activities or those which would not make a sufficient contribution to strategic objectives.
- 4.6. The Capital Strategy and Capital Programme 2021/22 to 2025/26 has therefore been produced following these reviews and the impact of the Council's current investment plans detailed in the Capital Strategy and Capital Programme 2021/22 to 2025/26, which is included elsewhere on the agenda, are planned to be financed as far as appropriate utilising capital grant and capital receipts, with the balance being funded through Prudential Borrowing. Related capital financing charges are included in the revenue budget for 2021/22, with future year's charges being estimated in the MTFS. As can be seen in the Capital Strategy, despite the challenging financial position, the Council has ensured that there is sufficient revenue budget to meet the capital commitments and deliver the regeneration objectives for the Borough and it is essential that this remains so going forward. Subject to

that, the capital estimates are considered prudent and affordable while supporting the aspirations and ambition of the Council.

5. Financial Resilience

5.1. A key issue that must be considered by the Chief Finance Officer when forming an opinion on budget setting arrangements is the financial resilience of the Council of which the level of reserves and balances is a significant element. The issue of financial resilience and sustainability across the Local Authority sector is highly relevant to the ongoing development of the Council's Medium Term Financial Strategy and associated budget proposals for 2021/22 and beyond. Much more attention has been focused on financial resilience over the past three years as highlighted within the Statement of the Chief Financial Officer on Reserves, Robustness of Estimates and Affordability and Prudence of Capital Investments report presented to Council on 26 February 2020.

5.2. As previously highlighted, there are financial challenges being faced by a number of Local Authorities, some examples of which are presented below:

- In February 2018, the Chief Financial Officer of Northamptonshire County Council issued a notice under the powers of Section 114(3) of the Local Government Finance Act 1988 which was the first of its kind for over 20 years. This was followed by an unprecedented issue of a second Section 114 notice in July 2018 as the financial pressures for the Authority had not been adequately addressed.
- Following Grant Thornton's Public Interest Report on the governance and commercial investment issues published on 11 August 2020, the Secretary of State for Housing, Communities and Local Government on 26 October 2020 requested a non-statutory review of Nottingham City Council which was to be completed by the end of November 2020. The review found that over the past few years, NCC has led a large programme of capital expenditure which was largely funded by internal and external borrowing leading to the Council carrying a large amount of debt with a corresponding impact on the revenue budget due to debt servicing. This was alongside a policy of commercialisation seeking opportunities to maximise income streams. An example of this was the failed Robin Hood Energy company which resulted in a cost to the Council of £38m and which exposed the fragile nature of the Authority's financial position.
- Furthermore, on the 1 October 2020, Peterborough Council approached Ministry of Housing Communities and Local Government (MHCLG) to investigate further avenues which could be progressed as an alternative to issuing a section 114 notice. This is a result of an in year funding shortfall of £11m which would mean that usable reserves would be virtually fully depleted by the end of 2020/21 if no alternative solution is found. The Council is forecasting a budget gap of £35.668m for 2021/22 where savings alone cannot bridge the gap. As part of 'Peterborough Takes Action' strategy, the Council has proposed a number of options to MHCLG which are to bridge the funding gap, and these include a capitalisation order for COVID-19 costs. Discussions are still ongoing however resolutions will need to be found to ensure a balanced budget can be produced.
- On 11 November 2020, the London Borough of Croydon Council issued its first Section 114 notice after reporting a £66m overspend in year with budget reductions of £47m required for 2021/22. Whilst the global pandemic has partly influenced the current forecast overspend, a number of other financial issues have contributed. Included within the 2019/20 Draft Statement of Accounts for Croyden Council, it is highlighted that the amount of Earmarked Reserves available to support the Council

was £9.132m. As the current gap is £113m for the next two financial years, the low level of reserves meant that a S114 notice was required. As Members will recall, under the terms of a Section 114 notice, Councillors have 21 days to agree action to bring the budget back into balance. If the budget remains unbalanced, it must then issue another notice. The second section 114 notice was issued on 2 December 2020. Subsequently, following discussions with CIPFA, it has been agreed that a third section 114 notice does not need to be issued until the financial situation changes. Croydon is seeking capitalisation loans of more than £130m over the next two years of which £70m is for 2020/21 and £64m for 2021/22. To date, MHCLG has not yet agreed this request.

- 5.3. These challenges being experienced by other Local Authorities are a warning to the Local Government sector as a whole and emphasise the importance of good financial management and financial resilience.
- 5.4. There have also been a number of publications on the subject of financial resilience and these are detailed in paragraphs 5.5 to 5.30.

Audit Commission Publication

- 5.5. One important publication was issued on 6 December 2012. The Audit Commission produced a report into their research on the level of reserves held by Councils. The report, whilst produced a number of years ago, set out sound advice and recognised that there is no set formula for deciding the level of reserves that is appropriate. It stated that having the right level of reserves was important and where reserves were low there could be very little resilience to financial shocks and sustained financial challenges. It also stated that where reserves are high, there is a risk that some Councils may retain certain funding which could otherwise be utilised as a one-off to support to the challenging savings targets required and give the time for transformation to deliver savings.
- 5.6. One conclusion from the Audit Commission report was that Councils needed to consider their present decision making around reserves in a number of areas:
- Undertaking an annual review to ensure reserves align with Medium Term Financial Plans.
 - Clarity about what earmarked reserves are for.
 - Ensuring earmarked reserves held to mitigate financial risk reflect an up to-date assessment of risk.
 - Monitoring the level and use of reserves over recent years and comparing the Council's approach to other organisations facing similar circumstances.
 - Budget monitoring and forecasting to give Elected Members greater awareness of likely year-end movements on reserves.
 - Ensuring significant or unexpected variations to budget are dealt with.
- 5.7. In addition, the Audit Commission report also recommended that the advice of the Director of Finance to Members on the level of reserves to be held includes a summary of the issues to be considered. To progress this issue in more detail in Oldham, the reserves position is reported to the Audit Committee annually with the detailed Reserves Policy presented which aligns the Earmarked Reserves with the Corporate Objectives of the Council. Budget Monitoring reports considered at Cabinet also include the detailed usage of reserves.

National Audit Office Publication

- 5.8. In March 2018, the National Audit Office (NAO) published a report examining the financial sustainability of Local Authorities. Key messages from the report include:
- In real terms, Government funding for Local Authorities had reduced by 49.1% between 2010/11 and 2017/18. The reduction by 2019/20 was expected to reach 56.3%;
 - In the three years to 2016/17, service reductions accounted for less than half of funding reductions. Use of reserves and reductions in other spend have become more important in terms of balancing budgets;
 - In Councils that provide Social Care services, reserves had grown since 2010/11 but started to fall back in 2016/17; and
 - Reserves - based on their rate of use in that year (10.6%), single tier and County areas had the equivalent of less than three years' worth of reserves left.
- 5.9. Within the report the NAO also recommended that:
- Ministry for Housing, Communities and Local Government (MHCLG) should work with the sector to develop a long-term plan that is genuinely able to address the current financial and demand pressures in the sector and to secure its financial sustainability;
 - MHCLG should continue to strengthen its processes for assessing Local Authority funding requirements at future spending reviews especially in children's social care;
 - MHCLG should continue to build on its improved oversight of the sector's financial sustainability;
 - Government, led by MHCLG, should develop a clear understanding of the role and significance of Local Authorities as a whole in the context of the current funding climate; and
 - Government should improve outcome data.
- 5.10. This report from the National Audit Office shows that the majority of Local Authorities have coped well with the continual reductions in central support, but an increasing proportion are experiencing financial stress which has been reported in the press. This has been exacerbated by dealing with the financial implications of COVID.

Public Accounts Committee

- 5.11. On 12 March 2019, the Public Accounts Committee released a paper on the subject of Local Authority Financial Resilience. Since 2010, and the uncertainty around future funding of Authorities, debates have been held on whether Local Authorities in England have enough access to sufficient funding to discharge their statutory duties. It also had regard to the media reports of financial difficulties of Local Authorities since the financial crisis of Northamptonshire County Council.
- 5.12. A key theme throughout the paper was the level of reserves and the unplanned use of these resources by Local Authorities particularly in recent years and the report made reference to the work completed by CIPFA on its Local Authority Financial Resilience Index.
- 5.13. The paper makes it clear that the funding of Local Authorities is a key concern across the sector and that the outcome of national funding changes as detailed in paragraph 3.2 will be fundamental in ensuring that Authorities are sustainable in the long term.

CIPFA's Local Authority Financial Resilience Index

- 5.14. On 16 December 2019, CIPFA published its Local Authority Financial Resilience Index as it is aimed at supporting the Local Government sector as it faces continued financial challenges. This index included nine primary and seven secondary indicators which are as follows:

Primary Indices

- Reserves sustainability
- Level of Reserves
- Change in the use of reserves
- Ratio of interest payable to net revenue expenditure
- Gross external debt held by the Council
- Ratio of children's and adults social care spend to net revenue expenditure
- Proportion of fees and charges to total service expenditure
- Ratio of Council Tax as a proportion of net revenue expenditure
- Difference between baseline funding level and retained income over baseline funding level

Secondary Indices

- Unallocated reserves to net revenue expenditure
 - Earmarked reserves (total usable excluding public health and schools) to net revenue expenditure
 - Average % of change in unallocated reserve
 - Average % of change in earmarked reserves over past 3 years
 - Ratio of HRA reserves divided by net revenue expenditure
 - Ratio of children's social care expenditure to net revenue expenditure
 - Ratio of adult's social care expenditure to net revenue expenditure
- 5.15. There were no Oldham indicators where risk was extremely high or a cause for immediate concern. However, reserves sustainability and change in reserves when compared to other Authorities was around the mid-point on the risk scale. The change in Unallocated and Earmarked reserves was high relative to nearest neighbour Authorities.
- 5.16. The Index did provide some useful information and confirmed the position that, the Council at the end of 2018/19 was financially resilient. It also served to reinforce the message that the continued use of reserves to support spending will impact on the financial position and the future financial resilience rating of the Council.
- 5.17. The CIPFA Financial Resilience Index for 2019/20 has not yet been received due to delays in the conclusion of the audit of accounts (on a national not local basis). For Oldham, given the level of reserves with which the accounts were closed, it is not anticipated that there will be a significant change from those ratings previously issued.
- 5.18. Based upon the requirement to support the revenue budget over the short to medium term with a significant level of Earmarked Reserves it is expected that the CIPFA Financial Resilience Index over future financial years will be greatly impacted with risk indicators being high.

CIPFA's Financial Management Code

- 5.19. CIPFA published its Financial Management Code in October 2019. The objectives of this code are “to support good practice in financial management and to assist Local Authorities in demonstrating their financial sustainability”.
- 5.20. The Code is based upon a series of principles which will be supported by specific standards of practice which CIPFA consider necessary for a strong foundation. The foundation being the ability to:
- Financially manage the short, medium and long-term finances of a Local Authority
 - Manage financial resilience to meet foreseen demands on services
 - Financially manage unexpected shocks in their financial circumstances
- 5.21. The Financial Management code builds on the success of the CIPFA Prudential Code which requires Local Authorities to demonstrate the long-term financial sustainability of their capital expenditure. The Code is also consistent in that it is based upon principles rather than prescriptions and each Local Authority must demonstrate that they meet the requirements of this Code.
- 5.22. It was expected that Local Authorities would apply the requirements of the Financial Management Code in full by 1 April 2020, however after further consideration, CIPFA recognised the need for Authorities to ensure that their governance and management styles fit the requirements of the Code and as such concluded that a shadow year would be in place for 2020/21 with Local Authorities being fully compliant by 1 April 2021. This shadow year has provided the Council with a platform for good financial management throughout 2020/21 and future years.
- 5.23. The detailed guidance notes were issued in May 2020 and the Finance Service has undertaken work throughout 2020/21 to ensure its compliance with this Code. Work is continuing with the wider organisation to ensure full compliance by 2021/22.

Grant Thornton / CIPFA “Financial Foresight” report

- 5.24. On 9 July 2019, Grant Thornton in partnership with CIPFA released “Financial Foresight” which is a new model created to align with CIPFA's Financial Resilience Index. Using Local Authority data from 2009/10 to 2017/18, it provides insights and future financial forecasts over a 20-year period and focuses on the financial sustainability of Councils.
- 5.25. This model is supported by a briefing which details current insights on Local Government financial resilience and potential future strategies. The report, highlights that “up to 100 Councils face reserves depletion within five years”. Details on the specific Authorities noted within the Financial Foresight report have not been shared however, as indicated by CIPFA's Financial Resilience Index, Oldham's reserves are not an area for immediate concern. The report has also identified four key areas where Authorities should be focusing their efforts to ensure future financial sustainability. These are:
- **Implement targeted financial recovery** – deploying an approach which allows Councils to control expenditure and have a “mature approach” to the use of reserves.
 - **Establish a good growth model** – to enable Councils to create a joined-up model for income generation that “predicts, projects and maximises” growth across a range of areas such as taxation, population, commercial activities and capital programmes.
 - **Trace service line trajectories** – recognising that financial resilience can only be achieved if services have a clear and reliable cost and demand forecast.

- **Reshape transformation plans** – rationalising transformation plans, by having fewer, more strategic programmes and projects.

5.26. It should be noted that the Council is currently focusing efforts in the key areas highlighted within the report. For example, the Council:

- Operates a workforce review panel to control expenditure.
- Has a robust approach to the review and management of reserves.
- Has a strategy for Creating a Better Place.
- Has financial planning arrangements in place to assess demand and cost pressures.
- Is implementing the next phase of its ambitious transformation programme from 2021/22.

However, there is still much work to do to ensure the Council's future financial sustainability particularly in light of the COVID-19 pandemic.

Institute of Fiscal Studies - The Financial Risk and Resilience of English Local Authorities in the Coronavirus Crisis

- 5.27. On 22 June 2020, the Institute of Fiscal Studies released a report on the financial risk and resilience of English Local Authorities in the coronavirus crisis alongside a spreadsheet dashboard that collates for each Local Authority in England a series of indicators of coronavirus-related risks.
- 5.28. The report focuses on the geographical differences in demographic and economic structures which have made different parts of the country more vulnerable to different effects of the crisis particularly on health, on families and children, and on jobs and incomes. This means the demands and costs facing each Local Authority will change in different ways and at different times. Moreover, differences in the extent to which each Local Authority relies on different revenue sources and on financial reserves means that they face differing degrees of financial risk and have differing degrees of financial resilience.
- 5.29. The spreadsheet dashboard looks at the extent to which the risks vary across each Local Authority focusing on revenues and financial resilience. It also briefly discusses the extra funding that central Government has made available to Council's to help them address the risks in 2020/21.
- 5.30. The findings of the report and dashboard suggests that Local Authorities of different types and serving different types of communities will be affected by the coronavirus crisis in different ways. Those serving more affluent communities and especially shire districts appear to be exposed to greater revenue risks due to their reliance on local taxes and Sales, Fees and Charges income (rather than central Government grants). However, Councils serving more deprived communities could see particular increases in service needs and challenges if the coronavirus crisis has a more severe impact on individuals and families already suffering disadvantage, and these effects could be long lasting resulting in reduced financial resilience.

6. Budget Recommendations

- 6.1. In conclusion, the Chief Finance Officer is able to advise Members of the robustness of the estimates and the affordability and prudence of capital estimates for 2021/22. Despite the use of reserves over recent years, the current level of reserves remains adequate to support the 2021/22 financial position and demonstrates financial resilience in the short to medium term. However, this is only the case provided that action is taken to ensure that the balances

are set at the level of £15.641m for 2021/22 as calculated in this report and that all budget options, or in year alternatives, are delivered as planned and monitored.

7. Consultation

- 7.1. The professional opinion of the Director of Finance on the overall adequacy of the total level of reserves is integral to the sign off of the overall agreed budget. It is seen as a key factor as to why Local Authorities have been able to manage significant on-going year on year reductions in budget whilst remaining financially resilient.
- 7.2. The Earmarked Reserves as set aside by the Council at each financial year-end have been independently verified by the external auditor.
- 7.3. For the future it is important that the organisation undertakes an appropriate independent scrutiny of its reserves and reduces its reliance on reserves to support the budget setting process. It is proposed that the Audit Committee continues to consider reports from the Director of Finance on the matter.

8. Financial Implications

- 8.1. The review of reserves and provisions has identified that the Council will be required to maintain the recommended level of general balances to support the 2021/22 budget, in line with good practice and the duties of the Director of Finance.
- 8.2. It is essential that the transformation programme is delivered to timeline and value to ensure that there are no unplanned use of reserves and the proposed Medium Term Financial Strategy can be delivered, albeit underpinned by reserves. The 2021/22 financial position will be subject to close monitoring and review and remedial action will be required if there are any variations from plan.

9. Legal Services Comments

- 9.1. Under section 25 of the Local Government Act 2003, the Chief Finance Officer must report on the robustness of the estimates made for the purposes of budget calculations and the adequacy of the proposed financial reserves.

10. Co-operative Agenda

- 10.1. The adequacy of reserves and balances to underpin its agreed budget enables the Council to have long term security to support its aims and objectives and takes forward the co-operative ethos of the Council.

11. Human Resources Comments

- 11.1. Not Required.

12. Risk Assessments

- 12.1. There is a statutory requirement for the Director of Finance to calculate the balances required by the Council to support the production of the annual budget. The methodology utilised as detailed in Appendix 1 and 2 of this report is to assess the required level on the basis of risk. (Mark Stenson)

13. IT Implications

- 13.1. Not Required.

14. Property Implications

14.1. Not Required.

15. Procurement Implications

15.1. Not Required.

16. Environmental and Health & Safety Implications

16.1. Not Required.

17. Equality, community cohesion and crime implications

17.1. Not Required.

18. Equality Impact Assessment Completed?

18.1. Not Required.

19. Key Decision

19.1. Yes.

20. Key Decision Reference

20.1. FG-13-20

21. Background Papers

21.1. 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:	Background papers are provided in Appendices 1-3
Officer Name:	Mark Stenson
Contact No:	0161 770 4783

22. Appendices

22.1. Appendix 1 General Balances Calculation
Appendix 2 Eleven Areas of Risk for Oldham Council
Appendix 3 Anticipated Earmarked Reserves as at 31/03/2021

General Balances Calculation

Appendix 1

Area of Risk	2021/22 Budget £000	Risk Factor	Value £000	2022/23 Budget £000	Risk Factor	Value £000	2023/24 Budget £000	Risk Factor	Value £000
Inflation									
Salaries including pensions	99,809	0.50%	499	100,807	0.50%	504	101,815	0.50%	509
Premises	11,422	0.25%	29	11,422	0.50%	57	11,422	0.50%	57
Transport	6,187	0.25%	15	6,187	0.50%	31	6,187	0.50%	31
Supplies	93,730	0.25%	234	94,667	0.25%	237	95,614	0.25%	239
PFI	21,558	0.00%	0	21,774	0.25%	54	21,991	0.25%	55
Other	Quantum		250	Quantum		500	Quantum		500
			1,027			1,383			1,391
Interest Rates									
Changes in rates	Quantum		500	Quantum		500	Quantum		250
			500			500			250
Grants									
H. Benefit/ Council Tax Support	1,138	0.00%	0	1,138	1.00%	11	1,138	1.00%	11

New Homes Bonus	171	0.00%	0	0	0.00%	0	0	0.00%	0
Business Rates Top Up	41,748	0.00%	0	41,748	0.51%	213	41,748	0.77%	321
Grants in Lieu of Business Rates	11,437	1.00%	114	11,437	1.02%	117	11,437	1.04%	119
Improved Better Care Fund	10,858	2.53%	275	10,858	1.00%	109	10,858	1.00%	109
Independent Living Fund Grant	2,500	0.00%	0	2,420	1.00%	24	2,340	1.00%	23
Homelessness Support /New Burdens Grant	0	0.00%	0	358	0.00%	0	358	0.00%	0
Social Care Support Grant	8,947	0.00%	0	8,947	0.00%	0	8,947	0.00%	0
Lower Tier Services Support Grant	407	0.00%	0	0	0.00%	0	0	0.00%	0
Local Council Tax Support Grant	3,183	0.00%	0	0	0.00%	0	0	0.00%	0
Covid Grant	7,737	0.00%	0	0	0.00%	0	0	0.00%	0
PFI Credits	13,262	1.00%	132	13,262	1.00%	132	13,262	1.00%	132
			521			606			715
Estimated Budgets									
Academies Loss	Quantum		150	Quantum		125	Quantum		100
Carbon Emissions	Quantum		50	Quantum		50	Quantum		50
			200			175			150

Volume Changes									
Council Tax including Adult Social Care	98,522	1.01%	995	103,349	0.245%	253	108,373	0.240%	260
Retained Business Rates	50,022	1.00%	500	50,022	1.56%	780	50,022	3.18%	1,593
Unity Partnership Ltd	Quantum		250	Quantum		250	Quantum		250
			1,745			1,283			2,103
Budget Savings									
2021/22	8,793	25.00%	2,198	8,793	2.00%	176	8,793	1.00%	88
2022/23	0	0.00%	0	32,185	12.199%	3,926	32,185	1.88%	605
2023/24	0	0.00%	0	0	0.00%	0	21,564	20.87%	4,500
			2,198			4,102			5,193
Insurance									
Medical Malpractice linked to Health Devolution	Quantum		100	Quantum		100	Quantum		100
			100			100			100
Emergency Planning									
ICT disaster	Quantum		500	Quantum		500	Quantum		500
Flooding	Quantum		250	Quantum		250	Quantum		250
Offices	Quantum		250	Quantum		500	Quantum		100
Emergency Planning	Quantum		500	Quantum		500	Quantum		500
Contractor Failure	Quantum		750	Quantum		500	Quantum		500
Environmental Incident	Quantum		750	Quantum		500	Quantum		500
Unforeseen disaster	Quantum		500	Quantum		500	Quantum		500
			3,500			3,250			2,850

Changes									
Debt Collection	Quantum		100	Quantum		100	Quantum		100
			100			100			100
Financial Guarantees									
Contractual Disputes	Quantum		1,000	Quantum		750	Quantum		500
Levying Bodies	Quantum		250	Quantum		250	Quantum		250
Pensions	Quantum		1,000	Quantum		750	Quantum		500
Devolution	Quantum		250	Quantum		250	Quantum		250
Investments	Quantum		1,000	Quantum		750	Quantum		500
Grant Claw back	Quantum		250	Quantum		350	Quantum		250
			3,750			3,100			2,250
Other									
Flexible Use of Capital Receipts	Quantum		250	Quantum		0	Quantum		0
Transformation Agenda	Quantum		250	Quantum		1,000	Quantum		1,500
General	Quantum		1,000	Quantum		1,000	Quantum		1,500
COVID Legacy	Quantum		500	Quantum		750	Quantum		500
			2,000			2,750			3,500
TOTAL			15,641			17,349			18,602

Eleven Areas of Risk for Oldham Council

Number	Area of Risk	Analysis of Risk
1	Inflation is underestimated in the original agreed estimates	There are two issues. Firstly, there may be some items of expenditure - those where prices are linked into exchange rates for example - where any estimate of inflation is a “best guess” and the future market rate is difficult to predict given price volatility and the longer-term impact of COVID-19 and Brexit. The risk assessment suggests that it would seem unreasonable to include a higher level of inflation in the budget but there should be an awareness that it might occur. Secondly, information is less accurate for years 2 and 3. At the present time the level of inflation for the past financial years has been certain for areas such as salaries with minimal wage increases. Certain other costs have increased at a higher rate than estimated. Going forward given the fluctuations in exchange rates into the next three financial years the inflationary pressures are very difficult to estimate, and the dynamics may change with increased pressure on wage costs due to a recognition the levels set in the pay cap need review against commodities such as fuel. The calculation of a recommended balance reflects this.
2	Interest rates are underestimated	This is similar to 1 above, but for a specific area of risk. Interest rates at the present levels for borrowing money are at a very low level. This has been compounded as a result of the global pandemic. The general prediction is that there is no imminent increase to interest rates due, however there may be a cut to rates in 2021 as the UK's economic outlook is “unusually uncertain”. Allowing for borrowing profiles, the 2021/22 budgets have been prepared on the present levels of interest paid by the Council linked to the present estimate of borrowing required. A small change in the interest rates could have a significant impact on the Council's budget in respect of the amount paid. Predictions of when accurate interest rate rises will occur have proved to be challenging for a number of years and continue to be volatile. In respect of the return achieved by the Council on money it has placed on the money market then the return as budgeted for is at a historically low level. There is also an added pressure that safe havens for the Council to invest surplus cash have reduced in past years. Since the global pandemic this has been impacted further.

		There is the specific risk to consider here of the continued volatile banking market and the consequential risk to Councils of the security of their investments.
3	Changes to grant funding regimes	The Government system for allocating grants can appear short-term and a “best guess” has to be offered in lieu of hard facts. Currently there are a number of issues with the general regime. The Government’s one-year spending review only guaranteed funding for 2021/22 with no indication of future funding sources. This has been confirmed by the Provisional Local Government Finance Settlement. Changes to the present business rates regime linked into the full retention pilot being managed by the Greater Manchester family. Major changes to the Local Government Finance System are planned to coincide with the beginning of the next Spending Review period in 2021 (delayed from 2019/20). As well as changes to the operation of the Business Rates Retention system, the Government is expected to undertake a ‘Fair Funding’ review that is examining how resources are distributed among Local Authorities taking account of spending needs and the ability to raise tax revenues and potentially other income locally. The continuing transformation of functions linked into devolution such as those provided by the health service. Potential changes to specific grant funding will be included as part of the proposed Business Rates Retention scheme which is still under review. Changes to the types of expenditure than can be funded by a particular grant is also a potential issue i.e. Dedicated Schools Grant.
4	Some budgets are only indicative at the time the budget is agreed	There are some initiatives that are known will happen but are not sufficiently advanced to accurately cost. The impact of the current trend where a number of schools currently administered by the Council who may wish to become an independent Academy is unknown and the corresponding impact this has on previously notified grant funding.

5	Volatility in some budget headings between years	There are long standing areas of risk where the Council budgets for the middle of the range but might find the outturn for a year at the higher end. In respect of Council Tax there is a risk that the Collection Rate falls reducing the future amount which can be drawn down in future years. The Collection Rate for 2021/22 has reduced from 97% to 96.75% as a direct result of COVID-19.
6	Efficiency gains expected in the agreed budget are not achieved	The budget includes an assumption that the Council will deliver savings; the risk is that they may be delivered at a slower rate than is currently expected. Based upon 2009/10 to 2020/21 experience, the achievement of the budget reduction programme in monetary terms has shown significant achievement, although this is becoming increasingly difficult for services to be maintained. In the next three financial years from 2021/22 there are further challenging budget savings required. These savings requirements mean it is prudent to retain some balances should these targets not be achieved.
7	Unforeseen Insurance Costs	Acts of God can result in higher insurance traffic than had been anticipated. Oldham Council would seem to be appropriately covered on this aspect re the general assessment in that it has been based on a detailed yearly Actuarial Review. It also has included a reserve to meet the costs of MMI claims should the Scheme of Arrangement be activated. The assessment of the Council that the scheme would be activated proved to be accurate and sensible prudent accounting has negated any financial impact from the initial levy. The matter will now be subject to continual review. The uncertainty going forward is associated with the current economic climate and adverse weather conditions, which it is anticipated, will increase the number of claims made against the Council. On the present Insurance arrangements however the value of claims is individually capped at £250,000 for liability claims and £100,000 for premises. With the transfer of Public Health functions and the devolution agenda on health a new risk now exists to the Council around whether insurance cover can be obtained from the present insurance arrangements in respect of medical malpractice.

8	Emergencies which cannot be foreseen which can occur on an ad hoc basis	Were disasters to occur, the Council needs to have balances in place to pick up costs that will fall to the Local Authority. A disaster such as one involving ICT could occur on a one-off basis. The Council area does also cover higher grounds including Saddleworth, which if weather conditions are extreme can lead to additional unbudgeted costs such as snow clearance or flooding in winter. There is an emerging risk to the Council around the environmental impact from items outside of its control such as the illegal dumping of waste which requires remediation.
9	Changes to budgets where targets are not met	Change necessarily means doing things in a way for which we have no evidence. The assumptions made maybe wrong. This is the most difficult area to predict but there will be unforeseen costs which are not envisaged when the budget is prepared. It is also anticipated that a change in the general environment caused by an economic shock outside the control of the Council could cause a reduction in the debt collected.
10	Financial and Partnership guarantees given by the Council including health devolution	There are a number of obligations and risks to the Council around its financial guarantees which have been given to a wide variety of organisations and projects: • In a complex organisation there are contractual disputes for claims against the Council. • There is a desire from contributing Districts to keep levy increases as low as possible. This will increase the financial stress on these organisations and ultimately it is the Districts who would assist if there is a shortfall. • In respect of staff previously employed by the Council but transferred to other organisations the Council has agreed to underwrite the pension costs. This risk has increased in recent times due to changes in national standards regarding recognising cost risk. • Grant clawback could occur whereby the Council is the accountable body for a grant. • Investments of the Council where market value can fluctuate. • There is a risk around Health Devolution and associated financing agreements between the Council and Oldham CCG.
11	Unforeseen Events	This covers matters not considered in 1-10 but where it is considered prudent to hold an amount in the General Balances and this includes COVID Legacy.

Anticipated Earmarked Reserves as at 31/03/2021

Earmarked Reserve	Balance £000	Assessment of Current Risk
Council Initiatives Reserve	(1,904)	There are a number of projects and programmes of work which the Council considers to be priority initiatives. This includes: 1) There is a Corporate Priority to support the learning and attainment agenda to promote the improvement of results in schools. 2) Costs associated with the development of the Corporate Plan Priorities.
Page 808 Insurance Reserve	(8,073)	This includes: i) Any claims made prior to 1974 when the external insurance arrangements of the Council are not clear, and the assumption is that the Council will bear the full cost of any claim made. ii) Claims relating to asbestos related matters which are not covered by external insurance premiums. These claims are expected to reach their peak in the next ten years. iii) Derelict buildings classed as heritage buildings where the Council's Insurers will only provide insurance cover on a debris only basis. Should there be a fire then it is possible the Council will have to replace at full cost without insurance cover in place. iv) Other claims against the Council not covered by the terms and conditions of the Insurance Policy. A recent trend has been for insurance companies to be more challenging around whether coverage is in place for high value claims. The amount to include in the Insurance Reserve at the year-end is calculated via an Actuarial report which is currently being produced for the end of the financial year 2020/21. The amount could increase or decrease at the year-end as reported dependent upon the output of this Actuarial Review.

Levy Reserve	(250)	This reserve has been set aside to smooth the impact of future levy increases on the Council budget.
Adverse Weather Reserve	(1,000)	This reserve is set aside to support unplanned expenditure as a result of an unforeseen weather event such as flooding or severe winter weather when the base budget provision is not adequate to meet the costs incurred within the financial year. As seen in recent events within the North West area the damage caused by severe weather cannot be foreseen at budget setting and can be considerable in terms of damage caused.
Transformation Reserve	(5,710)	This reserve has agreed resources set aside to provide for any costs of implementing the Council's budgets requirements as set out in the Medium Term Financial Strategy to fund investment required to enable the continued transformation of services to achieve efficiency savings.
Lifecycle Costs Reserve	(1,080)	This reserve is required to support the Fleet Management Programme and the replacement of assets as and when they have reached the end of their lifecycle.
Fiscal Mitigation Reserve	(3,455)	The financial environment in which the Council operates has changed from 1 April 2013. Instead of having certainty around the amount of income it will receive in relation to Business Rates, there is a risk of underperformance and business rate appeals. Should there be less income collected than previously estimated, then a proportion of the loss falls on the Council and will impact on the overall amount of resources available for future budgets. It is also the case that the cost of change will be considerable given the budget reductions required from the Council in the next five years.

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Balancing Budget Reserve	(54,590)	This reserve contains resources to support the revenue budget in future years as detailed within the financial strategy. This reserve provides the resources required to underpin the 2021/22 budget, with £16.988m of corporate reserves, £0.127m of specific reserves and the £25.463m to be used to support the Collection Fund deficit in 2021/22. It also holds the £12.012m of reserves to support the 2022/23 budget.
Regeneration Reserve	(3,715)	The Council has an extensive and ambitious regeneration agenda and resources have been set aside to support the Creating a Better Place Programme.
Integrated Working Reserve	(3,297)	This reserve represents resources that have been set aside to support initiatives arising from the Greater Manchester devolution agenda including joint working with the Oldham Clinical Commissioning Group (CCG) around Adult Social Care, other Greater Manchester Councils and the Greater Manchester Combined Authority.
Directorate Reserves	(1,339)	This is a reserve created following discussions within the Council whereby requests from services to finance future expenditure on key Council priorities have been agreed.
District Executive Reserve	(502)	This is a reserve which has funds set aside to support existing commitments of the District Executives across the Borough.
Total Estimated Earmarked Reserves		
31/03/2021	(84,915)	

Schools/Grant Related Reserves

Individual School Balances	(839)	This Earmarked Reserve consists of the estimated individual school balances as at 31 March 2021 held by schools under their delegated budgets. These funds are not available for Council use. The gross estimate for school balances is £5.398m, however the overall DSG deficit of £4.559m will reduce this forecast closing position to £0.839m.
Revenue Grants Reserve	(6,917)	This is a technical reserve created under the accounting requirements of International Financial Reporting Standards. It relates to grants received often in relation to education services which are paid over to the Council in the financial year but with grant conditions giving the flexibility for the expenditure to be incurred by the end of the Academic Year. Previously these grants would have been classed as receipts in advance in the final accounts. The money must be spent in accordance with the specific grant conditions.

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