

CABINET Agenda

Date Monday 28 February 2022

Time 6.00 pm

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

- Notes
1. DECLARATIONS OF INTEREST- If a Member requires any advice on any item involving a possible declaration of interest which could affect his/her ability to speak and/or vote he/she is advised to contact Paul Entwistle or Liz Drogan in advance of the meeting.
 2. CONTACT OFFICER for this Agenda is Liz Drogan Tel. 0161 770 5151 or email elizabeth.drogan@oldham.gov.uk
 3. PUBLIC QUESTIONS – Any member of the public wishing to ask a question at the above meeting can do so only if a written copy of the question is submitted to the Contact officer by 12 Noon on Wednesday, 23 February 2022.
 4. FILMING – This meeting will be recorded for live and/or subsequent broadcast on the Council's website. The whole of the meeting will be recorded, except where there are confidential or exempt items and the footage will be on our website. This activity promotes democratic engagement in accordance with section 100A(9) of the Local Government Act 1972. The cameras will focus on the proceedings of the meeting. As far as possible, this will avoid areas specifically designated for members of the public who prefer not to be filmed. Disruptive and anti social behaviour will always be filmed.

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

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

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

MEMBERSHIP OF THE CABINET IS AS FOLLOWS:

Councillors Akhtar, Chadderton, Chauhan, Jabbar, Moores, Mushtaq, Roberts, Shah and Stretton

Item No

- 1 Apologies For Absence
- 2 Urgent Business
Urgent business, if any, introduced by the Chair
- 3 Declarations of Interest
To Receive Declarations of Interest in any Contract or matter to be discussed at the meeting.
- 4 Public Question Time
To receive Questions from the Public, in accordance with the Council's Constitution.
- 5 Minutes of the Cabinet meetings held on 24th January 2022 and 14th February 2022 (Pages 1 - 30)
- 6 Prudential Building (Pages 31 - 44)
- 7 Securing Affordable Housing Interim Planning Position Paper (Pages 45 - 74)
- 8 The New Chadderton Partnership and Chadderton Neighbourhood Area: determination of area and forum applications (Pages 75 - 114)
- 9 The former WH Shaws office and clock tower building, Diggle - Options Appraisal (Pages 115 - 120)
- 10 Street Litter bin replacement programme (Pages 121 - 124)
- 11 Changing Futures (Pages 125 - 136)
- 12 Exclusion of the Press and Public
That, in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they contain exempt information under paragraph 3 of Part 1 of Schedule 12A of the Act, and it would not, on balance, be in the public interest to disclose the reports.
- 13 Prudential Building (Pages 137 - 198)
- 14 The former WH Shaws office and clock tower building, Diggle - Options Appraisal (Pages 199 - 204)
- 15 Street Litter Bin Replacement Programme (Pages 205 - 210)



- 16 Request for approval to collaboratively commission a Drug and Alcohol Treatment and Recovery Service with Rochdale Council with view to awarding a contract. (Pages 211 - 218)
- 17 A request to approve a contract modification and extension with the current provider for asymptomatic community outreach COVID-19 testing. (Pages 219 - 226)

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Present: Councillor Shah (Chair)
Councillors Akhtar, Chadderton, Chauhan, Jabbar, Mushtaq,
and Stretton

1 **APOLOGIES FOR ABSENCE**

Apologies were received from Councillor Moores.

2 **URGENT BUSINESS**

The Chair agreed to consider an Item of business – COVID-19 Additional Relief Fund as a matter of urgency in accordance with S.100 B (4) of the Local Government Act 1972; Urgent Cabinet approval was required as the approach detailed within the report would help provide an agreement to support the strict timescales being imposed by Central Government.

Approval had been given under Rule 14 of the Council's constitution by the Chair of Policy Overview and Scrutiny Committee to action this report as an urgent item. The report was considered at Item 10 of the agenda.

3 **DECLARATIONS OF INTEREST**

Councillor Jabbar declared an other registerable interest at Item 6 of the agenda - Review of the Council's Wholly Owned Company: Unity Partnership Limited due the Council appointment as a Board Member. Councillor Jabbar took no part in the debate or vote thereon.

Councillor Roberts declared an other registerable interest at Item 8 Positive Steps Contract Extension for Targeted Youth Support lots 2 and 3 by virtue of her Council appointment to the Board of Positive Steps. Councillor Roberts took no part in the debate or vote thereon.

4 **PUBLIC QUESTION TIME**

There were no public questions received.

5 **MINUTES OF THE CABINET MEETING HELD ON 13TH DECEMBER 2021**

RESOLVED – That the minutes of the Cabinet meeting held on the 13th December 2021 be approved.

6 **REVIEW OF THE COUNCIL'S WHOLLY OWNED COMPANY: UNITY PARTNERSHIP LIMITED**

Consideration was given to a report of the Chief Executive which provided the Cabinet with details of an Annual Review undertaken in September 2021 to determine the viability of the company, confirm whether it is fit for purpose in terms of service delivery and value for money for Oldham residents and the Oldham pound and that the ambitions of the company align to those of the Administration as set out and endorsed at Full Council in May 2021.

In February 2018 Cabinet agreed to the reshaping of Unity Partnership Limited (UPL). To support the Cabinet in making this decision, the Council had undertaken an options appraisal of the arrangements between UPL and Kier Partnership Limited. The outcome of that appraisal saw UPL become wholly owned by the Council. At the time, the intended purpose of UPL was to assure the sustainability and performance of services provided to the Council to increase the likelihood of the sustainability of UPL and deliver efficiencies.

As part of UPL becoming wholly owned by the Council a Partnership Agreement was entered into and this confirmed that annual reviews of the arrangements would be undertaken. The Agreement provided details of the services provided by UPL on behalf of the Council and consisted of:

- Highways
- Property Services
- Revenues and Benefits (Exchequer Services)
- Contact Centre
- ICT
- Payroll (including Recruitment)
- Consultancy (Business Change Services)

An updated Agreement from September 2019 was due to expire at the end of the initial term on 31 August 2020, but a Deed of Variation was entered into to extend the Agreement for a further period of five years, subject to annual review.

Due diligence in respect of all options had been undertaken by a team of council officers representing the key relevant areas; the outcomes of which are set out in various sections in this report. This review was now complete, and the report set out the outcome and recommended approach going forward for the Council.

Members spoke upon and welcomed the report.

Options/alternatives considered

Option 1 – Continue as is. For the reasons set out earlier in this paper – this option is not recommended.

Option 2 – mixed model of delivery. A mixed model of services provided by the Council and UPL could be developed where either additional Council Services transfer to UPL and/or more services transfer back to the Council. Again, for reasons set out in this paper – this option is not recommended.

Option 3 – Transfer services back to the Council and retain UPL as a wholly owned company for a minimum period of 12 months whilst the Council considers its delivery vehicle for Traded Services.

RESOLVED – That:

1. The position outlined in this report in relation to the review and the subsequent options arising from this be noted.
2. The options set out for the direction of travel and future model for services currently provided by UPL to the Council were considered and noted.
3. The Chief Executive in consultation with the Director of Finance, Director of Legal and Director of Workforce and Organisational Design be given delegation to undertake appropriate consultation with all staff, Trade Unions and

Partners setting out the view to transition staff and services provided by Unity Partnership Limited to the Council under TUPE arrangements.

4. The Partnership Agreement between the Council and UPL be terminated and in doing so, the Director of Legal Services or their nominated representative be authorised to sign all appropriate documentation necessary for the purpose of implementing the recommended option.
5. The Unity Partnership Limited Company would continue to trade for a minimum period of 12 months whilst a review of how the Council delivered Traded Services was undertaken. It was expected this review would be presented for consideration before January 2023.
6. The Chief Executive and Head of Paid Service of the Council be appointed the Council's Shareholder representative of Unity Partnership Limited whilst it continued to trade.

7

COUNCIL TAX TAX BASE AND NON-DOMESTIC RATES TAX BASE FORECAST 2022/23

Consideration was given to a report of the Director of Finance which provided the Cabinet with the Council Tax Tax Base and provisional Non-Domestic Rates (NDR) Tax Base forecast for 2022/23 which would underpin the forthcoming Council Budget and Medium-Term Financial Strategy scheduled for consideration at Budget Council on 2nd March 2022.

The report also sought delegated authority to finalise the 2022/23 Non-Domestic Rates (Business Rates) forecast in order to reflect up to date Non-Domestic Rates details to be submitted to Central Government via the annual NNDR 1 return by the statutory deadline of 31 January 2022.

The report set out information on the Council Tax Tax Base for 2022/23 using the most up to date valuation list and all other information and estimates available.

The total number of chargeable properties included in the Council Tax Tax Base calculation in Oldham for 2022/23 was 95,640. This figure was reduced to 86,700.8 after allowing for discounts and exemptions and translates to the equivalent of 68,910.7 Band D properties. After applying adjustments for the Local Council Tax Support scheme offset by the additional charging for empty properties and an anticipated increase in the number of properties to be included in the valuation list over the forthcoming year, the number of Band D equivalent properties reduced to 59,379.8. The final Tax Base after the application of the anticipated collection rate of 96.75% was 57,450 which was an increase of 250 when compared to the Council Tax Tax Base for 2021/22 of 57,200.

The 2022/23 Tax Bases for Saddleworth and Shaw and Crompton Parish Councils of 8,833 and 5,548 respectively, were been calculated using the same methodology.

Statute required local billing authorities to prepare and submit to the Department of Levelling Up, Housing and Communities (DLUHC) a locally determined and approved Business Rates forecast through the NNDR 1 return by 31 January each year.

This forecast would be used to determine the 2022/23 "demand" and payment schedule for Business Rates between Oldham

Council and the Greater Manchester Combined Authority. Being a participant in the Greater Manchester 100% Rates Retention Pilot Scheme which was confirmed for the financial year 2022/23 in the Provisional Local Government Finance Settlement announced on 16 December 2021 meant the Council no longer paid a share of Business Rates to Central Government. Instead, Oldham currently retained 99% of the income with 1% being paid to the Greater Manchester Combined Authority for Fire and Rescue services.

The estimated rating income for 2022/23 attributable to Oldham Council was currently £48.605m which was a decrease of £2.014m compared to 2021/22. This was due to Business Rates reliefs being announced thus reducing the sum billed with the Council receiving compensating grant instead.

Delegation was sought to enable the Business Rates forecast to be updated to take account of up to date Non-Domestic Rates information, enabling the submission to Central Government of the annual NNDR 1 return by the statutory deadline of 31 January 2022.

As the 100% Business Rates retention regime was continuing, the Council had assumed a benefit of approximately £2.720m from the pilot scheme for 2022/23. The Council could retain 50% of this benefit with the balance attributable to the GMCA. The Council's share, £1.360m would be made available to support the 2022/23 budget whilst the GMCA share would be transferred to a reserve to be paid to the GMCA once the final position had been agreed. These figures would only be confirmed at the end of 2022/23.

The preparation of Council Tax and Business Rates taxbases was being undertaken during a period of unprecedented uncertainty and volatility.

The COVID-19 pandemic and recent Government announcements relating to extended retail relief had continued to reduce both the Council Tax and Business Rates income collected in 2021/22 to the extent that an income deficit of £7.741m was projected for the Council at the end of 2021/22 (this is initially accounted for in the Collection Fund). However as Central Government is providing grants in lieu of business rates, specifically for the provision of Extended Retail Relief, current estimates are that there will be grant received of £9.045m which removes the deficit and allows the use of £1.304m of additional resources to support the 2022/23 budget.

Options/alternatives considered

The Council has little discretion in the calculation of the number of properties incorporated into the Council Tax Tax Base given the legislative framework that is in place. However, there is some discretion in estimating the number of new properties that will be included on the Council Tax register during 2022/23 and the change to the number of claimants of Council Tax Reduction. A prudent view has been taken in this regard. The main area for an alternative approach is over the level of assumed collection rate. An increase in the collection rate would boost the anticipated Council Tax income and a decrease in the rate would decrease income. The Council has chosen to maintain its 2021/22 collection rate at 96.75%. This decision had

been influenced by prevailing economic circumstances and current trends in collection rates.

The NNDR1 return generated the figures upon which the Business Rates Tax Base was prepared. It is not therefore appropriate to consider an alternative approach. However, as the figures included on the NNDR1 return on 31 January 2022 may vary from the estimated level, delegation was sought to allow the opportunity to revise the Business Rates forecast and approve a revised and more accurate position for budget setting.

RESOLVED – That:

1. The Council Tax Tax Base for 2022/23 at 57,450 Band D equivalent properties be approved.
2. The latest estimate for 2022/23 Business Rates revenue that was attributable to Oldham Council as being £48.605m be approved
3. The drawing down from the Collection Fund of £2.720m of Business Rates retention gains anticipated for 2022/23, of which the Council would utilise £1.360m (50%) be approved.
4. The Tax Bases for Saddleworth and Shaw and Crompton Parish Councils of 8,833 and 5,548 respectively be noted.
5. The decision to vary the final Business Rates forecast and hence the Business Rates Tax Base, if required, be delegated to the Director of Finance in consultation with Deputy Leader and Cabinet Member for Finance and Low Carbon.

8

POSITIVE STEPS CONTRACT EXTENSION FOR TARGETED YOUTH SUPPORT LOTS 2 AND 3

Consideration was given to a report of the Director of Education, Skills and Early Years which sought approval to exercise an existing option to extend the contract for targeted Youth Support Lots 2 and 3 currently held by Positive Steps.

It was reported that the Council commissioned Positive Steps to deliver a range of services to support Oldham's young people under the overarching banner of Targeted Youth Services.

These included support services for young carers; delivery of missing from home return interviews; careers information advice and guidance as well as the Council's Youth Justice Service.

The current contracts would end on 31 March 2022 with an option to extend for up to a further twelve months up until 31 March 2023.

Permissions was sought for Cabinet to exercise the existing option to extend the contract for Targeted Youth Support (TYS) Lots 2 and 3 currently held by Positive Steps for up to a further 12 months from 1st April 2022. This was within the scope of the initial contract award and therefore is within Council Contract Procedure rules.

Options/alternatives considered

Option One - TYS Lots 2 and 3 be extended for a maximum period of twelve months up until 31 March 2023. This would be within the intent of the current contract award and is within corporate procurement rules

Option Two- Notice be given to cease either or both contracts on 31 March 2022.

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

9

TEMPORARY STAFFING SUPPLY CONTRACT

Consideration was given to a report of the Director of Workforce which sought approval for the Council to re-contract for a Temporary Staffing Supply provider from the 29 January 2022 as part of an GM HR collaboration for the reasons outlined below.

It was reported that the Council was part of a Greater Manchester HR/OD Collaboration, established in 2008 and comprised the 10 Greater Manchester Local Authorities plus partners. The collaboration jointly procured a number of services one of which was the temporary staffing service.

The joint contract had been in place for 12 years and had been held by several suppliers in this time. The current supplier was REED Employment Agency. Following a stringent procurement process via the YPO Framework the contract was awarded to REED in January of 2016 for a 4-year term. In light of the pandemic and given the size of the contract and the amount of work that would be involved in a retender process, it was agreed that the contract would be extended for a further year utilising the COVID PPN which to January 2022. This provided the authorities with the ability to keep staff focused on priority COVID work and not having to deploy staff to an intensive retender process.

The report set out how the collaboration, which now consisted of Blackpool Council, Blackburn with Darwen Council, Bolton Council, Bury Council, Greater Manchester Police, Greater Manchester Combined Authority (including Fire Services), Oldham Council, Rochdale MBC, Salford City Council, Stockport MBC, Trafford Council, Warrington Borough Council and Wigan Council, had retendered the contract and selected a preferred supplier.

Option 1 – Do nothing. This was not an option and would result in the expiration of the Council's current service provision and lead to the loss of essential services to the Council.

Option 2 - Run a separate procurement process independently This would likely result in a more costly services and negate the benefits outlined in this report. This would also result in a period of service withdrawal given the timescales in which a new provider is required.

Option 3 - Join the GM HR Collaboration To contract the services of REED for the full contract period of three years (with option for a one-year extension). This would give the Council the operating model required to continue to engage temporary workers where required whilst working to reduce the reliance on agency staffing and consider alternative options.

RESOLVED – That the Cabinet would consider the commercially sensitive information contained at Item 13 of the agenda.

10

URGENT ITEM -COVID-19-ADDITIONAL RELIEF FUND

Consideration was given to a report of the Director of Finance which sought approval on the proposed approach to the administration of the COVID-19 Additional Relief Fund. It was reported that the Government had introduced a new temporary Business Rates Discretionary Relief Scheme, the COVID-19 Additional Relief Fund (CARF) and guidance for Local Authorities was issued on 15 December 2021. Oldham's allocation of the fund was £4,203,655. The scheme has been established to support those businesses impacted by the COVID- 19 pandemic and unable to adequately adapt to that impact. It was only available to reduce liability for Business Rates for the 2021/22 financial year and for those businesses who have not already received support via other relief schemes. This excluded businesses in the Retail, Leisure and Hospitality sectors and those who had received Nursery Discount. Local Authorities were required to devise a local discretionary scheme to administer this relief using existing powers under section 47 of the Local Government Finance Act 1988. The Government would re-imburse Local Authorities through Section 31 grants for expenditure properly incurred up to the funding allocation. The Government had requested that Local Authorities prioritise delivery of this support to businesses as soon as possible.

The Cabinet considered this as an urgent item due to the timeline required for implementation.

The criteria for applying for the business rate relief would be published on the Council's website.

Options/alternatives considered

Option 1 -To approve the proposed approach to the administration and delivery of the COVID- 19 Additional Relief Fund in Oldham

To delegate further decision making on the scheme, including the final allocation of the funding to the Director of Finance in consultation with the Deputy Leader and Cabinet Member for Finance and Low Carbon.

Option 2 This option would entail not utilising the Government funding available to support Oldham businesses impacted by COVID-19.

RESOLVED – That:

1. The proposed approach to the administration and delivery of the COVID- 19 Additional Relief Fund in Oldham be approved.
2. Further decision making on the scheme, including the final allocation of the funding, be delegated to the Director of Finance in consultation with the Deputy Leader and Cabinet Member for Finance and Low Carbon be approved.

11

EXCLUSION OF THE PRESS AND PUBLIC

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

12 **POSITIVE STEPS CONTRACT EXTENSION FOR
TARGETED YOUTH SUPPORT LOTS 2 AND 3.**

The Cabinet considered the commercially sensitive information in relation to Item 8 Positive Steps Contract Extension for Targeted Youth Support lots 2 and 3.

RESOLVED – That the recommendations as contained within the commercially sensitive report be approved.

13 **TEMPORARY STAFFING CONTRACT**

Consideration was given tot the commercially sensitive information in relation to Item 9 - Temporary Staffing Contract.

RESOLVED – That the recommendations contained within the commercially sensitive report be approved.

The meeting started at 6.00pm and finished at 6.29pm

Present: Councillor Shah (Chair)
Councillors Akhtar, Chadderton, Chauhan, Jabbar, Moores,
Mushtaq, Roberts and Stretton.

1 **APOLOGIES FOR ABSENCE**

There were no apologies for absence received.

2 **URGENT BUSINESS**

There were no items of urgent business received.

3 **DECLARATIONS OF INTEREST**

There were no declarations of interest received.

4 **PUBLIC QUESTION TIME**

5 **DRAFT MINUTES OF THE ADMINISTRATION BUDGET
POLICY OVERVIEW AND SCRUTINY COMMITTEE HELD
ON 27TH JANUARY 2022**

Members considered the draft minutes of the Performance and Value for Money Select Committee held on the 27th January 2022.

It was reported that the Select Committee recommended to Council all 52 of the 53 budget reduction proposals. The Committee asked Cabinet to consider Budget proposal BR1-526 Get Oldham Growing.

On further consideration of the proposal, Members agreed that BR1-526 remain as a budget reduction.

RESOLVED – That the deliberations and comments of the Policy Overview and Scrutiny Committee held on the 27th January 2022 be noted and the budget proposal BR1-526 remained as part of the budget proposals for consideration by Full Council.

6 **DRAFT MINUTES OF THE OPPOSITION BUDGET
CONSIDERATIONS POLICE OVERVIEW AND SCRUTINY
COMMITTEE HELD ON 8TH FEBRUARY 2022**

Consideration was given to the minutes of the Opposition budgets, Liberal Democrat and Conservative. The Policy Overview and Scrutiny committee commended all proposals to Cabinet for consideration.

Cabinet considered the proposals and summarised information in relation to the proposals.

RESOLVED – That

1. The deliberations and comments of the Policy Overview and Scrutiny Committee held on 8th February 2022 be noted.

2. None of the alternative budget proposals presented by the Liberal Democrats and Conservatives Groups would be accepted.



REVENUE MONITOR AND CAPITAL INVESTMENT PROGRAMME 2021/22 MONTH 8 – NOVEMBER 2021

The Cabinet gave consideration to a report of the Director of Finance which provided them with an update on the Council's 2021/22 forecast revenue budget position and the financial position of the capital programme as at 30 November 2021 (Month 8), together with the revised capital programme 2021/26. In relation to the Revenue position, the Cabinet was informed that the current forecast outturn position for 2021/22 was a projected surplus variance of £2.672m after allowing for approved and pending transfers to and from reserves.

The position also included additional costs and pressures that have been identified by the Authority in this financial year as a direct result of COVID-19. The additional pressures included forecasts of both income shortfalls and additional expenditure that have impacted on the Authority's budgets as a result of the pandemic.

The pandemic had affected nearly all aspects of Council service delivery; however, the most significant areas of concern were the People and Place, Children's Services and Community Health & Adult Social Care Portfolios. Action was being taken and would continue for the remainder of the financial year to address variances and take mitigating action as detailed in the report.

The Cabinet noted the overall corporate position was, being offset by the application of the £7.737m general COVID Support grant and £0.352m from the Quarter 1 compensation claim for lost income in relation to sales fees and charges (SFC); in total £8.089m, all of which was received from the Department for Levelling Up, Housing and Communities (DLUHC). In Appendix 1 to the report, the un-ringfenced Government support was presented as a single sum so that it highlighted the level of variation across all Council budgets, given that there was insufficient resource to fully offset the adverse COVID related variance. However, this summary report presented the position after applying the Government grant across Portfolio areas. An update on the major issues driving the revenue projections was detailed within Annex 1, Section 2. The current projected position, after adjustment for reserves and, as outlined above, receipt of all additional Government funding to support COVID pressures that the Authority was expecting to receive, continued to show a net underspend, hopefully demonstrating the impact of the service and corporate actions that had been initiated across all service areas to review and challenge planned expenditure and to maximise income. Action would continue with the aim of, at the very least, maintaining this position to the end of the financial year.

Information on the Quarter 2 position of the Dedicated Schools Grant (DSG), Housing Revenue Account (HRA) and Collection Fund was also outlined in the report. There were no significant issues of concern in relation to the HRA. The Collection Fund

position was improving, with a reduced in-year deficit of £12.159m (of which the Councils share was £11.785m) compared to £13.712m at Quarter 2. Government grant compensation of £13.092m would offset this to produce a forecast surplus of £1.307m which would be available to support the 2022/23 budget. Whilst the DSG continued to be an area which was facing a financial challenge, recent funding announcements in particular had contributed to an improved position, reducing the cumulative deficit and bringing the DSG towards an enhanced balanced position in 2023/24. With regard to the Capital position, the report outlines the most up to date capital spending position for 2021/22 to 2025/26 for approved schemes. The revised capital programme budget for 2021/22 was £52.588m at the close of month 8 a net decrease of £33.414m from the original budget of £86.002m. Actual expenditure to 30 November 2021 was £23.801m (45.29% of the forecast outturn).

The forecast position would continue to change as the year draws to a close with additional reprofiling into future years. The Month 8 Revenue Monitor and the Capital Investment Programme 2021/22 report was presented to the Policy Overview and Scrutiny Committee on 27 January 2022 to accompany the suite of 2022/23 budget reports. The Committee was content to note the report and commend it to Cabinet for approval.

Options/Alternatives considered

Option 1 – To approve the forecast revenue and capital positions presented in the report including proposed changes.

Option 2 – To approve some of the forecasts and changes detailed within the report.

Option 3 – Not to approve any of the forecasts and changes detailed within the report.

RESOLVED – That:

1. The forecast revenue outturn for 2021/22 at Month 8 being a £2.672m favourable variance having regard to the action being taken to manage expenditure be approved.
2. The forecast positions for the Dedicated Schools Grant, Housing Revenue Account and Collection Fund be approved.
3. The use of reserves as detailed in Appendix 1 to Annex 1 of the report be approved.
4. The revised capital programme for 2021/26 at Month 8 as presented in Annex 2 of the report be approved

8

REVENUE BUDGET 2022/23

Consideration was given to a report of the Director of Finance which provided the Cabinet with the forecast budget reduction requirement and the budget proposals for 2022/23, having regard to the Provisional Local Government Finance Settlement published on 18 December 2021.

This report presented the Council's Revenue Budget for 2022/23 including the Administration's revenue budget proposals for 2022/23. The report set out the key policies

and strategies that influenced the budget process, the initial budget reduction requirement for 2022/23, how that had been adjusted to arrive at a revised budget reduction requirement and then the means by which the budget was balanced. Section 1 presented an introduction to the report and explained the report format.

Section 2 set out key Council Policies and Strategies including the Oldham Plan, Corporate Plan/COVID-19 Recovery Strategy, Constitution and Rules of Procedure, as the framework within which the Budget had been prepared.

Section 3 presented Local Government Finance developments which were likely to be taken forward during 2022/23. It also highlighted the Chartered Institute of Public Finance and Accountancy (CIPFA) Financial Resilience Index, the CIPFA Financial Management Code and a commentary on financial resilience, all of which were of importance when considering the Council's financial standing in the context of budget setting for 2022/23.

The starting point for preparing the 2022/23 revenue budget estimates was an underlying base budget of £237.349m and the 2021/22 revenue budget forecast outturn position presented in the month 8 Financial Monitoring Report. This was summarised in Section 4. It highlighted a current favourable projected variance for 2021/22 of £2.672m. This consisted of net COVID pressures of £3.311m and a favourable business as usual variance of £5.983m.

In considering this position, it was important to note that the Council had received £7.737m of general grant as support for COVID related expenditure from the Government for 2021/22 and an estimated £0.352m of compensation for Sales, Fees and Charges; a total of £8.089m. This was being used to offset an overall pressure of £11.400m caused by the pandemic. As highlighted later, this COVID pressure had to be addressed in 2022/23 as the Government was not providing any additional specific funding to support COVID costs in 2022/23.

Sections 5 to 9 set out how the expenditure pressures that contribute to the budget gap had been determined.

Section 5 summarised the revisions to the estimates since the initial budget gap for 2022/23 was assessed at £31.900m. An updated budget gap was estimated at £24.431m arising from a range of adjustments to both expenditure pressures/variations and income increases/decreases.

Looking first at expenditure pressures, these were adjustments to the base budget outlined in Section 6, expenditure adjustments (Section 7), use of the Development Fund (Section 8) and the impact of levies (Section 9). In this regard:

- Section 6 presented eight adjustments which had to be made to the base budget. These included adjustments to ensure that one off items from 2021/22 (expenditure funded by one-Government grant, the impact of the use of reserves and the flexible

use of capital receipts) were correctly presented. The overall impact was an increase to the budget of £8.297m a reduction of £2.178m compared to an original estimate of £10.475m.

Section 7 presented a range of expenditure pressures that contributed to the £24.431m budget gap. The original estimate

was that such pressures would total £10.786m but after further review, this had increased to £26.281m. The most significant amendment was £12.000m for costs associated with COVID legacy. This would be built into the budget estimates to reflect the expected on-going costs. This estimate aligned to the COVID costs reported at month 8 of £11.400m as advised above.

A further pressure, albeit directly funded by Council Tax (the Adult Social Care Precept) was increased expenditure to support the adoption of the National Foundation Living Wage by Care Providers.

Section 8 highlighted the use of the original £1.500m Development Fund plus a further £0.180m on Administration priority initiatives.

Section 9 set out the impact of the payment of levies and contributions to the Greater Manchester Combined Authority (GMCA) and a levy to the Environment agency (EA). It advised that the levies and contributions budget pressures had reduced from £0.678m to £0.267m.

Sections 10 to 14 presented the impact of the Provisional Local Government Finance Settlement announced on 16 December 2021 and income related adjustment to the estimates.

Section 10 provided a commentary on the Spending Review 2021 and the Provisional Local Government Finance Settlement (PLGFS) including unringfenced funding allocations made available to the Council by the Government to help support the budget process and address the budget gap. A summary of all grants notified or anticipated (for which a sum has been assumed) as included in the PLGFS totalled £75.761m which was £9.792m higher than the forecasts previously presented. This had to provide support for COVID legacy costs, which as advised above, were estimated to be £12.000m.

The PLGFS confirmed referendum limits for a general purpose Council Tax increase and the Government would permit rises of up to 2% per annum for 22/23 without the need to hold a referendum.

The threshold for Adult Social Care Precept (ASCP) increased to a maximum of 1% for 2022/23 alongside the ability to add up to an additional 3% of unused ASC Precept from 2021/22. Oldham Council had 1% of unused precept from 2021/22 (after an increase of 2%) so therefore the total applicable referendum limit for Oldham for the ASCP for 2022/23 was 2%. There remained a requirement to evidence that the funds generated from this precept were used for Adult Social Care expenditure.

Section 11 outlined the main ringfenced grants that must be used in accordance with specific guidance but nonetheless helped the Council deliver its services. A value for a number of these grants had yet to be confirmed.

Section 12 set out the income to support the budget from Retained Business Rates and Grant in Lieu of Business Rates and how this helped to reduce the level of budget reductions required.

Cabinet at its meeting of 24 January 2022, initially set the 2022/23 Business Rates Tax base at £51.325m. However, the

setting of this Tax Base was aligned to the preparation of a Government return, the NNDR1, which for 2022/23, had to be submitted by 31 January 2022. Cabinet therefore delegated the setting of the final Tax Base to the Director of Finance in consultation with Cabinet Member for Finance and Low Carbon having regard to the contents of the NNDR1. Under delegation, the Tax Base had been revised to £51.850m which was an increase from the initial estimate of £50.612m and the Tax Base approved by Cabinet (£51.325m).

This was despite the introduction of additional Business Rate Reliefs (which reduced the impact of collectable Business Rates) since the original estimate was made.

This was in part due to the introduction of gains from the piloting of 100% Business Rates Retention which were not anticipated. Grant in lieu of Business Rates represented compensation for historic Government policy announcements and events that had the impact of reducing the amount of collectable Business Rates revenue. These grants were effectively a substitute for Retained Business Rates income. Due to the introduction of Business Rate Reliefs for 2022/23 and the adjustment to factors used in the calculation, the anticipated grant had increased by £8.628m from £10.843m to £19.471m.

Section 13 presented the Council Tax position for 2022/23. It advised that the Council Tax Tax Base had been set at 57,450, which is lower than the initial estimate but 250 higher than the 57,200 Tax Base for 2021/22.

Current Council Tax policy (subject to confirmation at Budget Council on 2 March 2022) was to have a 1.99% general purposes increase and a 2% increase in the Adult Social Care Precept which is within the referendum criteria issued by the Government in the PLGFS. It was intended that resources generated by 1% of the increase would be used to support Adult Social Care providers remunerate staff at the level of the National Foundation Living Wage.

Total Council Tax to be generated for use by the Council based on the Tax Base and the 3.99% increase was £102.932m.

The impact of the major precepting Authorities would be confirmed on 11 February 2022.

The Parish Councils both agreed their precepts in late January and confirmed figures are presented in the report.

Section 14 outlined the impact of Collection Fund (the ringfenced account within which Council Tax and Business Rates are managed). It highlighted that there were three key issues to have regard to, the budget must be adjusted for a 2020/21 Collection Fund deficit of £2.192m (the Government passed legislation to allow deficits arising from the major impact of the pandemic in 2020/21 to be recovered over three years (2020/21 to 2022/23), the 2021/22 Collection Fund forecast outturn projection as outlined in the month 8 financial monitoring report produced a net surplus of £1.307m which would be available to support the 2022/23 revenue budget. As in 2021/22, a technical adjustment to the budget was required in 2022/23 as a result of the Collection Fund deficit caused by the Government notifying the continuation of Business Rate reliefs for retail, leisure, hospitality and nursery businesses after the 2021/22 budget had been set and the

introduction on 15 December 2021 of the COVID-19 Additional Relief Fund (CARF) to provide discretionary rate relief in 2021/22. The estimated deficit this produced in 2021/22 was £13.092m which must be addressed in 2022/23.

Government was providing the Council with grant compensation for the loss of Business Rates income throughout 2021/22 and this would be carried forward as a reserve to offset the deficit in 2022/23.

Based on the latest estimates, the budget reduction requirement for 2022/23 had decreased from the previously reported figure of £31.900m to £24.431m, increasing to £37.523m after the technical adjustment for the Collection Fund deficit of £13.092m.

Section 15 presented the first stage in the Administration's approach to balancing the budget for 2022/23, a review of the twelve Budget Reductions that were approved within the 2021/22 Budget Report but had an impact of £6.050m on 2022/23. During the review, it was identified that four of the budget reductions would not be delivered in full, reducing the impact to £5.467m, a reduction of £0.583m. Taking this into account, the budget gap reduced from £37.523m to £32.056m. Section 16 of the report detailed the Administration's budget reduction proposals for 2022/23.

There were a total of 53 proposals presented in accordance with Political Portfolios. These were expected to deliver savings totalling £6.268m and have an FTE impact of 22.60. The proposals also had an impact on 2023/24 of £1.895m and 2024/25 of £1.150m.

All the proposals were presented in summary at Appendix 5 and in detail at Appendix 6.

Two of the proposals required investment of £0.405m in 2022/23 to deliver savings in 2023/24, these are:

- a) ASC-BR1-548: Smarter Ways of Working £0.095m
- b) ASC-BR1-552: Review Care and Support Plans - £0.310m

Assuming approval of the 2022/23 budget reduction proposals, the budget reduction requirement for 2022/23 reduced from £32.056m to £25.788m.

Section 17 outlined the opportunity to use capital receipts flexibly to finance expenditure leading to transformation in the sum of £2.500m. Having applied this to the budget, the budget gap reduced from £25.788m to £23.288m.

Section 18 advised that specific and corporate reserves from the Balancing Budget Reserve would be used to address the balance as follows:

- £13.092m of Section 31 grant received in 2021/22 held to support the Collection Fund Deficit in 2022/23 as a result of Business Rates relief for retail, leisure and hospitality and nursery businesses and the discretionary CARF scheme (a technical adjustment);
- £1.300m of 2021/22 Earmarked Reserves created to support Organisational Redesign;
- £0.100 of Earmarked Reserves to fund one-off activities in relation to the Queen's Jubilee Celebrations;
- £0.405m as invest to save pump priming funding to enable budget reductions to be delivered for 2023/24; and

- £10.101m of corporate reserves.

There was also a planned movement to reserves of £1.710m relating to the setting aside of gains from the piloting of 100% Business Rates Retention in anticipation of allocating the funds to the Greater Manchester Combined Authority as its share of gains from 2022/23.

Approval of the proposals set out in this report in full by Budget Council including the use of reserves as set out above delivered a balanced revenue budget for 2022/23.

Section 19 considered the ability of the Council to address COVID related pressures in 2022/23 given the uncertainty that still prevailed and the impact of the Omicron variant.

Section 20 presents the expected level of reserves at the end of 2021/22 at £89.772m and how they supported the 2022/23 budget including the balancing budget reserve for 2022/23 which addressed the reserves requirement as set out above.

Section 21 summarised the overall budget strategy to balance the budget for 2022/23.

Other key sections in the report (Sections 22 to 23):

- set out the Administration's proposals in relation to Fees and Charges.
- detailed the Council's Pay Policy Statement (as required by Sections 38 to 43 of the Localism Act 2011).

Given the importance of delivering budget reductions and embedding the programme of transformational change, during 2022/23, there would be a regular review of the progress of existing change programmes against the delivery milestones and financial targets. It would

also ensure that there was continuous emphasis on the delivery of change and the achievement of the budget reductions required in line with the three year strategy.

The Revenue Budget 2022/23 was presented to the Policy Overview and Scrutiny

Committee on 27 January 2022. The Committee scrutinised the budget report and the other reports on the agenda that formed a core part of the Council's strategic financial planning framework. The Committee considered in detail the Administrations 53 budget reduction proposals for 2022/23 and were content to commend to Cabinet 52 of the 53 proposals at a value of £6.206m.

The Committee requested that Cabinet review and consider the delivery of one remaining proposal, REF-BR1-526: Get Oldham Growing at a value of £0.062m. The Committee's view was that progressing the proposal in its current form would have a negative impact on residents in the community that currently accessed this service.

The Committee was content with all other aspects of the report and therefore commended it to Cabinet.

Options/Alternatives considered:

Option 1 – Cabinet accepts the 2022/23 assumptions and resulting financial forecasts presented within the report and the budget position at Appendix 4.

Option 2 – Cabinet proposes amendments to the assumptions which will change the resulting budget reduction requirement and financial forecasts.

Option 3 – Cabinet approves and commends to Council the contents of the report including 52 of the 53 budget reduction proposals to the value of £6.206m and the approach to the use of reserves and balances as well as Council Tax and Adult Social Care Precept increases.

Option 4 - Cabinet considers its approach to the Budget Reduction proposal REFBR1- 526: Get Oldham Growing at a value of £0.062m having regard to the comments of the Policy Overview and Scrutiny Committee.

Option 5 - Cabinet requests that further work is undertaken on some or all of the budget proposals and the approach.

RESOLVED – That the Cabinet approved and commended to Council:

1. The policy landscape and economic context in which the Council was setting its revenue budget for 2022/23
2. The key issues to be addressed in continuing to respond to the financial challenges facing the Council;
3. A proposed 2022/23 Council Tax increase of 3.99% for Oldham Council services (1.99% for general purposes and 2% Adult Social Care Precept) resulting in the charges set out at Table 19 of the report;
4. The financial forecasts for 2022/23 having regard to the Provisional Local Government Finance Settlement and associated funding announcements, an overall budget reduction requirement of £37.523m;
5. A revision to the Budget Reduction proposals approved for 2022/23 at the Budget Council of 4 March 2021 to a value of £5.467m;
6. A total of 52 of the 53 recurrent 2022/23 Budget Reduction proposals at a value of £6.206m with a further £1.895m for 2023/24 and £1.150m for 2024/25;
7. The Flexible Use of Capital Receipts at a value of £2.500m;
8. The proposed use of £24.998m of reserves to balance the 2022/23 budget including £0.405m to support the delivery of budget reductions for 2023/24 and a transfer to reserves of £1.710m for Retained Business Rates;
9. The proposal to draw on the Collection Fund for major preceptors of £121.962m for Borough Wide services and £102.932m for Council services (subject to confirmation);
10. The proposed net revenue expenditure budget for 2022/23 for the Council set at £259.639m;
11. The proposed fees and charges as set out in the schedule included at Appendix 8;

12. The draft pay policy statement included at Appendix 9 to the report.

9

MEDIUM TERM FINANCIAL STRATEGY 2022/23 TO 2026/27



Consideration was given to a report of the Director of Finance which provided Cabinet with the forecast budget reduction requirement estimates for the period 2022/23 to 2026/27 having regard to the three-year Indicative Spending Review published on 27 October 2021, key Government Policy Documents (such as the two White Paper on the future of Adult Social Care entitled Building Back Better and People at the Heart of Social Care) and the Provisional Local Government Finance Settlement published on 16 December 2021.

The report set out the Council's Medium Term Financial Strategy (MTFS) for the period 2022/23 to 2026/27, advised Members of the key financial challenges and issues which would be faced by the Council over the forecast period and set out the estimated budget reduction requirement for this period.

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

It also advised of the national policy landscape and economic context in which the Council was setting both its revenue budget for 2022/23 and Medium Term Financial Strategy to 2026/27.

It was important to note that the Government has only provided certainty in a one-year settlement for the financial year 2022/23 and an indicative settlement as per the Spending Review for a further two years. The MTFS estimates for 2023/24 to 2026/27 were, therefore, based on a series of assumptions and must be considered indicative at this stage. The notification of detailed allocations of grant funding for one year had caused uncertainty and hindered effective planning by the Council both financially and operationally as future Government funding intentions such as those planned in the Levelling Up Agenda were difficult to assess. This position, together with the transformational and organisational plans for change that the Council would implement to address its best estimate of the present financial challenge were outlined in this report.

The MTFS highlighted the plan to deliver significant savings from the financial year 2023/24 onwards linking into the budget report elsewhere on the Agenda which outlined the proposals for the financial year 2022/23. Whilst it was anticipated that the Council would continue to rely on the use of reserves to support the revenue budget in 2023/24 and 2024/25 at a value of £9.932m, additional budget reductions were expected to be achieved as part of the

Council's transformation programme. There were budget reductions agreed within the 2021/22 budget that had an impact on 2022/23 and beyond and proposed budget reductions for 2022/23 that had an impact on 2023/24 and beyond.

In total it was anticipated that these budget reductions would impact on 2023/24 at a value of £6.817m, £1.450m in the financial year 2024/25 and further £0.303m in the financial year 2025/26.

The budget reduction requirement for subsequent years after the delivery of approved budget reductions and the use of reserves was forecast to be £16.711m for 2023/24, £8.117m for 2024/25, £8.384m for 2025/26 and £5.682m for 2026/27. However, given the level of anticipated, these estimates would be kept under constant review and would be subject to amendment and provided a starting position from which more detailed financial and operational plans could be developed.

The Council's approach to balancing its budget was to embark on an ambitious transformation programme based upon the Delivering a Sustainable Future (DaSF) concept and shape programme supported by appropriate investment which would aim to deliver long term recurring savings whilst improving the efficiency of service delivery. This was developing the work established in the 2021/22 to 2023/24 MTFs, largely aligned to the themes established and approved at Budget Council in March 2021. The following DaSF core themes were summarised below:

- Enablers for Transformation
- Placed Based Integration/ Communities
- Children's Transformation Programme
- Adult Social Care Transformation Programme including Health and Care Integration
- Economy and Public Realm (including the Creating a Better Place Strategy)

In addition, there

Presentation of this report to the Policy Overview and Scrutiny Committee on 27 January 2022 was a key stage in the budget consultation process. The Committee scrutinised the report and the other reports on the agenda that formed a core part of the Council's strategic financial planning framework. The Committee was content to commend the report to Cabinet without additional comment.

Options/alternatives considered

Option 1 – Cabinet accepts the assumptions and resulting financial forecasts presented within the report.

Option 2 – Cabinet proposes amendments to the assumptions which would change the resulting budget reduction requirement and financial forecasts.

Option 3 – Cabinet requests that further work was undertaken on some or all of the budget estimates and the approach to reserves and balances and that Cabinet considers a revised position.

RESOLVED – That Cabinet agreed and commended to Council

1. The policy landscape and economic context in which the Council was setting its Medium Term Financial Strategy to 2026/27.
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 2022/23 to 2026/27 having regard to the Provisional Local Government Finance

Settlement, three-year indicative Spending Review, key White Papers and associated funding announcements.

4. The key issues to be addressed in continuing to respond to the financial challenges facing the Council;
5. The proposed use of £6.000m of reserves to support the 2023/24 budget and £3.932m of reserves to support the 2024/25 budget; and
6. The revised estimated budget reduction targets of £16.711m for 2023/24, £8.117m for 2024/25, £8.384m for 2025/26, and £5.682m for 2026/27 after the use of reserves (as at recommendation 5) and the impact of budget reductions agreed for 2021/22 and 2022/23.

10

COUNCIL TAX REDUCTION SCHEME 2022/23

Consideration was given to a report of the Director of Finance which set out the proposed Council Tax Reduction Scheme for 2022/23.

Members were informed that there was a requirement to have a Council Tax Reduction (CTR) scheme to support residents who qualified for assistance in paying Council Tax. The Local Government Finance Act 2012 placed 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 2022/23 scheme must be agreed by full Council in line with budget setting and no later than 10 March 2022. For Oldham, this required the Council to agree a revised 2020/21 scheme at the 2nd March 2022 Council meeting. Any proposed change must be subject to prior consultation with the major preceptors and the public.

The Council, in deciding the CTR scheme for 2022/23, needs to consider both the affordability of the scheme for the Council given the financial challenge it currently faced and the impact of retaining the existing scheme (or of revising the scheme) on Oldham's residents of working age in receipt of low incomes. The scheme for those of pensionable age was set by the Government and cannot be changed.

The furlough scheme (Coronavirus Job Retention Scheme) concluded on 30 September 2021 as did the fifth grant under the Self-Employed Income Support scheme and the Universal Credit £20 uplift. Self-employed recipients of Universal Credit were not subject to the minimum income floor during the pandemic, but this was re-instated (with some exceptions) from 31 July 2021. The effects of the phasing out of these schemes that have provided financial help for residents, along with the on-going impacts of the pandemic in shifting the demand for support under CTR scheme and the ability of residents to pay over the remainder of 2021/22 and into 2022/23 was difficult to estimate, and the full economic impact was uncertain.

Given levels of uncertainty about the impact of the pandemic on the demand for CTR in the coming months, Members were requested to consider the recommendation to maintain the current CTR scheme in 2022/23, being mindful of the aim of ensuring continuity about entitlement to those residents on the lowest incomes.

Option 1: Maintaining the present level of support i.e., limiting the level of support to 85% of Council Tax for a Band A property as the maximum amount available.

Option 2: Limiting the maximum level of support from 2022/23 to 82.5% of Council Tax for a Band A property

Option 3: Limiting the maximum level of support from 2022/23 to 80% of Council Tax for a Band A property

RESOLVED -That Cabinet approves and commends to Council the proposed Council Tax Reduction scheme for 2022/23 which keeps the scheme unchanged from that operating in 2021/22.

11

CAPITAL STRATEGY AND CAPITAL PROGRAMME 2022/23 TO 2026/27

Consideration was given to a report of the Director of Finance which set out the Capital Strategy for 2022/23 to 2026/27 and thereby the proposed 2022/23 capital programme, including identified capital investment priorities, together with the indicative capital programme for 2023/24 to 2026/27, having regard to the resources available over the life of the programme.

The Capital Strategy

The Council's Capital Strategy and capital programme were set over a five year timeframe. The proposed Capital Strategy and programme for 2022/23 to 2026/27 took the essential elements of the 2021/22 to 2025/26 and previous years' strategies and programmes and moved them forward in the context of the financial and political environment for 2022/23.

The Strategy included a longer-term vision, a forward look at those projects that were likely to run beyond the five year strategy and programme period or be initiated subsequently. This covers a timeframe for the 10 years from 2027/28 to 2036/37.

The format of the Capital Strategy reflected the latest Prudential and Treasury Management Codes issued by the Chartered Institute of Public Finance and Accountancy (CIPFA). The strategy therefore presented

- 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 was managed; and
- The implications for future financial sustainability.

The Capital Strategy was presented at Appendix 1. It was prepared in 15 sections to ensure that Members were presented with the overall long-term capital investment policy objectives and resulting Capital Strategy requirements, governance procedures and risk appetite.

The sections were:

1. Aims of the Capital Strategy and its links to the Council's Corporate Plan / COVID-19 Recovery Strategy, Creating a Better Place programme, 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 Levelling Up and Shared Prosperity Fund 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 was aligned with the Creating a Better Place programme which was focused on building more homes for the borough's residents, creating new jobs through regeneration and ensuring Oldham was a great place to visit with lots of family friendly and accessible places to go. This also incorporated the Medium-Term Property Strategy and Housing Strategy and aimed to deliver its ambition in ways that contributed to a reduction in carbon emissions in support of the Council's Green New Deal strategy.

Section 1 of the Capital Strategy highlighted the impact of the COVID-19 pandemic on programme delivery, summarises the recently announced revisions to Prudential and Treasury Management Codes of Practice and describes how the Capital Strategy is shaped by the ethos of being a Co-operative Council, the Corporate Plan and COVID-19 Recovery Strategy. This section of the report also described more fully the Creating a Better Place programme (encompassing the Medium-Term Property Strategy and Housing Strategy) which accounts for around 2/3rds of planned Capital Expenditure over the five-year period 2022/23 to 2026/27.

The National Infrastructure Strategy (NIS) published alongside the Chancellor's 2020 Spending Review has, in the last year, overseen the launch of the UK Infrastructure Bank; confirmed a further 15 Towns Deals worth £335 million (including Oldham's worth £24.4m) to revitalise towns across England; and provided £1.2 billion up to 2024/25 for gigabit broadband rollout across the UK.

The Council would 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 set out the proposed capital expenditure and financing for the period covered by the Capital Strategy, 2022/23 to 2026/27.

The Strategy also advised that the Council was proposing to continue the use the flexibility provided by the Government to use capital receipts to fund the revenue cost of transformation. The 2022/23 revenue budget would rely on up to £2.500m of such funding from capital receipts. Annex D of Appendix 1 presents the Flexible Use of Capital Receipts Strategy.

The 2021/22 month 8 capital monitoring position presented alongside this report included expenditure projections that are a key determinant of the 2022/23 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 2021/22 was £52.558m. The People and Place Directorate which managed all of the major regeneration projects, constituted the main area of expenditure. Grants and Other Contributions (£19.850m) followed by Prudential Borrowing provided the main source of financing (£26.294m).

Actual expenditure to 30 November 2021 was £23.801m (45.29% of the forecast outturn). This spending profile was in line with that in previous years, however the position would be kept under review and budgets would continue to be managed in accordance with forecasts.

Capital Programme 2022/23 to 2026/27

The Council had set out its capital programme for the period 2022/23 to 2026/27 based on the principles of the Capital Strategy. The Capital Programme and Capital Strategy had been influenced by the level of resources considered available. The level of prudential borrowing included reflected the financing available in the revenue budget, capital receipts align with forecasts and grant funding and other contributions were based on already notified allocations or best estimates at time of preparation. If additional resources became available, projects that meet the Council's strategic capital objectives would be brought forward for approval.

As at the month 8 capital monitoring position, the anticipated expenditure over the five year life of the 2021/22 to 2025/26 strategy was £368.705m, taking 2021/22 aside (£52.558m) leaves £316.147m for the remainder of the approved 2022/23 to 2025/26 capital programme. Following the refresh of existing strategies and the Creating a Better Place programme, and moving forward the planning period by one year, the Capital Strategy for 2022/23 to 2026/27 totalled £347.387m.

The capital programme included proposed expenditure for 2022/23 of £100.248m of which £81.465m, was the largest area of expenditure being on regeneration, schools, transport and infrastructure projects within the People and Place Directorate. Total expenditure decreased to £86.993m, £64.253m, £48.810m and £47.083m in 2023/24, 2024/25, 2025/26 and 2026/27 respectively.

Resources Available to Support the Capital Programme

The Government was continuing to provide significant levels of grant funding. The main sources of grant income were the Towns Fund at £24.400m (£24.200m over the period 2022/23 to 2026/27), along with Education-related Basic Need Capital grant provision of £10.104m over the life of the programme. There were also considerable resources allocated to the Council via the GMCA including the Mayors Cycling and Walking Challenge Fund (£10.125m in 2022/23) and Local Transport Programme - Highway Maintenance Grant totals £14.812m over the strategy period.

The grant funding provided by Government could 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 was un-ringfenced. Resources classified as ringfenced have to be utilised to finance particular categories of expenditure and therefore are restricted in their use. The 2022/23 capital programme relies on £11.714m of un-ringfenced and £33.787m of ringfenced grants. As in previous years, a major source of financing remained prudential borrowing. The amount required in 2022/23 (£46.990m) includes borrowing attributed to schemes that had been reprofiled from prior years as well as new borrowing associated with the regeneration programme. The timing of the borrowing was linked to the cash position of the Council and may therefore not mirror the spending/financing profile set out above.

There will be a continued review of capital spending requirements as the Council had further regeneration ambitions, but affordability and deliverability would be a key consideration in this regard.

Options/alternatives considered

Option 1 - Cabinet accepts the proposed Capital Strategy and Capital Programme for 2022/23 to 2026/27 and commends it to Council

Option 2 - Cabinet suggests an alternative approach to capital investment for 2022/23 to 2026/27, including the revision of capital priority areas.

RESOLVED - That Cabinet approved and commended to Council the:

1. The Capital Strategy for 2022/23 to 2026/27 at Appendix 1 of this report and summarised at section 2.1.
2. The capital programme for 2022/23 and indicative programmes for 2023/24 to 2026/27 at Annex C of Appendix 1 and summarised at sections 2.2 to 2.6 of this report.
3. The Flexible Use of Capital Receipts Strategy as presented at Annex D of Appendix

12

TREASURY MANAGEMENT STRATEGY STATEMENT 2022/23 INCLUDING THE MINIMUM REVENUE PROVISION POLICY STATEMENT, ANNUAL INVESTMENT STRATEGY AND PRUDENTIAL INDICATORS

Consideration was given to a report of the Director of Finance which presented to Cabinet, the strategy for 2022/23 Treasury Management activities including the Minimum Revenue Provision Policy Statement, the Annual Investment Strategy and Prudential Indicators together with linkages to the Capital Strategy.

The report outlined the Treasury Management Strategy for 2022/23 including the Minimum Revenue Provision Policy Statement, Annual Investment Strategy and Prudential Indicators together with linkages to the Capital Strategy.

The Council was 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 2021 (the Code) also required the receipt by full Council of a Treasury Management Strategy Statement.

The Strategy for 2022/23 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 outlined the implications and key factors in relation to each of the above Capital and Treasury Management issues and made recommendations with regard to the Treasury Management Strategy for 2022/23.

The report included an economic background commentary which reflected the position at 31 January 2021.

During 2021, there were two consultation exercises on the Prudential Code and Code of Practice on Treasury Management with a range of proposed changes being considered. These mainly related to commercial investments and the requirement for Authorities to adopt a more prudent approach. The second consultation ended on 16 November 2021 and the changes to the Codes were issued on 20 December 2021. The Council's strategy for 2022/23 had incorporated these recent changes in the Codes where information was readily available.

The Audit Committee, the body charged with the detailed scrutiny of Treasury Management activities considered the proposed 2022/23 Treasury Management Strategy report at its meeting on 17 January 2022. It was also presented to the Policy Overview and Scrutiny Committee on 27 January 2022. Both the Audit Committee and the Policy Overview and Scrutiny Committee were content to commend the report to Cabinet.

Options/alternatives considered

In order to comply with the CIPFA Code of Practice on Treasury Management, Cabinet has no option other than to consider and approve the content of the report. Therefore, no options/alternatives have been presented.

RESOLVED - That the Cabinet approved and commended to Council the:

1. Capital Expenditure Estimates as per paragraph 2.1.2 of the report.
2. MRP policy and method of calculation as per Appendix 1 to the report.
3. Capital Financing Requirement (CFR) Projections as per paragraph 2.2.4 of the report.
4. Projected treasury position as at 31 March 2022 as per paragraph 2.3.3 of the report
5. Treasury Limits as per section 2.4 of the report.
6. Borrowing Strategy for 2022/23 as per section 2.6 of the report.
7. Annual Investment Strategy as per section 2.10 including risk management and the creditworthiness policy at section 2.11 of the report.
8. Level of investment in specified and non-specified investments detailed at Appendix 4 to the report.

13

HOUSING REVENUE ACCOUNT ESTIMATES FOR 2022/23 TO 2026/27 AND PROPOSED OUTTURN FOR 2021/22

The Cabinet gave consideration to a report of the Director of Finance which set out for the Housing Revenue Account (HRA), the detailed budget estimates for 2022/23, the strategic estimates for the four years 2023/24 through to 2026/27 and outturn estimate for 2021/22. The report also sets out the recommended dwelling, non-dwelling rents and service and concierge charges to be applied from April 2022.

The report set out the HRA proposed 2022/23 original budget and the forecast outturn for 2021/22. The opportunity was also taken to present the provisional strategic budgets for 2023/24 through to 2026/27.

HRA activities are a key element of the Council's Housing Strategy (approved by Council on 10 July 2019) which aimed to provide a diverse Oldham housing offer that was attractive and met 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 2021/22 was estimated to be a £4.828m positive variance when compared to the original budget forecast for 2021/22 approved at the Budget Council meeting, 4 March 2021. Of this variance, £1.756m was attributable to a higher than anticipated brought forward balance from 2020/21 and the remaining £3.072m was as a result of the re-profiling of HRA funded capital schemes into later years due to revisions to planned spending profiles. The estimated balance at the end of 2021/22 was projected to be £22.291m.

The closing financial position for 2022/23 shows an estimated HRA closing balance of £20.483m which was sufficient to meet future operational commitments and the potential financial pressures identified in the risk assessment.

The 2022/23 position has been presented after allowing for an increase in dwelling rents of 2.1%, 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.

The current Government policy guidance for the period 2020-2025 was that all rents are calculated based on a maximum of the Consumer Price Index (CPI) rate at September of the preceding year plus 1%.

Oldham's projections for the 2022/23 budget had been set assuming rental increases of 2.1% which is 2% lower than if it were to follow the maximum uplift (September 2021 CPI rate being 3.1% plus 1%).

The Council has opted to propose this reduced rate given the current healthy levels of HRA balances and the ongoing pressures, including inflation, on household incomes.

The financial projections for the HRA over the period 2021/22 to 2026/27 showed an overall reduction in the level of balances from £22.291m at the end of 2021/22 to £8.123m at the end of 2026/27.

HRA resources were to be used to support several major approved housing capital projects including development within the town centre and on smaller sites around the borough. There was 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 2022/23 and strategic estimates for the four years 2023/24 to 2026/27 and the outturn estimate for 2021/22 were presented to the Policy Overview Scrutiny Committee on 27 January 2022. The Committee was content to commend the report to Cabinet without amendment.

Options/alternatives considered

For the Council to comply with legislative requirements, it must consider and approve a budget for the HRA for 2022/23.

Three options regarding rent levels are presented below.

- proposed rent increase of 4.1%
- proposed rent increase of 2.1%
- rents are frozen for 2022/23.

Compared to a 4.1% increase, the loss to the HRA for 2022/23 in terms of rental income would be, £0.184m at a 2.1% rent increase and £0.359m with no rent increase, as shown below.

Given the overall health of HRA balances, as previously mentioned in para 2.9, and the adverse impact of the pandemic on household income, it was proposed that Oldham Council approve rental increases in 2022/23 lower than the maximum levels available under current government guidance.

A full financial assessment has been undertaken to justify this proposal ensuring the HRA has the necessary resources to fully fund all known current and future commitments. Future years forecasts highlighted in Appendix D show that despite the lower than usual rental increase proposed in 2022/23, at no time does the HRA come close to the agreed minimum balance of £3m.

The lowest balance estimated within the next 5 years being £7.019m in 2024/25.

Given the proposed reduction in balances due to the increased levels of RCCO for the period 2022/23 to 2024/25, it is evident that any decision to vary from the maximum income achievable may have an adverse impact on future project decisions. Whilst

the Council has chosen to limit rent increases in 2022/23 to 2.1%, future rent proposals

Average Increase in Rent	2.1% £000	0% £000
Impact in 2022/23	184	359
Impact over remaining life of Business Plan	8,342	17,101



RESOLVED - That Cabinet approved and commended to Council the:

1. Forecast HRA outturn for 2021/22 (as per Appendix A to the report)
2. Proposed HRA budget for 2022/23 (as per Appendix B to the report)
3. Strategic estimates for 2022/23 to 2026/27 (as per Appendix D to the report)
4. Proposed increase to dwelling rents for all properties of 2.1%.
5. Proposed increase to non-dwelling rents as per individual contracts.
6. Proposal that service charges are unchanged from those of 2021/22.
7. Proposal to set Extra Care Housing concierge charges to fully recover actual costs.

14

STATEMENT OF THE CHIEF FINANCIAL OFFICER ON RESERVES, ROBUSTNESS OF ESTIMATES AND AFFORDABILITY AND PRUDENCE OF CAPITAL INVESTMENTS

The Cabinet gave consideration to a report of the Director of Finance which recommended that Cabinet agreed the level of balances necessary to support the 2022/23 budget underpinned by the agreed policy on Earmarked Reserves, setting a properly balanced revenue budget which included the financing of capital investments within the present investment proposals.

In order to comply with Section 25 of the Local Government Act 2003; the Authority's Chief Financial Officer (the Director of Finance) was 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 enabled a longer-term view of the overall financial resilience of the Council to be taken. It also reported 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, were an integral part of its continued financial resilience supporting the stability of the Council.

Over the last few years there had been a number of Local Authorities which had been subject to the issuing of a Section 114 notice or approaching Government for exceptional financial assistance.

Whilst the Council had prepared a detailed revenue budget within a five-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 continued to be a reliance on the use of reserves to balance the revenue budget.

Since 2016/17, reserves of £74.627m have been used to underpin the Council's revenue budget alongside other one-off measures. This included £25.182m relating to grant compensation received in 2020/21 and used in 2021/22 to support the Collection Fund deficit arising from the award by Government of Business Rates Relief after the budget for 2020/21 had been set.

For 2022/23, it is proposed to use corporate reserves of £10.101m and specific reserves of £1.805m together with £13.092m to offset the Collection Fund deficit for 2021/22 arising from the awarding of retail, leisure, hospitality and nursery Business Rates Reliefs (£8.888m) and further Business Rates reliefs relating to the COVID-19 Additional Relief Fund (£4.204m) after the budget had been set (this is a technical accounting adjustment), combined with one-off measures totaling £2.500m. The remaining corporate Balancing Budget reserve of £9.932m will be used to support the 2023/24 and 2024/25 budgets.

There was a reliance on the use of reserves to balance the budget over the MTF period. 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 Council's transformation programme in 2022/23 is expected 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 is therefore supported by the use of reserves over the short term.

As detailed within the Council's Audit Completion Report for 2020/21 received by the Council on 17 December 2021, the External Auditor concluded that "there is not a significant weakness in the Council's arrangements in relation to financial sustainability". This is encouraging and should be considered in the context of 2022/23 budget setting and the Medium Term Financial Strategy for 2022/23 to 2026/27.

Whilst the Council was utilising a number of reserves to support the 2022/23 revenue budget and anticipated a use of reserves in both 2023/24 and 2024/25, Members were assured that Oldham Council currently remained financially resilient. Work was taking place to address the on-going financial pressures that the Council is facing. At the start of 2022/23 it would continue to be well placed to meet the difficult financial challenges ahead. However, this strategy relied on the delivery of the transformation programme over the short to medium term. 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 so it was important that the Council delivers on current plans.

In conclusion, the Chief Finance Officer was able to advise Members of the robustness of the estimates and the affordability

and prudence of capital estimates for 2022/23. Despite the use of reserves over recent years, the level of reserves remains adequate to support the 2022/23 financial position and demonstrates financial resilience. However, this is only the case provided that action is taken to ensure that the balances were set at the level of £19.935m for 2022/23 as calculated in this report and that all budget options, or in year alternatives, are delivered as planned and monitored.

The Statement of the Chief Financial Officer was presented to Policy Overview and Scrutiny Committee on 27 January 2022. The Scrutiny Committee was content to commend the report to Cabinet.

Recommendations

RESOLVED – That the Cabinet approved and commended to Council:

1. The proposed General Fund Balance currently calculated for 2022/23 at £19.935m.
2. The initial estimate of General Fund Balances to support the Medium-Term Financial Strategy was as follows:
 - £21.268m for 2023/24 and
 - £21.415m for 2024/25 to 2026/27.
3. The intended report to be presented to the Audit Committee on Earmarked Reserves to ensure this area is subject to appropriate scrutiny.
4. The actions necessary to secure a properly balanced budget as presented in paragraph 3.6 of the report.
5. The actions necessary to ensure the prudence and affordability of the capital investments as noted in Section 4 of the report.

The meeting started at 6.00pm and finished at 6.27pm

Report to CABINET

Part A

Prudential Building

Portfolio Holder:

Councillor Arooj Shah, Leader of the Council and Portfolio Holder for Economic and Social Reform

Councillor Abdul Jabbar, Deputy Leader of the Council and Portfolio Holder for Finance and Low Carbon

Officer Contact: Emma Barton, Director of Economy

Report Author: Nawaz Khan, Regeneration & Development

28 February 2022

Reason for Decision

The report seeks authority to serve a Repairs Notice pursuant to section 48 of the Planning (Listed Buildings and Conservation Areas) Act 1990 and thereafter to make a Compulsory Purchase Order under Section 47, to ensure the proper preservation of a listed building within Oldham town centre, by enabling its redevelopment and improvement by the Council, to bring the heritage asset back into use and to halt its current decline.

Executive Summary

The report seeks approval to acquire and proceed with the redevelopment of the former Prudential Assurance Building on Union Street, Oldham into a business incubation hub as part of the Future High Street Fund (FHSF) programme. Confirmation of FHSF funding was received in June 2021. The project aims to deliver new and additional office accommodation for the digital creative media sector through the conversion of a currently abandoned and dilapidated Grade II Listed building in Oldham town centre and forms a key component of the Creating a Better Place strategic framework and underpinned by the town centre vision.

Cabinet approval was obtained in January 2020 for the Council's "Creating a Better Place" strategic programme. The programme was reviewed in August 2020 to confirm alignment with the borough's economic recovery in response to Covid-19 and a renewed focus on building more homes for our residents, creating new jobs through town centre regeneration, and ensuring that Oldham is a great place to visit with lots of family friendly and accessible places to go.

This report provides a progress update (on the January 2020 Cabinet approval) on the project to bring the Prudential Assurance Building into use, sets out the latest position with regard to costs and funding, the process of acquiring the building and makes recommendations for securing project delivery.

Recommendations

Cabinet Members are requested to:

1. Approve the proposed 3-step plan with regard to the serving of the Repairs Notice, the making of the Compulsory Purchase Order, negotiations with the current owner and, if they fail, the subsequent acquisition as detailed in the report.
2. Authorise the Director of Legal Services to serve a repairs notice under section 48 of the Planning (Listed Buildings and Conservation Areas) Act 1990 containing a list of necessary works to secure the preservation of the building as detailed in Appendix A to this report.
3. Authorise the Director of Legal Services or his nominee to make a Compulsory Purchase Order under Section 47 of the Planning (Listed Buildings and Conservation Areas) Act 1990 to secure the compulsory acquisition of the land shown edged red on the attached plan at Appendix 1 in accordance with the proposals set out in this report.
4. Authorise the Director of Legal Services or his nominee to seal the Order and Map and to take all the ancillary and necessary steps, including the publication and service of all statutory notices and presentation of the Council's case at any Public Inquiry, to secure the confirmation of the Compulsory Purchase Order by the Secretary of State.
5. Authorise the Director of Legal Services or his nominee to deal with any complaint laid in the Magistrates Court pursuant to section 47(4) or any appeal to the Crown Court pursuant to section 47(6) of the Planning (Listed Buildings and Conservation Areas) Act 1990.
6. Authorise the Director of Legal Services or his nominee to approve agreements with the owner setting out the terms for withdrawal of objections to the Order, including where appropriate seeking exclusion of land from the Order.
7. Authorise the Director of Economy (in the event that the Secretary of State notifies the Council that it has been given the power to confirm the Order) to confirm the Order, if she is satisfied that it is appropriate to do so. If either the Secretary of State or the Council confirms the Order, the Director of Legal Services or his

nominee is authorised to carry out all necessary steps to comply with statutory requirements relating to confirmation.

8. Authorise the Director of Legal Services or his nominee to defend any judicial review proceedings brought in respect of a confirmed Order, if it is appropriate to so do.
9. Authorise the Director of Legal Services or his nominee to prepare, seal and serve a general vesting declaration or notice to treat and notice of entry to secure possession of the building pursuant to the Order.
10. Authorise the Director of Economy to negotiate settlement of the amount of compensation due to an affected interest in the event of compulsory purchase and where necessary to start or participate in proceedings before the Upper Tribunal (Lands Chamber) to settle such matters.
11. Agree that upon acquisition the lands acquired under the relevant order be held for planning purposes and vested in the Executive Land Holding Account.
12. Authorise the Director of Economy to negotiate terms for the acquisition of all relevant interests, and for subsequent redevelopment of the building so as to preserve its historic character and to bring the building into use.
13. Delegate approval to the Cabinet Member for Economic and Social Reform in consultation with the Director of Economy, the Director of Legal Services, the Director of Finance (or their nominees), and the Cabinet Member for Finance, to appoint external advisors (for the provision of professional services) up to contract value of £1.122m, in the required configuration, subject to undertaking of a competitive procurement process, to support the Council in delivery of the project to meet the information requirements and timescales set by the Future High Street Fund process and/or as required to carry out the recommendations in this report.
14. To approve an increase in the Capital Programme allocation for this scheme of £0.623m from the current approval of £10.179m to £10.802m to reflect the latest cost estimates included in the report.
15. Delegate approval to the Chief Executive in consultation with the Leader of the Council, Portfolio Holders for Neighbourhoods and Finance, Director of Economy, Director of Finance and Director of Legal Services to review and approve the details associated with finalising and entering into a package of enabling works, pre-construction services, and a 2nd stage open book tender for the redevelopment works associated with Prudential Building subject to undertaking of a competitive procurement process.
16. Delegate approval to the Chief Executive in consultation with the Leader of the Council, Portfolio Holders for Neighbourhoods and Finance, Director of Economy, Director of Finance and Director of Legal Services to review and approve the details associated with finalising and entering into a design and build contract, up to a value of £9.229m on completion of the 2nd Stage tender for the redevelopment works associated with Prudential Building subject to undertaking of a competitive procurement process.

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17. Delegate approval to the Chief Executive in consultation with the Leader of the Council, Portfolio Holders for Neighbourhoods and Finance, Director of Economy, Director of Finance and Director of Legal Services to review and approve the details associated with finalising and entering into a centre management services contract for the Prudential building subject to undertaking of a competitive procurement process.
 18. Note that any significant variation from the proposals and budget set out in this report will be subject to a further report to Cabinet.
 19. Authorise the Director of Legal Services or their nominated representative to sign and/or affix the Common Seal of the Council to all the documents and associated or ancillary documents referred to above and/or required to give effect to the recommendations in this report.

Prudential Building

1 Background

- 1.1 This report provides a progress update on the project to bring the Prudential Building back into use, sets out the latest position with regards to costs and funding and the subsequent process involved to acquire the building.
- 1.2 The Prudential Assurance Building is a unique project to repair the external and internal fabric of the Grade II listed building to create a 21st Century incubator facility situated opposite the Oldham Metrolink stop on Union Street. It is one of the buildings identified by Historic England as being of important historic significance and features on the Victorian Society's national list of top ten most endangered buildings.
- 1.3 The proposal is to create a business incubation hub in the building focused primarily on the creative, digital, and media sectors. It responds to a market failure in the provision of high quality, flexible, town centre business incubation and grow-on space for small businesses. The sector is dominated by young and innovative micro or small businesses that require flexible, low-cost premises in a town centre location. A local high-growth business incubation hub provides a ladder of progression from start-up to established business, enabling growth.
- 1.4 The Prudential Building project aims to:
- Restore the derelict grade 2 listed major heritage asset and thereby securing removal of a major risk to the Oldham Town Centre Conservation Area
 - Secure the long-term future of Prudential Building through the development of a business incubation centre with an operational structure in place for the sustainable use, management and maintenance of the building
 - Create 71 new businesses and over 156 new jobs (including apprentices during the delivery phases) over a ten-year period and help emerging businesses grow.
 - Create flexible office accommodation for small to medium sized enterprises (SMEs) primarily in the creative, digital, and media sectors to encourage and support the growth and development of these sectors within Oldham, to deliver the following investment objectives:
 - 3,266 sqm flexible commercial space
 - create 156 gross jobs
 - generate £2,687,124 GVA
 - attract 71 businesses

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- Provide high quality office space in flexible units with meeting room/conference space plus additional networking space
 - Create critical business space required to drive growth in the creative, digital, and media sectors of Oldham's economy
 - Create an incubation hub that generates business to business activity, collaborations and new intellectual property
 - Enables Oldham to provide a ladder of progression for businesses in creative, digital, and media sectors from start-up to high growth
 - Develop a creative digital hub in Oldham
 - Create a destination venue, contributing to the cultural tourism offer of Oldham
- 1.5 Cabinet approved in January 2020 the "Creating a Better Place" strategic framework. The programme was reviewed in August 2020 to confirm alignment with the borough's economic recovery in response to Covid-19 and a renewed focus on building more homes for our residents, creating new jobs through town centre regeneration, and ensuring that "Oldham is a great place to visit with lots of family friendly and accessible places to go".
- 1.6 Cabinet also approved in January 2020 the process of acquiring the former Prudential Assurance Building on Union Street, Oldham, in line with the Council's vision for the Town Centre. The renovation of the building has been in the Council's contemplation for a number of years and is clearly in keeping with the aims set out in its policy framework.
- 1.7 The Prudential building built in 1889 was designed by one of the Victorian period's greatest architects, Alfred Waterhouse, whose other buildings include the Natural History Museum and Manchester Town Hall. The building which encloses a central courtyard, was first listed in January 1973 whilst it was still functioning as an office for the Prudential Assurance, for its special architectural and historic interest.
- 1.8 The building was acquired by its current owner in 2010 and has stood largely unused since that date and the visual appearance is of an empty and decaying building on a prominent town centre site. It is in a significant state of disrepair, attracting anti-social behaviour, presenting health and safety risks, and posing aesthetic issues as a gateway building for those arriving in to or leaving Oldham town centre. Urgent improvements are necessary to safeguard the future of this important heritage asset.
- 1.9 Officers have made sustained efforts over a number of years to work with the building owner in order to bring the building back into use. There was serious concern about the fabric of the building when a building condition survey (2018) revealed a significant degree of deterioration as a result of water ingress through the roof. Since then, the owner has not taken adequate steps to make the building weatherproof.

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- 1.10 There now appears to be no reasonable prospect of the owner bringing the building into an adequate state of repair to ensure its long-term protection. Discussions with the owners have established that they are not willing to sell the building below their estimated valuation of £800,000. The property has been marketed for a considerable period of time, with an original asking price of £1 million being reduced to £900k in July 2021. We believe that the market has yielded no interest. As a result, this report addresses the need to acquire the building and take the necessary steps to bring it back into a state of repair and use.
- 1.11 The Oldham Town Centre Conservation Area Appraisal and Management Plan Supplementary Planning Document was adopted in August 2019 and makes significant references to the Prudential Assurance Building and notes its condition as poor and detracting.

2 Current Position

- 2.1 The Prudential Building is currently in private ownership. The building has had various uses since the financial services provider of the same name ceased its occupation, including as a nightclub (within the basement). However, it is currently vacant, with no known future plans for occupancy and future reuse.
- 2.2 As Union Street is a long, straight thoroughfare, the Prudential Building is prominent and is a key landmark, with its visibility perhaps increased due to its proximity to principal retail sites such as the Sainsbury's supermarket and the Spindles Town Square Shopping Centre.
- 2.3 Despite sharing the 2018 building condition survey (and valuation report) with the building owner, Buttress Architects were commissioned to revisit and review the survey due to the ongoing concern (with the building owner) of inactivity to address the general condition issues of the building. The Council has attempted dialogue with the building owner in the intervening period.
- 2.4 The updated survey confirmed that no significant works have been carried out to address the ongoing deterioration and decay of the building. It was noted that while some boarding of openings has taken place, this is insufficient to prevent ongoing water ingress, pigeon infestation and unauthorised entry. It was generally noted that due to insufficient remedial action, there is a steady, ongoing deterioration in condition to the majority of the building fabric.
- 2.5 Historic England, the public body charged with safeguarding England's historic environment, acknowledges the Council's efforts over the years to encourage the owner of the Prudential Building to engage with the upkeep and restoration of the building. Historic England (HE) have been involved in progressing the building condition survey (2018) and its subsequent updated version in June 2021.
- 2.6 The vision for the Prudential Building will be a revitalised landmark destination for Oldham. Its grand, imposing façade will be reinforced within the townscape, and stand as a catalyst for regeneration of the wider town centre. Beyond the ornate terracotta and unique faïence detailing of the banking hall will stand newly active, flexible and connected spaces. Increased activity and interaction within the

building will give it a new, dynamic purpose. The sympathetic reinvention of this key asset for Oldham will represent a positive step in the town's regeneration and revitalisation.

- 2.7 The building's historic arrangement of office spaces lends itself to a workspace function without the need to substantially impact on the building's heritage significance. In addition to the above, evolving working patterns in a post-Covid future are increasingly likely to require versatility, flexibility and adaptability. The spaces proposed incorporate a mix of workspaces, meeting rooms and breakout areas to achieve the optimum adaptability at this stage.

Reasons for Council Involvement

- 2.8 The Council's primary purpose in seeking to acquire this building is to secure its long-term preservation and to bring the building into active use while preserving its historic character. Bringing the building back into use will comply with the Council's policy objectives.
- 2.9 The proposed investment to redevelop the historic Prudential Building for use as employment space for creative and digital businesses strongly aligns to the ambition set out in the Oldham Plan to deliver an inclusive economy. This ambition is marked by its focus on providing access to opportunities for Oldham residents within a thriving economy, enabling residents to access high quality employment, advance their skills and improve their quality of life.
- 2.10 The redevelopment of the Prudential Building for use as employment space in key growth sectors can directly support the achievement of this ambition by providing high quality employment opportunities with potential for training opportunities and the growth of high value economic sectors within Oldham that can increase economic activity within the town.
- 2.11 The primary local strategic driver for this project is the Council's Creating a Better Place investment programme introduced in January 2020 to deliver economic growth and major regeneration projects within the context of real financial challenges. Delivery of the programme has arguably taken on additional importance as a result of the additional financial pressures created by the COVID-19 pandemic, which has led to increased unemployment in the town and caused significant harm to the viability of several businesses across Oldham. The Prudential Building project aligns with the Creating a Better Place focus upon creating new jobs through town centre regeneration and ensuring Oldham is a great place to visit, under the priority themes of investment and regeneration.
- 2.12 Creating a Better Place is underpinned by the Oldham Town Centre Vision that was adopted by the Council in June 2019. The vision is aligned with national, regional and local strategic priorities and has a clear rationale, narrative and focus. The Prudential Building project supports the vision, which can be defined as a place to live, work, visit and enjoy.
- 2.13 In addition to a strong alignment with Oldham's corporate goals and objectives, the Prudential Building project directly addresses objectives and goals for Greater

Manchester (GM) as a whole. The GM Local Industrial Strategy (GM LIS) is designed to deliver an economy fit for the future, with prosperous communities across the city-region and radically increased productivity and earning power. It aims to create a highly productive, more inclusive and prosperous city-region for all residents, with a plan for communities across all of GM to thrive and prosper. Oldham Council has adopted the GM LIS, dovetailing it with core strategies and proposals to drive improved economic growth, including focusing on the Creating a Better Place investment strategy set out above.

- 2.14 The Digital Blueprint published by the GM Combined Authority in April 2020 sets out the ambition for GM to be a top five European digital city-region and to be recognised globally for its digital innovation. In the UK, Manchester is home to the largest digital and creative cluster outside of London and has a £5 billion digital economy comprising public sector, private sector and academia. There are over 60 co-working spaces and nine accelerator programmes and ambitions to grow the creative, digital and tech economy to £7 billion by 2029.
- 2.15 Bringing this important historic building into use is likely to contribute to the improvement of the social, economic and environmental wellbeing of the area by:
- Improving the appearance of an architecturally important listed building
 - Improving the appearance of the site particularly as viewed by people arriving to Oldham by Metrolink and by road
 - Ensuring a degree of public access to a building that marks a high point in social and economic development of Oldham
 - Ensuring the preservation of a Grade II listed building
 - Improving the contribution made by a revitalised building to employment opportunities in Oldham
- 2.16 The regeneration and re-use of the building would be wholly consistent with a heritage led regeneration of Oldham town centre.

3 Compulsory Purchase

- 3.1 Section 47 of the Planning (Listed Buildings and Conservation Areas) Act 1990 bestows compulsory purchase powers on local authorities (subject to confirmation by the Secretary of State) where steps to preserve a listed building are not being taken by the owner. The exercise of the power is subject to compliance with the prior notice requirement contained in section 48 of the Act.
- 3.2 Section 48 requires serving of a Repairs Notice on the owner, setting out (1) the works which are reasonably necessary for the proper preservation of the building and (2) the effects of the sections of the Act conferring compulsory purchase powers, if those steps are not carried out. The repairs notice must be served at least two months before an Order is made under section 47.

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- 3.3 For an Order to be confirmed by the Secretary of State, it will be necessary to demonstrate that the acquisition is in the overriding public interest and that the Council has sufficient funds in place to carry out the works itself. The Secretary of State must be satisfied that reasonable steps are not being taken by the owner to preserve the building; that it is expedient that the building should be preserved; and that it should be compulsorily purchased to ensure its preservation. Whilst there is no statutory requirement to demonstrate that the Council will go beyond carrying out works necessary to bring the building back into a state of repair, the fact that the Council has a developed, costed and funded scheme in place, which goes further than the works identified in the repairs notice, will be a strong factor in establishing the case for confirmation.
- 3.4 External legal advice obtained has considered that the case for compulsory purchase of the Prudential Building under section 47 can be made and that a compulsory purchase order presents the best option to secure the future of the building should other options fail.

Oldham Council's case for compulsory purchase

- 3.5 The building was purchased by its current owner in 2010 for £250,000 and has stood largely unused since that date.
- 3.6 As a result of concern about its deteriorating condition, the Council has made a sustained effort to work with the building owner to secure at least the urgent scheme of works necessary for preservation or to acquire ownership of the building by agreement, which would enable the Council to carry out immediate works and implement a longer-term strategy for its renewal.
- 3.7 There is serious concern about the fabric of the building when an inspection revealed in 2018 a significant degree of deterioration as a result of water ingress through the roof. Since then, the owner has not taken any adequate steps to make the building weatherproof and has unrealistically valued the building for a private disposal for £800,000.
- 3.8 There have been numerous incidences of break-ins, a reported fire, anti-social behaviour, and evidence of drug use within the building and alleyway with used needles observed. The noticeable further deterioration in the condition of the building has led to a number of incidents of falling roof slates and glass as reported by residents and visitors to the town centre, in addition there is a visible area of high-level brickwork with substantial tree growth embedded. The building is also accessible at present and we anticipate it is being used by rough sleepers, which we have to regularly bring to the owner's attention.
- 3.9 As a result of these incidences Environmental Health have in the past served formal notices to secure the property under the Local Government (Miscellaneous Provisions) Act 1976. Due to the persistent nuisance that the building presents as a result of it being open to access and subject to waste accumulation, formal notices have also been served under the Anti- Social Behaviour, Crime and Policing Act 2014.

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- 3.10 The building requires an urgent scheme of works to halt its decline and preserve it, and a further substantial scheme of capital investment and works to bring it back into beneficial use and contribute to the wider regeneration aspirations for Oldham.
- 3.11 There is significant doubt as to whether the owner of the building genuinely intends to bring forward any realistic plan to bring the building into repair. Even basic steps to protect the fabric of the building have not been undertaken over the last ten years. It remains at risk of deterioration, unused and its long-term preservation highly uncertain.
- 3.12 The steps taken by the Council to encourage the building owner to protect the building have not resulted in the submission of a planning application after years of negotiations. It is therefore considered the only way to bring the building back into use is to purchase and redevelop it in accordance with the Council's FHSF business case submission.

4 Options/Alternatives

- 4.1 **Option 1**- proceed as planned with the serving a Repairs Notice pursuant to section 48 of the Planning (Listed Buildings and Conservation Areas) Act 1990 and thereafter to make a Compulsory Purchase Order under Section 47, to ensure the proper preservation of a listed building within Oldham town centre, by enabling its redevelopment and improvement by the Council, to bring the heritage asset back into use and to halt its current decline.
- 4.2 **Option 2** - the alternative to using CPO powers to acquire the Prudential Building is to leave it in its current ownership and continue to try and work with the owner to protect and preserve the building. The Council has already spent a protracted amount of time trying to achieve this and the owner has failed to engage. If this option were adopted it is almost inevitable that the building will deteriorate further, likely to the point where it will need to be demolished and the important heritage asset will be lost forever. This is therefore not a viable alternative option.
- 4.3 **Option 3** - the second alternative to using CPO powers is to pay the current owner his asking price of £800,000 for the building. The Council has commissioned an independent valuation of the property in its current condition and a valuation based on the Council's proposed scheme of works. The owner's valuation cannot be supported, and such a purchase could not be demonstrated to be prudent use of public money nor value for money. This is not a viable alternative option.
- 4.4 **Option 4** - the third alternative to using CPO powers is to rely on alternative statutory powers to try and preserve and improve the building. A section 54 urgent works notice could be served to secure the immediate weatherproofing of the building and if the owner fails to carry out the works, the Council could step in and recover the costs from the owner. However, an urgent works notice can only secure works necessary for the immediate preservation of the building and once it has been complied with, there is nothing to compel the owner to carry out further works. The building is likely to slide back into decay and disrepair, ending in a cycle of such notices being served and ever escalating costs to the public purse

with no guarantee of costs recovery, given the valuation of the building. This is not a viable alternative option.

- 4.5 **Option 5** - a Section 215 (of the Town and Country Planning Act 1990) notice could be served, either instead of using CPO powers or alongside promoting an Order, if the state of the building is considered to be causing an adverse effect to the amenity of the area. Section 215 is a wide power and can be used to great effect, often alongside other heritage powers such as section 47. The downside to relying solely on a section 215 notice to remedy the current situation is that it can only secure the improvement of the external appearance of the property, it cannot secure its long-term preservation as a heritage asset of its internal features, nor bring it back into active use. Non-compliance with section 215 does bring with it the risk of prosecution, alongside the Council's power to step in and carry out the works stated in a notice with associated costs recovery provisions. However, the Council would be at serious risk of entering into a cycle of ongoing prosecutions for failure to comply, spending public money to carry out the works without a guarantee of recovery and the vicious circle of improving the building, only for it to slip back into decline because it is left again to decay. Accordingly, thought should be given to serving a section 215 notice alongside serving a s.48 repairs notice and making a CPO.

5 Preferred Option

- 5.1 **Option 1** – proceed with the only option which guarantees the long-term preservation of the Prudential building is for the Council to acquire it, carry out its scheme of funded works to preserve it and bring it back into active use and thereafter to manage the building to ensure it does not fall back into decline.

6 Consultation

- 6.1 As detailed in the report – over a number of years significant consultation with the owner of the building to persuade the owner to bring the building back into use (it remains empty/unused today), Historic England, the public body charged with safeguarding England's historic environment. There is genuine public interest in the building.

7 Financial Implications

- 7.1 Finance implications are covered in Part B of the report.

8 Legal Services Comments

- 8.1 Legal implications are covered in Part B of the report.

9 Co-operative Agenda

- 9.1 The acceptance of the Future High Street grant award to deliver projects in Oldham town centre supports the Co-operative Agenda by achieving outcomes

that contribute to making Oldham a place to invest and do business, and a regenerated town which grows the business base.

10 Human Resources Comments

10.1 N/A

11 Risk Assessments

11.1 Risk implications are covered in Part B of the report.

12 IT Implication

12.1 N/A

13 Property Implications

Property implications are covered in Part B of the report.

14 Procurement Implications

14.1 Procurement implications are covered in Part B of the report.

15 Environmental and Health & Safety Implications

15.1 Environmental and Health and Safety implications are covered in Part B of the report.

16 Equality, community cohesion and crime implications

16.1 N/A

17 Implications for Children and Young People

17.1 N/A

18 Equality Impact Assessment Completed?

18.1 NO

19 Key Decision

19.1 Yes

20 Key Decision Reference

20.1 ESR-04-22

21 Background Papers

21.1 None



Report to CABINET

Securing Affordable Housing Interim Planning Position Paper

Portfolio Holder: Councillor Roberts, Cabinet Member for Housing

Officer Contact: Emma Barton, Director of Economy

Report Author: Elizabeth Dryden-Stuart, Strategic Planning and Information

Ext. 1672

28 February 2022

Reason for Decision

To adopt and publish the Securing Affordable Housing Interim Planning Position Paper.

Executive Summary

This Interim Planning Position Paper provides an update to Policy 10 on Affordable Housing of Oldham's Joint Core Strategy and Development Management Development Plan Document (Joint DPD). The paper sets out the council's position in relation to:

- the dwelling threshold to which Policy 10 applies.
- First Homes; and
- Vacant Building Credit.

The paper will be used when assessing planning applications and development proposals requiring affordable housing. It must be read alongside Policy 10 Affordable Housing of the Joint DPD, adopted by the council 9 November 2011.

Recommendations

To adopt the Securing Affordable Housing Interim Planning Position Paper. The Interim Planning Position Paper should be used as a material consideration when assessing relevant planning applications and development proposals.

Securing Affordable Housing Interim Planning Position Paper

1 Background

1.1 The Securing Affordable Housing Interim Planning Position Paper has been prepared to reflect recent changes to national planning guidance. The paper provides an interim position to Policy 10 of the joint Core Strategy and Development Management Development Plan Document, adopted in November 2011, until such a time as the approaches can be incorporated into the Local Plan review.

1.2 In terms of the recent changes to national planning guidance that need to be reflected through this Interim Planning Position Paper they are as follows:

- Paragraph 64 of the National Planning Policy Framework (NPPF) states that:
 - the provision of affordable housing should not be sought for residential developments that are not major developments (so development where 10 or more homes will be provided, or where the site has an area of 0.5ha or more).
 - to support the re-use of brownfield land, where vacant buildings are being reused or redeveloped, any affordable housing contribution due should be reduced by a proportionate amount (defined in footnote 30 as being equivalent to the existing gross floorspace of the existing buildings). This does not apply to vacant buildings which have been abandoned.
- On the 24 May 2021 a Ministerial Statement was published setting out the Government's plans for the delivery of First Homes requiring a minimum of 25% of all affordable housing homes secured through developer contributions to be First Homes - a national threshold which should be applied for England. These First Homes are for discounted market sale and:
 - must be discounted by a minimum of 30% against the market value;
 - must be sold to a person or persons meeting the First Homes eligibility criteria;
 - on their first sale, will have a restriction registered on the title at HM Land Registry to ensure this discount (as a percentage of current market value) and certain other restrictions are passed on at each subsequent title transfer; and,
 - after the discount has been applied, the first sale must be at a price no higher than £250,000 (or £420,000 in Greater London).

1.3 The Ministerial Statement also sets out transitional arrangements for how First Homes should be translated into local plans and considered as part of the decision-making process. Where local plans do not benefit from transitional arrangements (such as where they are not at Submission or Publication stage) the local planning authority should make clear how existing policies should be interpreted in the light of First Homes requirements using the most appropriate tool available to them.

2 Current Position

2.1 In the main Policy 10 Affordable Housing of the Joint DPD remains appropriate and the Council will continue to apply Policy 10 when determining relevant planning applications for residential development. However, since adoption of the Joint DPD, national planning guidance has revised the threshold to which the policy should be applied and further

guidance is required on the application of First Homes and Vacant Building Credit. These changes are summarised in turn below.

Threshold for Securing Affordable Housing

- 2.2 Policy 10 of the Joint DPD as written applies to all residential development of 15 dwellings and above, however in line with paragraph 64 of NPPF the Council will seek the provision of affordable housing through Joint DPD Policy 10 only on major residential developments. That is those developments that are for 10 homes or more or where the site has an area of 0.5ha or more.
- 2.3 Evidence set out in the Council's Housing Strategy and Local Housing Need Assessment (LHNA) supports the need to continue to secure affordable housing. As such, the council considers it appropriate to continue to apply Joint DPD Policy 10 in securing the provision of affordable housing, except that the policy should now apply to developments of 10 homes or more, until such a time as the approach can be reviewed as part of the Local Plan review.

Delivering First Homes

- 2.4 In line with the arrangements set out in the Ministerial Statement section 5 of the Interim Planning Position Paper sets out the Council's approach to delivering First Homes whilst the Local Plan is under review.
- 2.5 Through the application of First Homes local authorities are encouraged to ensure that First Homes work well in their area. This may include requiring a higher minimum discount, introducing lower price or income caps and setting out a local connection test / key worker requirements. These factors have been considered through the preparation of the Interim Planning Position Paper and the approach taken on each is summarised below.
- 2.6 Minimum discount - Whilst a First Home must be sold at least 30% below the market value, the Ministerial Statement does offer some flexibility to require a higher minimum discount of either 40% or 50% if a need for this can be demonstrated. At present the approach in Oldham is for a property to be sold at 30% below the open market value. The appropriateness of applying a higher threshold, such as 40%, and its impact on the viability of development coming forward will be tested through the Local Plan review.
- 2.7 Sale Price / Income Cap – Whilst the initial sale of the First Home cannot be at a price greater than £250,000 after the discount has been applied local authorities do have the discretion to set lower price caps if the need can be demonstrated. In applying a 30% market discount to the median Oldham house price, a price cap of approximately £95,000 would be appropriate to ensure First Homes are aimed at households in affordable housing need. However, as set out in the Ministerial Statement, local price caps should be determined through the plan-making process. As such, it is not proposed to lower the national price cap at present. The Local Plan Review will consider an appropriate local price cap in line with available evidence.
- 2.8 First Homes Eligibility – The purchaser of a First Home must be a first-time buyer with a combined annual household income not exceeding £80,000 in the tax year immediately preceding the year of purchase. Local authorities are also able, and are encouraged, to prioritise key workers and introduce local connection criteria. The approach to First Homes set out in the Interim Planning Position Paper includes the application of a local connection test, based on the council's housing allocations policy, to ensure First Homes in Oldham contribute to local housing need across the borough and deliver affordable housing that addresses local needs. The criteria are as follows:
- The applicant has resided in the borough for 6 months out of the last 12 months or 3 years out of the last 5 years; or

-
- The applicant's mother, father, adult sibling or adult child have resided in the borough for 5 years or more; or
 - The applicant is employed in the borough.

Vacant Building Credit

- 2.9 The introduction of Vacant Building Credit (VBC) is aimed at stimulating the development of vacant buildings on brownfield sites. It works through the deduction of a financial 'credit', equivalent to the existing gross floorspace of any relevant vacant buildings within the redline boundary of the application site brought back into lawful use or demolished for redevelopment, from the overall affordable housing contribution sought from relevant residential schemes.
- 2.10 In considering how the vacant building credit should apply to a particular development, local planning authorities should have regard to the intention of national policy. The Interim Planning Position Paper sets out the proposed criteria for applying VBC, defines what constitutes a vacant building and how an abandoned building would be identified (VBC is not applied to the latter) and how outline planning applications would be considered.
- 2.11 Using the Interim Planning Position Paper, the Council will determine on a case by case basis whether a building is vacant or abandoned and whether it is appropriate to apply VBC. Details regarding the type of information that may be required, as part of a VBC Statement, to inform the decision and support a relevant planning application are also included in the Interim Planning Position Paper.

3 Options/Alternatives

- 3.1 Option 1: To adopt and publish the Securing Affordable Housing Interim Position Paper. The Interim Planning Position Paper should be used as a material consideration in the assessment of relevant planning applications and development proposals.
- 3.2 Option 2: To not adopt and publish the Securing Affordable Housing Interim Planning Position Paper. Development Management will be unable to use the Interim Planning Paper in determining relevant planning applications and development proposals.

4 Preferred Option

- 4.1 To adopt the Securing Affordable Housing Interim Planning Position Paper. The Interim Planning Position Paper should be used as a material consideration in the assessment of relevant planning applications and development proposals.

5 Consultation

- 5.1 Consultation has taken place with colleagues in Housing Strategy and the Cabinet Member for Housing as part of developing the Interim Planning Position Paper.

6 Financial Implications

- 6.1 The administration costs associated with setting up the Interim Planning Position Paper are expected to be minimal (under £1k) and will be met from within the existing Planning Service revenue budget.
- 6.2 The potential application of the Vacant Building Credit may have an impact on the total amount of s106 monies that can be levied by the Council. However, the exact impact can only be measured as and when individual planning applications are brought forward. As a

result, any impacts will be monitored and reported through the Infrastructure and Funding Statement.

(James Postle)

7 Legal Services Comments

7.1 Interim Planning Papers provide further advice and guidance on applicable planning policy matters which may have arisen since the relevant statutory planning document was adopted by the Council. They are not part of the statutory Local Plan but they are a relevant material consideration in the determination of planning applications, albeit with limited weight. (A Evans)

8. Co-operative Agenda

8.1 This decision supports thriving communities as it seeks the delivery of affordable housing in a way that helps to meet local housing need and address affordable housing requirements.

9 Human Resources Comments

9.1 N/A

10 Risk Assessments

10.1 None provided

11 IT Implications

11.1 N/A

12 Property Implications

12.1 All property implications are as outlined in the main body of the report. (Bryn Cooke)

13 Procurement Implications

13.1 N/A

14 Environmental and Health & Safety Implications

14.1 N/A

15 Equality, community cohesion and crime implications

15.1 Not applicable. An Equalities Impact Assessment was undertaken on the adopted Local Plan (The Joint Core Strategy and Development Management Policies Development Plan Document), which this Interim Planning Position Paper helps to implement.

16 Implications for Children and Young People

16.1 This decision supports children and young people as it seeks the delivery of affordable housing in a way that helps to meet local housing need and address affordable housing requirements.

17 Equality Impact Assessment Completed?

17.1 No – not required. Completed as part of adopted Joint Core Strategy.

18 **Key Decision**

18.1 Yes

19 **Key Decision Reference**

19.1 HSG-14-21

20 **Background Papers**

20.1 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 :

Name of File : National Planning Policy Framework

Records held in <https://www.gov.uk/government/publications/national-planning-policy-framework--2>

Officer Name : Elizabeth Dryden-Stuart

Contact No :0161 770 1672

File Ref :

Name of File : First Homes Ministerial Statement

Records held in <https://www.gov.uk/guidance/first-homes>

Officer Name : Elizabeth Dryden-Stuart

Contact No :0161 770 1672

21 **Appendices**

21.1 Appendix 1 Securing Affordable Housing Interim Planning Position Paper

Oldham

Local

Plan

**Securing Affordable
Housing Interim Planning
Position Paper**

February 2022



1	Executive Summary	2
2	Purpose	4
3	Background	5
	National planning policy	5
	Local planning policy	6
4	Threshold for securing affordable housing	9
5	Delivering First Homes	10
	Application of the First Homes criteria in Oldham	10
	What percentage of First Homes should be provided on an application site?	14
	What house types and bed sizes should be delivered using First Homes?	14
	How does the requirement for 25% First Homes interact with the requirement in the National Planning Policy Framework that where major development is proposed, at least 10% of homes should be available for affordable home ownership?	15
	How does the 25% requirement apply to off-site affordable housing contributions?	15
	When will the First Homes policy requirement come into force?	16
	Does the First Homes requirement apply to variations or amendments to existing planning permissions?	16
	Position on First Homes Exception Sites	17
	Can Community Infrastructure Levy be collected on First Homes development?	18
	Securing the delivery of First Homes	18
	Eligibility Criteria	19
6	Vacant Building Credit	20
	Proposed criteria for applying Vacant Building Credit	20
	Definition of a vacant building when applying Vacant Building Credit	21
	Abandoned buildings	21
	Vacant Building Credit and Outline Planning Applications	21
	Vacant Building Credit Statement	21

1 Executive Summary

- 1.1** This Interim Planning Position Paper provides an update to Policy 10 on Affordable Housing of Oldham's Joint Core Strategy and Development Management Development Plan Document (Joint DPD). The paper sets out the council's position in relation to:
- First Homes;
 - Vacant Building Credit; and
 - the dwelling threshold to which Policy 10 applies.
- 1.2** The paper will be used when assessing planning applications and development proposals requiring affordable housing. It must be read alongside Policy 10 Affordable Housing of the Joint DPD, adopted by the council 9 November 2011.
- 1.3** In relation to the dwelling threshold the council will seek the provision of affordable housing only on major developments. This is in line with paragraph 64 of the National Planning Policy Framework (NPPF) that has come into effect since the adoption of Policy 10 and which states that the provision of affordable housing should not be sought for residential developments that are not major development, other than in designated rural areas.
- 1.4** Section 5 of this Interim Planning Position Paper sets out the council's approach to the delivery of First Homes. In summary:
- The approach in Oldham is for a property to be sold at 30% below the open market value. The appropriateness of applying a higher threshold, such as 40%, and its impact on the viability of development coming forward will be tested through the Local Plan review.
 - The council does not propose to lower the national price cap at present. The Local Plan Review will consider an appropriate local price cap in line with available evidence.
 - In order to ensure First Homes in Oldham contribute to local housing need across the borough and deliver affordable housing that addressed local needs a local connection test based on the council's housing allocations policy is applied. This will be applied until such a time as it can be reviewed through the Local Plan review.
- 1.5** Section 6 of the Planning Position Paper sets out the council's approach to applying Vacant Building Credit. In particular, for the purposes of applying Vacant Building Credit a 'vacant building' is defined as a '*a building that has not been in continuous use for any 6 month period during the last three years*'.
- 1.6** The council's approach regarding securing affordable housing, the delivery of first homes and application of vacant building credit will be considered further and finalised as part of the Local Plan review. In relation to the delivery of First Homes and the determination of relevant planning application as per the Ministerial Statement published 24 May 2021, the new requirement for 25% of affordable housing secured through a planning obligation to be First Homes will not apply to sites with full or outline planning permissions already in place or determined (or where a right to appeal against non-determination has arisen) before 28 December 2021. Nor those determined before

28 March 2022 where there has been significant pre-application engagement. With regards to the latter, developers may introduce First Homes to the tenure mix if they wish to do so.

2 Purpose

- 2.1** This Interim Planning Position Paper provides an update to Policy 10 on Affordable Housing of Oldham's Joint Core Strategy and Development Management Development Plan Document (Joint DPD). The paper sets out the council's position in relation to First Homes, Vacant Building Credit and the dwelling threshold to which Policy 10 applies in order to align the council's approach with that in national planning guidance. The paper will be used when assessing planning applications and development proposals requiring affordable housing. It must be read alongside Policy 10 Affordable Housing of the Joint DPD, adopted by the council 9 November 2011.

3 Background

3.1 This section provides a summary of the national and local planning policy context that has helped to inform the approach taken within the Planning Position Paper.

National planning policy

3.2 Section 5 of the National Planning Policy Framework (NPPF) sets out the approach to delivering a sufficient supply of homes, including the provision of affordable housing. In particular:

3.3 Paragraph 64 states that:

- the provision of affordable housing should not be sought for residential developments that are not major developments; and
- to support the re-use of brownfield land, where vacant buildings are being reused or redeveloped, any affordable housing contribution due should be reduced by a proportionate amount (defined in footnote 30 as being equivalent to the existing gross floorspace of the existing buildings). This does not apply to vacant buildings which have been abandoned.

3.4 For housing NPPF defines major as '*development where 10 or more homes will be provided, or the sites has an area of 0.5ha or more*'. NPPF does not define what constitutes an abandoned building, as such the council has identified a set of criteria that will help to determine a building's 'abandoned' status, such as the condition of the property and period of non-use. Further information can be found in paragraph 6.8.

3.5 On the 24 May 2021 a Ministerial Statement was published setting out the Government's plans for the delivery of First Homes. This statement set out that:

- From 28 June 2021, a home meeting the criteria of a First Homes will also be considered to meet the definition of 'affordable housing' for planning purposes;
- A minimum of 25% of all affordable housing units secured through developer contributions should be First Homes - a national threshold which should be applied for England.

3.6 The Ministerial Statement also sets out transitional arrangements for how First Homes should be translated into local plans and considered as part of the decision-making process. Where local plans do not benefit from transitional arrangements (i.e. they are not at Submission or Publication stage) the local planning authority should make clear how existing policies should be interpreted in the light of First Homes requirements using the most appropriate tool available to them. In line with these arrangements this Planning Position Paper sets out the council's approach to delivering First Homes whilst the Local Plan is under review. In relation to decision-making the Statement sets out the following:

- the new requirement for 25% First Homes will not apply to sites with full or outline planning permissions already in place or determined (or where a right to appeal against non-determination has arisen) before 28 December 2021; or
- 28 March 2022 if there has been significant pre-application engagement, although local authorities should allow developers to introduce First Homes to the tenure mix if they wish to do so.

- 3.7** Further planning policy guidance is then provided in relation to First Homes as the government's preferred discounted market tenure. Specifically, First Homes are discounted market sale units which:
- a. must be discounted by a minimum of 30% against the market value;
 - b. are sold to a person or persons meeting the First Homes eligibility criteria;
 - c. on their first sale, will have a restriction registered on the title at HM Land Registry to ensure this discount (as a percentage of current market value) and certain other restrictions are passed on at each subsequent title transfer; and,
 - d. after the discount has been applied, the first sale must be at a price no higher than £250,000 (or £420,000 in Greater London).

Local planning policy

- 3.8** Affordable Housing is currently sought through Policy 10 of the Joint DPD. This was adopted 9 November 2011 and as written states that:

Joint DPD Policy 10 Affordable Housing

All residential development of 15 dwellings and above, in line with national guidance, will be required to provide an appropriate level of affordable housing provision. The current target is for 7.5% of the total development sales value to go towards the delivery of affordable housing, unless it can be clearly demonstrated to the council's satisfaction that this is not viable. This target is based on the findings of the AHEVA, but will be monitored and reviewed over the lifetime of the LDF to ensure that it is still appropriate.

When agreeing the level and nature of affordable housing to be provided the council will have regard to the following:

- a. the size and type of affordable housing to be provided, such as social-rented accommodation or intermediate housing, and how this meets the local affordable housing needs; and*
- b. the availability of Social Housing Grant, or equivalent, to support the delivery of the affordable housing; and*
- c. the impact of the provision of affordable housing on the economic viability of the development; and*
- d. whether the provision of affordable housing would prejudice the delivery of other planning and regeneration objectives.*

Affordable housing must be provided on-site, in partnership with a Registered Provider, preferably that belongs to the Oldham Housing Investment Partnership (OHIP) ⁽¹⁾ unless there are exceptional circumstances that would justify the acceptance, by the council, of off-site provision within the locality or a financial contribution in lieu of provision. Exceptional circumstances include:

- e. where the specific characteristics of the residential development proposed mean that the provision of affordable housing is neither practicable or desirable; or*
- f. where the council consider the off-site provision within the locality or a financial contribution would meet local affordable housing needs and other planning and regeneration objectives more effectively.*

Where a financial contribution is paid and the provision cannot be provided on-site, the priority will be given to off-site provision in the local area followed by off-site provision within the borough.

The council will use planning conditions or obligations to secure delivery of the affordable housing provision, and to ensure that it is occupied in perpetuity by people falling within particular categories of need for affordable housing.

The council will provide further advice and guidance on this policy.

¹ Please note the the Oldham Housing Investment Partnership no longer exists however the council continue to require that the Registered Provider should already operate in the area and be agreed with the Local Planning Authority.

-
- 3.9** In the main Policy 10 remains appropriate and the council will continue to apply Policy 10 when determining relevant planning applications for residential development. However, since adoption of the Joint DPD, national planning guidance has revised the threshold to which the policy should be applied and further guidance is required on the application of First Home and Vacant Building Credit. These are considered in turn throughout the remainder of this paper.
- 3.10** Policy 10 and our approach to delivering First Homes and applying Vacant Building Credit will be assessed and formalised through the Local Plan review. Until such a time the council's approach is set out within this Planning Position Paper.

4 Threshold for securing affordable housing

- 4.1** In line with paragraph 64 of NPPF the council will seek the provision of affordable housing through Joint DPD Policy 10 only on major residential developments. That is those developments that are for 10 homes or more (as per the definition of major development set out NPPF Annex 2: Glossary⁽¹⁾).
- 4.2** The council's Local Housing Needs Assessment (LHNA) provides an up to date evidence base and identifies in the need for affordable housing across the borough. In particular the LHNA:
- Identifies the need for 203 affordable homes a year (net) across the borough. This equates to 30% of the borough's local housing need and was based on a five year period (which at the point of the Housing Strategy publication was up to 2023) and the LHNA recommended that in the absence of any updated information this should be extrapolated forward to the Local Plan period.
 - Recommends an appropriate affordable housing tenure split of 50% social / affordable rented and 50% intermediate tenure.
 - Recognises the imbalance in the spatial distribution of affordable housing across the borough, with affordable housing often being concentrated in lower market areas rather than in higher value areas where there is also a distinct need and issues of rural affordability.
 - In response to the evidence of supply and demand variations by area and property size the LHNA suggests the following mix of house type and size for affordable housing:
 - Houses (50.9%) and flats (31.7%), bungalows (12.7%) and other types of homes (4.6%).
 - One-bedroom (16.7%), two-bedroom (48.7%), three-bedroom (29.6%) and four or more bedrooms (5%).
- 4.3** In light of the above evidence the council considers it appropriate to continue to apply Joint DPD Policy 10 in securing the provision of affordable housing (with exception of the policy now applying to developments of 10 homes or more in line with NPPF and paragraph 4.1 above) until such a time as the approach can be reviewed as part of the Local Plan review.

1 NPPF Annex 2: Glossary - Major development: For housing, development where 10 or more homes will be provided, or the site has an area of 0.5 hectares or more. For non-residential development it means additional floorspace of 1,000m² or more, or a site of 1 hectare or more, or as otherwise provided in the Town and Country Planning (Development Management Procedure) (England) Order 2015.

5 Delivering First Homes

- 5.1 This section of the paper sets out how the government's First Homes policy, as set out in NPPF, will be delivered in Oldham. The information is provided based on a series of questions.
- 5.2 Please note, this is not a definitive guide to First Homes. Further information / guidance is available from: <https://www.gov.uk/guidance/first-homes>

Application of the First Homes criteria in Oldham

- 5.3 As set out within guidance, local authorities are encouraged to ensure that First Homes work well in their area, which may include requiring a higher minimum discount, lower price or income caps, or local connection/key worker requirements.
- 5.4 Local planning authorities are also encouraged to make the development requirements for First Homes clear for their area. The most appropriate method or tool to do this will depend on individual circumstances for each local planning authority. These might include (but may not be limited to): publication of an interim policy statement or updating relevant local plan policies. Local planning authorities should assess their own circumstances when considering the most appropriate way to achieve this in their context.
- 5.5 Given the timeline for Oldham's Local Plan Review, it is considered most appropriate to set out an Interim Position for First Homes. First Homes will be fully considered through Oldham's Local Plan Review and new policies will apply as appropriate when the new Local Plan is adopted.
- 5.6 Each First Homes standard criteria is considered in turn below with the proposed position for Oldham.

A First Homes must be discounted by a minimum of 30% against the market value

National standard

- 5.7 In order to qualify as a First Home, a property must be sold at least 30% below the open market value. Therefore, the required minimum discount cannot be below 30%.
- 5.8 However, the First Homes Written Ministerial Statement does give local authorities and neighbourhood planning groups the discretion to require a higher minimum discount of either 40% or 50% if they can demonstrate a need for this. As part of their plan-making process, local planning authorities should undertake a housing need assessment to take into account the need for a range of housing types and tenures, including various affordable housing tenures (such as First Homes). Specific demographic data is available on open data communities which can be used to inform this process. The assessment will enable an evidence-based planning judgement to be made about the need for a higher minimum discount level in the area, and how it can meet the needs of different demographic and social groups.
- 5.9 In such circumstances, the minimum discount level should be fixed at either 40% or 50% below market value and should not be set at any other value. In each case, these percentages represent the minimum discount required for a home to qualify as a First Home. Developers who are able to offer higher discounts within their contributions

should be free to do so but the local authority cannot require this. In such cases, whatever discount (as a percentage of market value) is given at the first disposal should be the same at each subsequent sale. These minimum discounts should apply to the entire local plan area (except if Neighbourhood Plans are in place in certain areas) and should not be changed on a site-by-site basis.

- 5.10** If local authorities or neighbourhood planning groups choose to revise their required minimum discounts in any future alterations to their plans, this should not affect the minimum discounts required for previously sold First Homes when they come to be resold, as these will be bound by the section 106 agreements entered into at the time of their first sale.

Oldham position

- 5.11** Oldham's LHNA identifies that in 2017 (the latest data period available at the time the LHNA was published) for a median priced house (£122,000) to be affordable⁽¹⁾ the household income required is £31,371. For a lower quartile priced house (£84,000) to be affordable the household income required is £21,000.

- 5.12** More recent data (using a pre-covid baseline – June 2019) identifies that for a median priced house (£135,000) to be affordable the required household income is £34,714. For a lower quartile house (£95,000) to be affordable, the required household income is £24,429⁽²⁾.

- 5.13** Based on the June 2019 baseline outlined above, data analysis identifies that approximately 65% of households in Oldham cannot afford the average (median) Oldham house. Furthermore, only 45% of households can afford a lower quartile house. The impact of covid, and continually rising house prices, further decreases affordability of houses in Oldham.

- 5.14** The LHNA has identified that in Oldham:

- 19.4% of households receive less than £10,400 gross per year;
- 18.1% receive between £10,401 and £15,600 per year;
- 15.2% receive between £15,601 and £20,796 per year;
- 13.6% receive between £20,797 and £26,000 per year;
- 16.3% receive between £26,001 and £39,000 per year; and
- 17.4% receive at least £39,000 per year.

- 5.15** A 30% discount of the median market sale house price (June 2019) would be £94,500. A house of £94,500 would require a household income of at least £27,000, of which 33.7% of households in Oldham achieve.

- 5.16** A 40% discount of the median market sale house price (June 2019) would be £81,000. A house of £81,000 would require a household income of at least £23,143, of which 47.3% of households in Oldham achieve.

1 Assuming a 3.5x income multiple and a 10% deposit is available – as per table 4.9 LHNA.

2 The data for June 2019 is sourced from ONS House Price data and household income data held by Oldham Council.

5.17 At present the approach in Oldham is for a property to be sold at 30% below the open market value. The appropriateness of applying a higher threshold, such as 40%, and its impact on the viability of development coming forward will be tested through the Local Plan review.

After the discount has been applied, the first sale must be at a price no higher than £250,000;

National standard

5.18 In order to qualify as a First Home, the initial sale of the home cannot be at a price greater than £250,000 (or £420,000 in Greater London) after the discount has been applied. Therefore, local authorities cannot set price caps higher than these national caps.

5.19 However, the [First Homes Written Ministerial Statement of 24 May 2021](#) does give local authorities and neighbourhood planning groups the discretion to set lower price caps if they can demonstrate a need for this. Any local price caps should be determined through the plan-making process with regard to local income levels, related to local house prices and mortgage requirements.

5.20 Local price caps should not be set arbitrarily and should only be used if evidence demonstrates a need for intermediate housing at particular price points. Whilst the national standard price caps will be high for many local areas across England, homes built as First Homes will need to be of appropriate size and price for first-time buyers in any area. The national price caps should not be used as justification for delivering more expensive properties than are necessary or required in any area.

Oldham position

5.21 *In applying a 30% market discount to the median Oldham house price, a price cap of approximately £95,000 would be appropriate to ensure First Homes are aimed at households in affordable housing need. However, as set out in the Ministerial Statement, local price caps should be determined through the plan-making process. As such, it is not proposed to lower the national price cap at present. The Local Plan Review will consider an appropriate local price cap in line with available evidence.*

5.22 *As per Oldham's position on the First Homes set out above, any First Home should be delivered at a 30% discount to the market sales price. Where it is proposed that a First Home, after applying the 30% discount, would be significantly above the median sales price of £95,000 the applicant will be required to robustly justify and agree the sales price with the local planning authority, considering the intention of the First Homes policy as an affordable housing product.*

The home is sold to a person who meets the First Homes eligibility criteria.

National standard

5.23 The First Homes policy sets out that a purchaser (or, if a joint purchase, all the purchasers) of a First Home should be a first-time buyer as defined in paragraph 6 of schedule 6ZA of the Finance Act 2003 for the purposes of Stamp Duty Relief for first-time buyers.

- 5.24** Purchasers of First Homes, whether individuals, couples or group purchasers, should have a combined annual household income not exceeding £80,000 (or £90,000 in Greater London) in the tax year immediately preceding the year of purchase.
- 5.25** A purchaser of a First Home should have a mortgage or home purchase plan (if required to comply with Islamic law) to fund a minimum of 50% of the discounted purchase price.
- 5.26** These national standard criteria should also apply at all future sales of a First Home.
- 5.27** Authorities are able, and are encouraged, to prioritise key workers for First Homes. This should be based on a local definition of a key worker.
- 5.28** Furthermore, authorities are also able to introduce local connection criteria, which may include (but are not limited to) current residency, employment requirements, family connections or special circumstances, such as caring responsibilities. In recognition of the unique circumstances of the Armed Forces, local connection criteria should be disapplied for all active members of the Armed Forces, divorced/separated spouses or civil partners of current members of the Armed Forces, spouses or civil partners of a deceased member of the armed forces (if their death was wholly or partly caused by their service) and veterans within 5 years of leaving the armed forces.

Oldham's position

- 5.29** *It is of course important that the First Homes delivered help to address the borough's local housing need and help those from the area who may not be able to afford a home otherwise. As such until such a time as the approach can be tested and formalised through the Local Plan review it is proposed to use the council's current allocations policy as local connection criteria, which are that the:*
- *Applicant has resided in the borough for 6 months out of the last 12 months or 3 years out of the last 5 years; or*
 - *Applicant's mother, father, adult sibling or adult child have resided in the borough for 5 years or more; or*
 - *Applicant is employed in the borough.*
- 5.30** *The local connection should be applied in the first instance. However, should the circumstances arise where there is no take-up of the First Homes through the application of the local connection criteria the homes should be marketed and offered to those in general affordable housing need. Should there continue to be no take-up of the First Homes the home can then be marketed and offers to those in the general housing market. The council consider that the First Homes should be marketed for a period of at least 6 months to those meeting the local connection criteria before moving on to those in general affordable housing and (after a further 6 months marketing) those in the general housing market. The approach to marketing must be agreed with the local planning authority prior to commencement to ensure the most appropriate platforms are used.*
- 5.31** *The national criteria relating to eligibility and income will be applied. In terms of income the national criteria requires purchasers of First Homes, whether individuals, couples or group purchasers, to have a combined annual household income not exceeding £80,000 in the tax year immediately preceding the year of purchase. As set out above, the income required to purchase a discounted (at 30%) median market sale house in*

Oldham is at least £27,000. As such it would be more appropriate for an income cap of £30,000 to apply to First Homes purchasers in Oldham to ensure First Homes remain affordable to the borough's residents. However, no local price cap is proposed at present, although the applicant is encouraged to ensure that First Homes are accessible for Oldham's residents, taking into consideration the local income data set out above.

5.32 The local connection test and income cap will be further tested through the Local Plan review.

What percentage of First Homes should be provided on an application site?

5.33 First Homes should account for at least 25% of all affordable homes delivered by developers through planning obligations. The remaining 75% affordable housing requirement can be made up as per local planning policy requirements/ recommendations.

- *In Oldham we will be seeking 25% First Homes contribution on sites where First Homes are required to be delivered. The remaining 75% affordable housing contribution on the relevant application site is to be made up of Affordable/ Social Rent and Intermediate tenures in line with the recommendations set out within the council's Housing Strategy and Local Housing Needs Assessment (LHNA). The LHNA, which is a material consideration for relevant planning applications, recommends a split of 50% affordable rent and 50% intermediate tenure. Given that First Homes is a form intermediate tenure when determining the split of the remaining 75% affordable housing contribution the council would be seeking a further 25% intermediate tenure and 50% affordable / social rent so as to meet the recommendations in the council's Housing Strategy / LHNA.*
- *It is important to note that the First Homes requirement is not "in addition" to the existing affordable housing requirement on a site. It will simply make up 25% of any affordable housing planning obligation, as required by NPPF⁽³⁾.*

What house types and bed sizes should be delivered using First Homes?

5.34 The Council's Housing Strategy and LHNA provide recommendations on property types and bed sizes that should be sought when securing affordable homes, now including First Homes, to best meet affordable housing need. Applicants should consider these recommendations as part of any proposed development to ensure that an appropriate housing mix is delivered across the site as a whole.

- *The LHNA sets out there is a need for a range of affordable housing types, with broad requirements of:*
 - *16.7% one-bedroom homes;*
 - *48.7% two-bedroom homes;*

³ The Local Plan's (Joint Core Strategy and DPD 2011) affordable housing policy (Policy 10) has been superseded by NPPF (paras. 63-65). This is applicable from publication of this paper until the adoption of the new Local Plan.

- 29.6% three-bedroom homes; and
- 5% four or more-bedroom homes.

5.35 First Homes will be expected to meet the National Described Space Standards as a minimum.

How does the requirement for 25% First Homes interact with the requirement in the National Planning Policy Framework that where major development is proposed, at least 10% of homes should be available for affordable home ownership?

5.36 The 25% expected First Homes contribution can make up, or contribute to, the 10% of the overall number of homes expected to be an affordable home ownership product on major developments as required through NPPF depending on the amount of affordable housing to be provided as part of the proposed development. For example:

- Where a scheme of 120 homes is to provide 10% affordable housing, then all of these (12) homes would need to be in the form of an affordable home ownership product. 3, or 25% of these, would then need to take the form of First Homes properties, in line with national planning guidance.
- However, where a scheme of 120 homes is to provide 20% affordable housing (24 homes), 10% of the total number of homes to be delivered will need to take the form of an affordable home ownership product as outlined above - 12 homes. 6 (or 25%) of these would need to take the form of First Homes properties (in line with national planning guidance) and 6 could take the form of another intermediate tenure. The remaining 12 affordable homes can then made up of affordable and /or social rent.

5.37 At present Policy 10 of the Local Plan states that when agreeing the level and nature of affordable housing to be provided the council will have regard to various factors including the size and type of affordable housing to be provided, such as social-rented accommodation or intermediate housing and how this meet local affordable housing needs. As such, it does not currently stipulate a split between the different types of affordable housing to provided. This will be reviewed as part of the Local Plan review.

5.38 In the meantime, the LHNA recommends that in terms of new affordable homes built 50% should be for social and/or affordable rent and 50% should be intermediate tenure. Following this recommendation, where more than 10% of the total homes proposed is to be for affordable housing then this evidence should be used to determine the split of the remaining affordable housing tenures required in order to provide the LHNA recommended split of 50% intermediate tenure and 50% social / affordable rent across the development as a whole as per the LHNA recommendation.

How does the 25% requirement apply to off-site affordable housing contributions?

5.39 In accordance with paragraph 62 of the NPPF, affordable housing is expected to be delivered on-site unless off-site provision, or a financial contribution in lieu off, can be robustly justified, and the agreed approach contributes to the objective of creating mixed and balanced communities.

- 5.40** Where financial contributions for affordable housing are secured instead of on-site units, a minimum of 25% of these contributions should be used to secure First Homes. This could be achieved, for example, by acquiring additional First Homes from market development, paying the developer a sum to offset the discount from market price, and securing the tenure through section 106 planning obligations.
- 5.41** Where a mixture of cash contributions towards affordable housing and on-site units are secured, 25% of the overall value of affordable housing contributions should be applied to First Homes.

When will the First Homes policy requirement come into force?

- 5.42** Guidance states that First Homes policy requirement does not apply in relation to:
- Sites with full or outline planning permissions already in place or determined (or where a right to appeal against non-determination has arisen) before 28 December 2021
 - *This means that any application already granted, or refused but being appealed, before this date, 28 December 2021, is not subject to the First Homes requirement, meaning that First Homes tenure is not required or expected.*
 - Applications for full or outline planning permission where there has been significant pre-application engagement which are determined before 28 March 2022. For the purposes of the First Homes policy, significant pre-application engagement means any substantive discussions between the local planning authority and the applicant relating to the proposed quantity or tenure mix of the affordable housing contribution associated with that application.
 - *In Oldham, we interpret this to mean any application already submitted to the Council or where pre-app advice has already been given prior to 24 May 2021 (when the first Homes Guidance was published), so long as the application is determined by 28 March 2022.*
- 5.43** Notwithstanding the timeline set out above, guidance states that if an applicant wishes to amend a planning application, which has already been submitted and is likely to be granted before 28 March 2022, to include First Homes, the local planning authority should be flexible in accepting First Homes as an alternative type of tenure.

Does the First Homes requirement apply to variations or amendments to existing planning permissions?

- 5.44** The First Homes policy does not apply to application made under section 73 of the Town and Country Planning Act 1990 to amend or vary an existing planning permission unless the amendment or variation in question related to the proposed quantity or tenure mix of affordable housing for that development.

Position on First Homes Exception Sites

5.45 A First Homes exception site is a housing development that comes forward outside of local or neighbourhood plan allocations to deliver affordable housing and which primarily delivers First Homes as set out in the First Homes Written Ministerial Statement.

5.46 First Homes exception sites can come forward on unallocated land outside of a development plan. They cannot come forward in areas designated as Green Belt, or designated rural areas as defined in Annex 2 of NPPF. In these areas, rural exception sites are the sole permissible type of exception site (Oldham does not currently have a rural exception sites policy).

What evidence can be used to in demonstrating that a proposed First Homes exception site is proportionate in size to the existing settlement?

5.47 For decision-making, what constitutes a proportionate development will vary depending on local circumstances. As part of their process for preparing planning applications, applicants should consider engaging a relevant built environment professional to provide advice on the scale of their proposal and also consider proactively engaging with local authorities where possible to discuss their proposals.

Can First Homes exception sites deliver market housing?

5.48 First Homes exception sites can deliver a small proportion of market housing, provided that it can be demonstrated that this is necessary in order to ensure the overall viability of the site. Local authorities and neighbourhood planning groups can set policies that specify in further detail the proportions of market housing would be considered acceptable, and under what circumstances.

What sort of evidence can be provided in order to justify the inclusion of a small proportion of market housing on First Homes exception sites?

5.49 Applications for First Homes exception sites that propose the inclusion of a small proportion of market housing will be expected to provide evidence that the site would be unviable without such housing being included, for instance in situations where the development faces significant and unexpected delivery costs. Evidence would typically be in the form of a detailed viability assessment prepared in line with Planning Practice Guidance on Viability in Decision Taking

Under what circumstances can other types of affordable housing come forward on First Homes exception sites?

5.50 Where local evidence suggests that a significant local need exists for one or more other forms of affordable housing on a proposed First Homes exception site, applicants may alter the proportions of affordable housing to include small quantities of other affordable housing products. Applicants will be expected to provide evidence of this need in the form of a Local Housing Needs Assessment, local authority Housing Register, or other sufficiently rigorous local evidence.

5.51 For plan-making, local authorities and neighbourhood planning qualifying bodies are encouraged to set policies which specify their approach to determining the proportionality of First Homes exception site proposals, and the sorts of evidence that they might need in order to properly assess this. The Local Plan Review will consider this.

Can Community Infrastructure Levy be collected on First Homes development?

5.52 The Community Infrastructure Levy (CIL) Regulations 2010 (as amended) make provisions for charging authorities to give relief or grant exemptions from the levy. These regulations allow developers of First Homes to obtain an exemption from the requirement to pay CIL. Oldham does not currently have CIL.

Securing the delivery of First Homes

5.53 Where a site will be delivering First Homes, a section 106 agreement will be required to secure the necessary restrictions on the use and sale of the property, and a legal restriction on the title of the property to ensure that these restrictions are applied to the property at each future sale. The intention is to protect the property as a First Home and ensure that the discount is passed on to all future eligible purchasers.

5.54 In addition to other requirements the Section 106 will seek to:

- *Secures the delivery of the First Homes; and,*
- *Ensures that a legal restriction is registered onto a First Home's title on its first sale.*

5.55 This will mean that:

- *When a First Home is sold by the developer to the first owner, a restriction is to be entered onto the title register identifying the unit as a First Home. This restriction should ensure that the title cannot be transferred to another owner unless the relevant local authority certifies to HM Land Registry that the First Homes criteria and eligibility criteria have been met, including the discounted sale price.*

5.56 In most cases, these planning obligations should be entered into in the usual way prior to the grant of planning permission. The government will publish template planning obligations for this purpose, which the local planning authority can use as a basis for agreements prepared locally.

5.57 Guidance states that, to ensure consistency and clarity regarding the status of First Homes, it is strongly recommended that the following model title restriction is used, which is a variation on a standard Form L restriction which has been prepared with HM Land Registry for this purpose. This model title restriction is part of the government's published template planning obligations:

- *No disposition of the registered estate (other than a charge) by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a certificate signed by [Local Authority] of [address] or their conveyancer that the provisions of clause XX (the First Homes provision) of the Transfer dated [Date]*

referred to in the Charges Register have been complied with or that they do not apply to the disposition

- *In Oldham we will be seeking to refine existing Section 106 clauses to reflect the restriction requirements.*

5.58 In circumstances where this restriction needs to be removed, such as an invocation of the Mortgagee Protection Clause, the Local Authority will be required to apply to enable the removal of the restriction.

Eligibility Criteria

5.59 Government guidance sets out who is eligible for a First Home as shown via this link <https://www.gov.uk/guidance/first-homes#first-homes-eligibility-criteria>, but a local authority can set its own requirements for:

- Income thresholds
- Keyworkers
- Local Connection
- Discount level above 30%

5.60 Any local eligibility criteria will apply for a maximum of 3 months from when a home is first marketed. If a suitable buyer has not reserved a home after 3 months, the eligibility criteria (including income caps) will revert to the national criteria set out above, to widen the consumer base.

- *The Council will ensure that the Section 106 captures the Council's local eligibility requirements within the context of the discretions allowed in national policy.*

6 Vacant Building Credit

- 6.1** The introduction of Vacant Building Credit (VBC) is aimed at stimulating the development of vacant building on brownfield sites.
- 6.2** VBC works through the deduction of a financial 'credit', equivalent to the existing gross floorspace of any relevant vacant buildings within the redline boundary of the application site brought back into lawful use or demolished for redevelopment, from the overall affordable housing contribution calculation sought from relevant residential development schemes. For example, where a building with a gross floorspace of 8,000 square metre building is demolished as part of a proposed development with a gross floorspace of 10,000 square metres, any affordable housing contribution should be a fifth of what would normally be sought as it would be applied to only 2,000 square metres. This will apply in calculating either the number of affordable housing units to be provided within the development or where an equivalent financial contribution is being provided.
- 6.3** This will not apply to vacant buildings which have been abandoned (see below for further information).
- 6.4** In considering how the vacant building credit should apply to a particular development, local planning authorities should have regard to the intention of national policy. In doing so, it may be appropriate for authorities to consider:
- whether the building has been made vacant for the sole purposes of re-development (vacant building credit does not apply to abandoned buildings)
 - whether the building is covered by an extant or recently expired planning permission for the same or substantially the same development
- 6.5** The council will determine on a case by case basis whether a building is vacant or abandoned and whether it is appropriate to apply VBC. Details regarding the type of information the may be required to inform the decision and support a relevant planning application is set out below.

Proposed criteria for applying Vacant Building Credit

- 6.6** The criteria for applying Vacant Building Credit are as follows:
1. The site must meet the NPPF definition of 'Previously Developed Land' (NPPF, Annex 2 Glossary).
 2. The building must meet the Council's definition of a 'Vacant Building' and must not have been abandoned (see below). The whole building should be vacant for VBC to apply.
 3. The building must not have been made vacant for the sole purposes of redevelopment. The applicant must demonstrate that vacancy has arisen for other reason.
 4. If the proposal is covered by an extant or recently expired planning permission for the same or substantially the same development or has there been an application submitted but not determined since the VBC was reintroduced and VBC not sought, VBC will not apply.

Definition of a vacant building when applying Vacant Building Credit

- 6.7** Like many authorities, Oldham will use the Community Infrastructure Levy (CIL) definition of a vacant building for this interim planning position. The CIL defines a vacant building as "a building that has not been in continuous use for any 6 month period during the last three years". A 'building' does not include buildings: into which people do not normally go; into which people go only intermittently for the purpose of maintaining or inspecting machinery, or; for which planning permission was granted for a limited period.
- 6.8** Whilst Oldham does not have CIL, the CIL definition of a vacant building provides a clear vacancy period which takes into consideration the requirements of Policy 14 of the Local Plan. For employment sites, one of the Policy 14 criterion is that adequate marketing (as agreed with the council) is carried out to determine the site's viability/suitability for the identified employment use. It is important to ensure that Oldham's employment sites are protected from development, especially as the Employment Land Review is still being carried out to inform the Local Plan Review. This interim position does not supersede any requirements set out within Policy 14.

Abandoned buildings

- 6.9** In deciding whether a use has been abandoned, account should be taken of all relevant circumstances, such as:
- the condition of the property
 - the period of non-use
 - whether there is an intervening use; and
 - any evidence regarding the owner's intention.

Vacant Building Credit and Outline Planning Applications

- 6.10** As stated above the council will determine on a case by case basis whether a building is vacant or abandoned.
- 6.11** When considering outline planning applications it may not be clear what the actual number of dwellings, or the size of those dwellings, may be. Therefore it will be difficult to quantify what vacant building credit will be applicable at this stage. Where the local planning authority agrees that the VBC may be applicable, the applicant will be expected to enter into a S.106 Agreement at the outline stage to enable the matter to be deferred to a later stage when the relevant details of the scheme have been finalised. If the VBC is applicable to the proposed site, the information on floor space will inform the level of affordable housing contributions.

Vacant Building Credit Statement

- 6.12** In order to apply for the VBC seeking reduced affordable housing contribution, a VBC Statement must be submitted alongside a planning application. The following information will need to be included in the Statement:
- 6.13** Evidence that any referenced building is a 'vacant building'. As stated above a building is not considered as 'vacant' if the building has been in continuous use for any six months during the last three years up to the date of the planning application is submitted.

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- 6.14** The whole building must be vacant to apply for VBC.
 - 6.15** Evidence that any referenced building is not an 'abandoned building' or vacated solely for the purpose of redevelopment. The onus will be on the applicant to demonstrate this. The factors the council will take into account are set out above.
 - 6.16** Information on the existing Gross Internal Floor Area (GIFA) and the proposed GIFA. GIFA is the area of a building measured to the internal face of the perimeter walls at each floor level. The Royal Institution of Chartered Surveyors (RICS) definition of GIFA will be used for the purposes of assessing VBC.
 - 6.17** The council encourages the above information to be also be applied as part of any pre-application discussed so that the application of VBC can be considered at the earliest stage.

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Report to CABINET

The New Chadderton Partnership and Chadderton Neighbourhood Area: determination of area and forum applications

Portfolio Holder:

Councillor Roberts, Cabinet Member for Housing

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Ext. 1670

28th February 2022

Reason for Decision

To approve the decision to 1.) designate Chadderton neighbourhood area (comprising Chadderton South, Chadderton North and Chadderton Central wards) and to 2.) designate The New Chadderton Partnership as a neighbourhood forum in accordance with the Town and Country Planning Act 1990 (the Act) and the Neighbourhood Planning (General) Regulations 2012 (the Regulations); and to 3.) publicise those designations. This will allow The New Chadderton Partnership forum to begin to prepare a neighbourhood plan for the neighbourhood area of Chadderton (and / or a neighbourhood development order).

Recommendations

It is recommended to 1.) designate Chadderton (comprising Chadderton South, Chadderton North and Chadderton Central wards) as a neighbourhood area and to 2.) designate The New Chadderton Partnership as a neighbourhood forum and to 3.) publicise those designations.

The New Chadderton Partnership and Chadderton Neighbourhood Area: determination of area and forum applications**1 Background**

- 1.1 The Council received an application for the designation of “The New Chadderton Partnership” forum and an application to designate the Chadderton neighbourhood area (comprising Chadderton North, Chadderton Central and Chadderton South wards).
- 1.2 Having a neighbourhood area and forum designation will mean that The New Chadderton Partnership can begin to prepare a Neighbourhood Plan for the neighbourhood area of Chadderton or a Neighbourhood Development Order for a specific part of the neighbourhood area.
- 1.3 A Neighbourhood Plan should support the strategic development needs set out in the Local Plan and must address the development and use of land, but it can allow bespoke policies to be prepared that address specific planning issues within the neighbourhood area.
- 1.4 The Localism Act has also given communities the ability to grant planning permission through Neighbourhood Development Orders (NDOs). A NDO can grant planning permission for specific types of development in a specific neighbourhood area. An NDO can:
 - Apply to a specific site, sites, or wider geographical area;
 - Grant planning permission for a certain type or types of development; and
 - Grant planning permission outright or subject to conditions.
- 1.5 An NDO can be used to permit:
 - Building operations (e.g. structural alterations, construction, demolition or other works carried out by a builder);
 - Material changes of use of land and buildings; and/or
 - Engineering operations.
- 1.6 The Neighbourhood Forum would be required to publicly consult with all residents within the neighbourhood area on any proposed Neighbourhood Plan or NDO, and both would also be considered by Oldham Council before being examined by an independent Plan Examiner.
- 1.7 Should the neighbourhood forum be designated for the area, no other organisation or body can be designated for the area until that designation expires or is withdrawn.
- 1.8 The current area and forum applications followed on from those consulted upon between 17 July and 28 August 2020. The previous application was refused on a technical matter in that the membership of the proposed forum failed to have enough members that live, work, or are elected members within Chadderton as required by the Neighbourhood Planning (General) Regulations (2012). This issue has been addressed and the forum membership meets the necessary requirements of the 2012 Regulations (see paragraph 1.3 below). In addition, there are now new members on the forum, in particular from Chadderton North, who are also keen to help prepare the Neighbourhood Plan.
- 1.9 The neighbourhood area application meets all the requirements identified in regulation 5 of the Neighbourhood Planning (General) Regulations (2012). This states that a

submission for an area application to the local planning authority (LPA) by a relevant body must include:

- a map which identifies the area to which the area application relates;
- a statement explaining why the area is considered appropriate to be designated as a neighbourhood area; and
- a statement that the organisation or body making the application is a relevant body.

- 1.10 Section 61G of the Town and Country Planning Act 1990 (inserted by the Localism Act 2011) includes within the definition of a relevant body “an organisation or body which is, or is capable of being, designated as a neighbourhood forum (on the assumption that, for this purpose, the specified area is designated as a neighbourhood area).” The New Chadderton Partnership forum application sets out how the forum is a “relevant body” (see below).
- 1.11 A map and statement explaining why the area is considered appropriate to be designated as a neighbourhood area was provided.
- 1.12 The area application states that the neighbourhood area applied for includes the centre, residential and employment areas as well as open land and smaller settlements of Chadderton Heights and Healds Green. Although this is a large area there is nothing in the legislation to prevent its selection and it is worth noting that neighbourhoods of a similar size have been approved elsewhere both locally and nationally. It is considered appropriate to include the whole of Chadderton since local residents have a strong affinity with the area which historically was an urban district in its own right. The application acknowledges that across the neighbourhood area there are many different communities, which will have different priorities that will need to be accommodated in the neighbourhood plan.
- 1.13 The forum application was considered to meet all the requirements as identified in regulation 8 of the Neighbourhood Planning Regulations. This states that where an organisation or body submits a neighbourhood forum application to the LPA it must include:
- a) the name of the proposed neighbourhood forum;
 - b) a copy of the written constitution of the proposed neighbourhood forum;
 - c) the name of the neighbourhood area to which the application relates and a map which identifies the area;
 - d) the contact details of at least one member of the proposed neighbourhood forum to be made public under regulations 9 and 10; and
 - e) a statement which explains how the proposed neighbourhood forum meets the conditions contained in section 61F(5) of the Act.
- 1.14 The constitution makes clear that membership is open to people that work, live or are elected members for the neighbourhood area.
- 1.15 The Council is satisfied that the forum members contain people who fall into each category of section 61F- (5)(b) – that there are members that live, work or are elected members whose areas fall within the wards of the neighbourhood area. There are 59 forum members living within the Chadderton neighbourhood area, 5 elected members for the area applied for and 32 members stating they work in the area applied for (whilst this may seem high 30 of these forum members are also residents in any case). There are also two members whom whilst they do not reside in the neighbourhood area they are company owners of businesses operating within it, in accordance with section 61F (7)(i).

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- 1.16 The Council has mapped out the addresses of the forum members to ensure there is representation from different places in the Chadderton neighbourhood area. This mapping exercise shows that there are members across all three Chadderton wards.
- 1.17 The forum members include people from different age brackets (29 members 60+ years; 21 members 40-60 years; 11 members 20-40 years and one member age unknown).
- 1.18 There is a mixture of professions and members who are retired and a mixture of ethnicity groups.
- 1.19 The majority of members are White British but there are four members from BME / Chinese ethnicity groups.
- 1.20 The Council is therefore satisfied that membership is drawn from different sections of the community in accordance with section 61F (7) (ii).
- 1.21 The Council is also satisfied that the forum's purpose in general terms reflects the character of the area in accordance with section 61F (7) (iii). The forum application includes details of how the forum intends to promote or improve the social, economic and environmental wellbeing of the area for example exploring community gardens, promoting sustainable growth with zero carbon emissions and supporting local businesses. These purposes align with the character of Chadderton.
- 1.22 Under regulations 6 and 9 the Council was required to publicise the area and forum applications on the Council's website and in other appropriate ways to bring the applications to the attention of people who live, work or carry on business in the Chadderton Neighbourhood Area. Representations were invited for six weeks.

2 **Current Position**

- 2.1 Consultation on the area and forum applications took place between 29th November 2021 and 10th January 2022.
- 2.2 The applications were made available on the Council's website, Objective (consultation Portal), Chadderton Library and Rochdale Road reception.
- 2.3 In addition, the Council also used social media, placed posters in community facilities in Chadderton, issued a press release and wrote to everyone on our Local Plan mailing list.
- 2.4 The Council also encouraged the forum to promote the consultation via their networks.
- 2.5 In total we received 15 responses, eight by statutory organisations / organisations and seven by individuals. The response rate is significantly lower than the previous consultation on Chadderton neighbourhood area proposed by the Chadderton Partnership in 2020. It is anticipated that the lower response rate is due to the progress that has been made on resolving many of the issues raised to the previous consultation.
- 2.6 The 'Summary of Comments and Oldham Council's response' (Appendix 1) summaries the key issues that were raised and Oldham Council's response. The key issues raised were:
- Linking the forum with health services and understanding local population health needs;
 - Ensuring the neighbourhood plan takes into account sports facilities of the right type and quality in the right places;
 - Ensuring the plan takes into account environmental risks and opportunities;

- Ensuring the neighbourhood plan protects and enhances the historic environment including historic textile mills;
- The presence of coal mining features and the presence of a Mineral Safeguarding Area within the plan area;
- Unities Utilities provided comments regarding their assets, sustainable drainage, landscaping and public realm improvements, development next to Wastewater Treatment Works and Pumping Stations and Water efficiency with suggested policy wording;
- Comments around the openness of the Forum and membership;
- How the Forum has consulted with residents of Chadderton;
- The size of the neighbourhood area being large; and
- Support for the applications.

2.7 Of the responses from individuals, five made objections and two made comments in support of the proposals.

2.8 Regulations 6A and 9A state that the area application and forum application must be determined within 13 weeks from the date on which the application was first publicised. Oldham Council must now determine whether to designate the neighbourhood area. The Planning Practice Guidance states:

“A local planning authority must designate a neighbourhood area if it receives a valid application and some or all of the area has not yet been designated... the local planning authority should take into account the relevant body’s statement explaining why the area applied for is considered appropriate to be designated as such... a local planning authority can refuse to designate the specific area applied for if it considers the area is not appropriate. Where it does so, the local planning authority must give reasons. The authority must use its powers of designation to ensure that some or all of the area applied for forms part of one or more designated neighbourhood areas”.

2.9 It is recommended, given that the Council was satisfied with the applications proceeding to consultation based on the Act and Regulations being met and no significant key issues being raised as part of the consultation on the applications to justify refusal that The New Chadderton Partnership is designated as a neighbourhood forum and Chadderton (comprising of Chadderton South, Chadderton North and Chadderton Central wards) is designated as a neighbourhood area.

2.10 After designating Chadderton Neighbourhood area and The New Chadderton Partnership forum the Council must publish details of the designations on our website and in such other manner to bring the designations to the attention of people in the neighbourhood area in line with regulations 7 and 10.

3 Options/Alternatives

3.1 The only alternative to the recommendations at the top of this report is to not designate Chadderton (comprising Chadderton South, Chadderton North and Chadderton Central wards) as a neighbourhood area and to not designate The New Chadderton Partnership as a neighbourhood forum and to publish the decision document and a refusal statement (setting out the reasons for not agreeing to designate the neighbourhood area and forum). The Council must set out clear reasons for the decision in line with the Act and Regulations. Not designating will mean that The New Chadderton Partnership forum will not be able to prepare a neighbourhood plan for the neighbourhood area of Chadderton (and / or neighbourhood development order). There is no basis for this alternative, as both

the neighbourhood area and forum applications have been made in accordance with all relevant legislation and are reasonable.

4 Preferred Option

4.1 To 1.) designate Chadderton (comprising Chadderton South, Chadderton North and Chadderton Central wards) as a neighbourhood area and to 2.) designate The New Chadderton Partnership as a neighbourhood forum and to 3.) publicise those designations. This will mean that the Council is acting in accordance with the Act and the Regulations. This will allow The New Chadderton Partnership forum to begin to prepare a neighbourhood plan for the neighbourhood area of Chadderton (and / or neighbourhood development order). Not designating will mean that the Council will have to publish a refusal statement and decision document with reasons for the decision. However, it is considered that there are no clear reasons for non designation.

5 Consultation

5.1 Public consultation took place between 29th November 2021 and 10th January 2022. The 'Summary of Comments and Oldham Council's response' can be seen in Appendix 1.

6 Financial Implications

6.1 Whilst there is no requirement for the LPA to provide financial assistance, it is obliged by law to provide support for relevant activities. This includes assistance with the preparation and submission of the neighbourhood plan plus associated publications and consultations alongside independent examination and referendum.

6.2 The Council will be able to claim up to £30,000 of Neighbourhood Planning Grant which seeks to ensure Local Planning Authorities receive sufficient funding to meet the assistance costs referred to at paragraph 6.1. However, the revenue cost for the Council to provide support to The New Chadderton Partnership in preparing a Neighbourhood Plan is expected to be in excess of £40,000. This includes the costs of consultation and examination of the neighbourhood plan once it has been prepared and passed over to the Council but excludes the staffing resource required to support the process. Depending on the complexity of the proposed Plan and how long the Examination might take, these revenue costs could be considerably more.

6.3 Any costs incurred over and above the grant funding available will need to be met from within the existing Planning Service revenue budget.

(James Postle)

7 Legal Services Comments

7.1 Approval of the applications following the consultation process is the first stage in enabling the creation of a Neighbourhood Plan for Chadderton. Any Neighbourhood Plan which is eventually created will form part of the development plan and will sit alongside the local plan for the Borough. Decisions on planning applications in Chadderton will then be made using both the local plan and the neighbourhood plan, and any other material considerations. (A Evans)

8. Co-operative Agenda

8.1 The decision supports thriving communities by empowering communities to prepare a plan for their local area.

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- 9 **Human Resources Comments**
- 9.1 N/A
- 10 **Risk Assessments**
- 10.1 None received. Mark Stenson
- 11 **IT Implications**
- 11.1 N/A
- 12 **Property Implications**
- 12.1 Any specific property implications will only become apparent in the event that a Neighbourhood Plan for the Neighbourhood area of Chadderton is prepared, or a Neighbourhood Development Order for a specific part of the Neighbourhood Area is brought forward. Bryn Cooke
- 13 **Procurement Implications**
- 13.1 N/A
- 14 **Environmental and Health & Safety Implications**
- 14.1 Upon adoption, the Neighbourhood Plan will form part of Oldham’s Local Plan and will have implications for the environment (most likely beneficial).
- 15 **Equality, community cohesion and crime implications**
- 15.1 Neighbourhood planning gives communities direct power to develop a shared vision for their neighbourhood and shape the development and growth of their local area. Upon adoption the Neighbourhood Plan will form part of Oldham’s Local Plan and will have implications for the equality, community cohesion and crime (most likely beneficial), for example local policies on design.
- 16 **Implications for Children and Young People**
- 16.1 Neighbourhood planning gives communities direct power to develop a shared vision for their neighbourhood and shape the development and growth of their local area. Upon adoption the Neighbourhood Plan will form part of Oldham’s Local Plan and will have implications for children and young people (most likely beneficial), for example by considering access to open space for all.
- 17 **Equality Impact Assessment Completed?**
- 17.1 No.
- 18 **Key Decision**
- 18.1 Yes
- 19 **Key Decision Reference**
- 19.1 HSG-16-21

20 **Background Papers**

- 20.1 A copy of the list of background papers to the report must be included in the report and at least one copy of each of the document included in that list must be available for inspection by the public at the office of the Council and on the local authority's website, i.e. included on the Cabinet Agenda / delegated item.

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 : N/A

Name of File : Chadderton neighborhood area application and The New Chadderton Partnership forum application

Records held in Strategic Planning and Information, Economy

Officer Name : Georgina Brownridge

Contact No : 1670

21 **Appendices**

- 21.1 Appendix 1 – Summary of Responses and the Council's response
Appendix 2 – Decision Notice

Oldham

Local

Plan

**Chadderton Neighbourhood
Plan: Summary of comments
and Oldham Council's
response**

February 2022



1	Introduction	2
2	Comments received on The New Chadderton Partnership forum and Chadderton neighbourhood area application and Oldham Council's response	3

1 Introduction

- 1.1 Consultation on the applications to designate Chadderton Neighbourhood area and The New Chadderton Partnership forum took place between Monday 29 November 2021 and Monday 10 January 2022.
- 1.2 The applications were made available on the Council's website, Objective (consultation Portal), Chadderton Library and Rochdale Road reception.
- 1.3 In addition, the Council also used social media, placed posters in community facilities in Chadderton, issued a press release and wrote to everyone on our Local Plan mailing list.
- 1.4 We also encouraged the forum to promote the consultation via their networks.
- 1.5 We received 15 responses, eight by statutory organisations / organisations and seven by individuals. The response rate is significantly lower than the previous consultation on Chadderton neighbourhood area proposed by the Chadderton Partnership in 2020. It is anticipated that the lower response rate is due to the progress that has been made on resolving many of the issues raised to the previous consultation.
- 1.6 Of the responses from individuals, five made objections and two made comments in support of the proposals. The statutory organisations provided useful information in relation to their area of interest.
- 1.7 This statement summarises the comments received and the Council's response to those comments.

2 Comments received on The New Chadderton Partnership forum and Chadderton neighbourhood area application and Oldham Council's response

Table 1 Comments received and the Council's response

Name	Organisation (if relevant)	Comment	Council's response
Mark Warren	Director of Adult Social Care (DASS) / Managing Director Community Health and Social Care, Oldham Council	<p>Across health and care we are endeavouring to co-ordinate services across a Primary Care Network geography servicing populations of between 30k to 60k. It might be helpful to seek the involvement of the PCN Clinical Director and PCN leads. Therefore we will need to make the links to ensure a resident focus is taken.</p> <p>From a social care perspective it would help to see how the plan takes account of any ASC requirements identified in the Market Position Statement particularly where we may have identified shortages of any particular type of provision in that area. Often social care is not thought about it until somebody needs it, so understanding local population health needs would be useful.</p>	Noted. The Council will ensure that the Forum is made aware of these comments.
Planning Administration Team	Sport England	<p>National Planning Policy Framework (NPPF), identifies how the planning system can play an important role in facilitating social interaction and creating healthy, inclusive communities.</p> <p>Encouraging communities to become more physically active through walking, cycling, informal recreation and formal sport plays an important part in this process. Providing enough sports facilities of the right quality and type in the right places is vital to achieving this aim. This means that positive planning for sport,</p>	Noted. The Council will ensure that the Forum is made aware of these comments.

Name	Organisation (if relevant)	Comment	Council's response
		<p>protection from the unnecessary loss of sports facilities, along with an integrated approach to providing new housing and employment land with community facilities is important.</p> <p>It is essential that the neighbourhood plan reflects and complies with NPPF for sport with particular reference to Paragraphs 98 and 99. Sport England has a statutory consultee role in protecting playing fields and the presumption against the loss of playing field land. Sport England's playing fields policy is set out in our Playing Fields Policy and Guidance document (link provided).</p> <p>Sport England provides guidance on developing planning policy for sport and the need for evidence (link provided).</p> <p>Sport England works with local authorities to ensure their Local Plan is underpinned by robust and up to date evidence. This takes the form of assessments of need and strategies for indoor and outdoor sports facilities. A neighbourhood planning body should look to see if the local authority has prepared a playing pitch strategy or other indoor/outdoor sports facility strategy. If it has then this could provide useful evidence for the neighbourhood plan and save the neighbourhood planning body time and resources gathering their own evidence. It is important that a neighbourhood plan reflects the recommendations and actions set out in any such strategies, including those which may specifically relate to the neighbourhood area, and that any local investment opportunities, such as the Community Infrastructure Levy, are utilised to support their delivery.</p>	

Name	Organisation (if relevant)	Comment	Council's response
		<p>Where such evidence does not already exist then relevant planning policies in a neighbourhood plan should be based on a proportionate assessment of the need for sporting provision in its area. Developed in consultation with the local sporting and wider community any assessment should be used to provide key recommendations and deliverable actions. These should set out what provision is required to ensure the current and future needs of the community for sport can be met and, in turn, be able to support the development and implementation of planning policies. Sport England's guidance on assessing needs may help with such work (link provided).</p> <p>If new or improved sports facilities are proposed Sport England recommend they are fit for purpose and designed in accordance with our design guidance notes (link provided).</p> <p>Any new housing developments will generate additional demand for sport. If existing sports facilities do not have the capacity to absorb the additional demand, then planning policies should look to ensure that new sports facilities, or improvements to existing sports facilities, are secured and delivered. Proposed actions to meet the demand should accord with any approved local plan or neighbourhood plan policy for social infrastructure, along with priorities resulting from any assessment of need, or set out in any playing pitch or other indoor and/or outdoor sports facility strategy that the local authority has in place.</p> <p>Consideration should also be given to how any new development, especially for new housing, will provide opportunities for people to lead healthy lifestyles and create healthy communities. Sport</p>	

Name	Organisation (if relevant)	Comment	Council's response
		<p>England's Active Design guidance can be used to help with this when developing planning policies and developing or assessing individual proposals.</p> <p>Active Design, which includes a model planning policy, provides ten principles to help ensure the design and layout of development encourages and promotes participation in sport and physical activity. The guidance, and its accompanying checklist, could also be used at the evidence gathering stage of developing a neighbourhood plan to help undertake an assessment of how the design and layout of the area currently enables people to lead active lifestyles and what could be improved.</p>	

Name	Organisation (if relevant)	Comment	Council's response
Dominic Rogers	Natural England	<p>Natural England does not wish to make comment on the suitability of the proposed plan area or the proposed neighbourhood planning body.</p> <p>Natural England have provided information sources the neighbourhood planning body may wish to use in developing the plan, and to highlight some of the potential environmental risks and opportunities that neighbourhood plans may present. We have set this out in the annex to this letter.</p> <p>The local planning should advise the neighbourhood planning body when Natural England should be consulted further on the neighbourhood plan.</p> <p>Neighbourhood plans and orders present significant opportunities, but also potential risks, for the natural environment. Proposals should be in line with the NPPF. The key principles are set out in paragraphs 170-177.</p> <p>The planning system should contribute to and enhance the natural and local environment by:</p> <ul style="list-style-type: none"> • protecting and enhancing valued landscapes, geological conservation interests and soils; • recognising the wider benefits of ecosystem services; • minimising impacts on biodiversity and providing net gains in biodiversity where possible, contributing to the Government's commitment to halt the overall decline in biodiversity, including by establishing coherent ecological 	Noted. The Council will ensure that the Forum is made aware of these comments.

Name	Organisation (if relevant)	Comment	Council's response
Pippa Brown	Historic England	<p>networks that are more resilient to current and future pressures.</p> <p>The neighbourhood planning body should consider the natural environment policies in the area's Local Plan. The neighbourhood plan or order should be consistent with these, and the neighbourhood planning body may decide that the emerging Neighbourhood Plan should provide more detail as to how some of these policies apply or are interpreted locally.</p> <p>Annex 1 - Neighbourhood planning and the natural environment: information, issues and opportunities attached. This contains information and links to sources of natural environment information sources; natural environment issues to consider; and improving your natural environment.</p>	Noted. The Council will ensure that the Forum is made aware of these comments and the Mills Strategy.

Name	Organisation (if relevant)	Comment	Council's response
		<p>requirements of national planning policy as defined in the National Planning Policy Framework (NPPF). We have a dedicated 'Mills of the North' Campaign aiming to secure the sustainable future of mills and the myriad benefits this brings to local people and areas (weblink for further information proved).</p> <p>To ensure that the protection and enhancement of the historic environment is fully embedded within the neighbourhood plan we recommend that you refer to Historic England's advice on Neighbourhood Planning and the Historic Environment and particular our Advice Note No.11 (weblink provided).</p> <p>NPPF indicates that neighbourhood plans have the power to develop a shared vision for their area, to shape, direct and help to deliver sustainable development. This can include detailed policies on conserving and enhancing the historic environment and on design. The National Planning Practice Guidance (NPPG) is clear that, where relevant, neighbourhood plans should include enough information about heritage to guide planning decisions and to put strategic heritage policies into action at a neighbourhood scale.</p> <p>It is important that the future plan identifies heritage assets in the area and includes a positive strategy to safeguard those elements that contribute to their significance. This will ensure that they can be appropriately conserved and enjoyed now and in the future. For example, policies might consider addressing the following:</p>	

Name	Organisation (if relevant)	Comment	Council's response
		<ul style="list-style-type: none"> • How the plan's objectives can maximise the wider social, cultural, economic and environmental benefits flowing from heritage. For example, regeneration, tourism and wellbeing. • Offering solutions to heritage assets that are at risk from their condition or vacancy or are vulnerable to becoming so during the life of the plan. The plan area contains one entry on our Heritage at Risk Register (Foxdenton Hall - Grade II*), however the national register does not ordinarily cover Grade II listed buildings or non-designated heritage assets, so your plan could usefully consider whether any are at risk. • Considering how heritage assets can be enhanced. • Locating new development to protect the significance of heritage assets and their settings. • Giving detail on the expected scale, density, massing, height, landscape, layout, materials and access of new development. <p>As well as designated heritage assets your future plan is also an important opportunity to include a positive strategy for local heritage assets. Such 'non-designated heritage assets' may include buildings, monuments, sites, places, areas or landscapes that are important to the local community for their heritage value. If identifying these, your plan should include enough information to set out the elements that make them special so they, too, can be appropriately conserved and enjoyed.</p> <p>The strategy and policies in the future plan should be based on proportionate, robust evidence. For heritage, this might include a characterisation study, historic area assessment or</p>	

Name	Organisation (if relevant)	Comment	Council's response
		<p>archaeological appraisal, a summary historical narrative, or identifying locally significant buildings, areas and other assets. Rather than just the presence or absence of heritage assets, evidence should focus on what makes them significant and, where relevant, vulnerable. This helps you to identify the issues and options for your policies to address.</p> <p>We recommend that you seek the advice of the planning and conservation staff at Oldham Council and speak to the staff at GMAAS who look after Greater Manchester's Historic Environment Record (HER). They should be able to provide details of locally-important buildings, archaeological remains and landscapes (non-designated heritage assets) as well as designated heritage assets. Some Historic Environment Records may also be available on-line via the Heritage Gateway (weblink provided).</p> <p>You will need to consider whether or not the plan would be likely to have significant environmental effects and require Strategic Environmental Assessment (SEA) to comply with EU obligations. This is established by following the Environmental Assessment of Plans & Programmes Regulations 2004, which require the neighbourhood plan qualifying body to consult Historic England (and others) on the matter in the form of a Screening Opinion. Your local planning authority can advise on this, and we publish HE Advice Note 8, Sustainability Appraisal and Strategic Environmental Assessment to support this process (weblink provided).</p>	

Name	Organisation (if relevant)	Comment	Council's response
		<p>Other Historic England advice that you may also be of use includes (weblink provided):</p> <ul style="list-style-type: none"> • HE Advice Note 2 - Making Changes to Heritage Assets; • HE Good Practice Advice in Planning 3 - The Setting of Heritage Assets; • HE Advice Note 3 - Site Allocations in Local Plans (which also applies to neighbourhood plans); and • HE Advice Note 7 - Local Heritage Listing. <p>We recommend that you familiarise yourself with the terminology of historic environment planning (such as "historic environment", "conservation", "significance", "heritage asset", and "setting") by referring to the glossary in the NPPF. You can familiarise yourself with basic legislative and policy protections that heritage assets in England enjoy by browsing our online Heritage Protection Guide (weblink provided).</p>	
Charles Garrity		<p>Object to forum and area designations. Since the refusal of their grant of designated forum under the name of "The Chadderton Partnership, this group have again not acted in a proper open and democratic manner. The New Chadderton Partnership (TNCP) behave in an exclusive manner in matters of membership, they have expanded the membership in a secretive manner to 37 from 21, but still refuse to process the membership application without reason of an individual who has lived in Chadderton for 58yrs.</p>	<p>The Council must be satisfied that the Forum is made up of a minimum of 21 people who live in the neighbourhood area, work there or is an elected member whose area falls in the neighbourhood area concerned in line with Section 61F of the Town and Country Planning Act 1990.</p>

Name	Organisation (if relevant)	Comment	Council's response
		<p>TNCP while describing the types of persons making up the list of committed person still refuse to identify the persons involved. Surely in the application consultation period the 55,000 people resident in Chadderton should know who is applying for such a powerful authority, let us be reminded that in the last application it was only found after scrutiny following an objection, that one of the committed person did not fit criteria as that person did not reside or work in the designated area.</p> <p>The constitution of TNCP is not fit for purpose, for the size of the designated area the quorums required in the constitution are too small and appear to give too much power to a small number of people.</p>	<p>The Forum's constitution addresses membership. It is understood that the Forum have a membership form, and, should the Forum be designated, individuals will be able to use this form to apply to be Forum members (section 6.3). The Forum will need to make this available once designated.</p> <p>The constitution sets out an appeal process (6.5).</p> <p>The Council made the decision not to publish the details of the Forum members. This is explained in the 'Summary of The New Chadderton Partnership Forum Members'.</p> <p>Oldham Council has redacted all personal information for consultation.</p> <p>The regulations only require details of one member to be shown and the Forum application does not include consent for personal information to be published.</p> <p>The Council must be satisfied that the Forum has provided a constitution in line with Regulation 8 of the neighbourhood planning regulations 2012 and Section</p>

Name	Organisation (if relevant)	Comment	Council's response
Christine Gallier (1)		<p>I am not happy with this forum as they have not consulted people who live in the area.</p> <p>I don't know and cannot see who they are and therefore if their names are not available why would I want them to represent me.</p> <p>I object to this. They should be made to follow rules to engage with the people who live here and just be because they may work in the area does not give them the right to make decisions about my area, property and environment</p>	<p>61F of the act. The constitution has however been amended since the last application to address concerns of membership.</p> <p>To designate a Forum there must be a minimum of 21 members and the requirements of the neighbourhood planning regulations 2012 and the Town and Country Planning Act 1990 (Section 61F) must be met.</p> <p>However, as they prepare any Neighbourhood Plan for Chadderton, the Neighbourhood Forum will be required to publicly consult on those proposals before submitting any Neighbourhood Plan to the Council. This will take place in line with the neighbourhood planning regulations.</p> <p>The Council made the decision not to publish the details of the Forum members. This is explained in the 'Summary of The New Chadderton Partnership Forum Members'.</p> <p>Oldham Council has redacted all personal information for consultation.</p>

Name	Organisation (if relevant)	Comment	Council's response
Christine Gallier (2)		<p>There is a document in the consultation that says member list but there are no names.</p> <p>Is this a secret organisation and is that how the Council will allow them to operate.</p> <p>I would like to know who these people are and why they feel they are able to represent the whole of chadderton without even speaking to anyone</p> <p>Please advise who the members are and their role in the forum.</p>	<p>The regulations only require details of one member to be shown and the forum application does not include consent for personal information to be published.</p> <p>Please see above response.</p> <p>The role of the Forum is to help progress and co-ordinate the neighbourhood plan in consultation with the community and other stakeholders.</p>
Christine Gallier (3)		<p>I would like to see the member list. This is part of the documentation set but only talks in general. Surely if they are representing me then I should know who they are.</p> <p>Is this a secret organisation that the Council are allowing to make decisions on the whole of the Chadderton area, that could affect me and be made with no consultation or input.</p> <p>People who work here have no right to represent me. It should be people who live in the area and have the residents interests at heart.</p>	<p>Please see above two responses.</p> <p>Consultation on the Forum applications has taken place in line with the neighbourhood planning regulations.</p> <p>This is simply to establish a Forum group who can then consult with the wider community on a neighbourhood plan for the designated neighbourhood area of Chadderton.</p>

Name	Organisation (if relevant)	Comment	Council's response
		<p>Very concerning and I don't really understand what they will be able to do.</p> <p>More information is needed on this before anything is approved. I would like them to arrange a meeting and present themselves to the residents and be confident in their ability to represent us.</p> <p>Many resident have not heard anything about this and that in itself speaks volumes</p>	<p>The plan once prepared will be subject to a referendum and an independent examination.</p>
Graham Kelly		<p>I am objecting against the New Chadderton Partnership as, same with the previous application the group are not being transparent in who they are, many times they have been asked who they actually are and who or what could I do if I wanted to join, and never had a clear answer, going forward could you trust a group you know nothing about?</p> <p>The group should have no political interest but if it's correct a Labour Councillor is on the groups panel then questions will be asked if any decisions have a political agenda.</p> <p>I, like many other people would like to see who the group are and how could other public apply to be a member, as it stands it looks like a group of friends have got friends together to make the 21 member group, and no one within the Chadderton Partnership has said anything to prove different.</p>	<p>The Forum's constitution addresses membership. It is understood that the Forum have a membership form, and, should the Forum be designated, individuals will be able to use this form to apply to be Forum members (section 6.3). The Forum will need to make this available once designated.</p> <p>The constitution sets out an appeal process (6.5).</p> <p>The Council made the decision not to publish the details of the Forum members. This is explained in the 'Summary of The New Chadderton Partnership Forum Members'.</p>

Name	Organisation (if relevant)	Comment	Council's response
Melanie Lindsley	The Coal Authority	Our records indicate that within the Chadderton Neighbourhood Plan area, as defined, there are coal mining features present at surface and shallow depth which may pose a risk to surface	<p>Oldham Council has redacted all personal information for consultation.</p> <p>The regulations only require details of one member to be shown and the Forum application does not include consent for personal information to be published.</p> <p>The Council has analysed the Forum membership and is satisfied it meets all of the requirements (set out in the Neighbourhood Planning (General) Regulations (2012) and Section 61F of the Town and Country Planning Act 1990). This can include elected members for that area.</p> <p>The Council must be satisfied that the Forum has provided a constitution in line with Regulation 8 of the neighbourhood planning regulations 2012 and Section 61F of the act. The constitution has however been amended since the last application to address concerns of membership.</p>
			Noted. The Council will ensure that the Forum is made aware of these comments.

Name	Organisation (if relevant)	Comment	Council's response
		<p>stability and public safety. These features include; mine entries, and shallow coal workings. Our records indicate that surface coal resource is present in the area.</p> <p>We note that this current consultation relates to the designation of the Neighbourhood plan boundary only and on this basis we have no specific comments to make.</p>	
Nicola Elsworth	Homes England	Homes England does not wish to make any representations on the above consultation. We will however continue to engage with you as appropriate.	Noted.
Diane Drinkwater (1)		<p>I feel Chadderton is too big an area to have one group representing it. We have three wards and I am sure the councillors will confirm that they are very different indeed, with very different needs and problems.</p> <p>Membership is still cloaked.</p> <p>How to join? There is no website/facebook group for CNP2.</p> <p>Whilst it is said there's a spread of people now across Chadderton, I don't think 59 people is sufficient, I think they should have some proper consultation via Zoom/other digital platforms to enable people to discuss this.</p> <p>I am concerned my particular area of South Chadderton will have no representation.</p>	<p>Size of area:</p> <p>There is no size limit on a neighbourhood area in the Regulations, the Act or national planning guidance.</p> <p>National planning guidance gives considerations when deciding the boundaries of a neighbourhood area. This states ward boundaries can be a useful starting point. It is not a limitation of only one ward however. The Regulations require a statement explaining why this area is considered appropriate to be designated as a neighbourhood area.</p>

Name	Organisation (if relevant)	Comment	Council's response
		<p>I am concerned that I have not been able to join this group. I am concerned there are no minutes published, no list of members. There is no transparency, and this must mean that it fails again. Their constitution is not being pro-actively used. There is no encouragement and involvement of the wider community due to the secrecy of this group.</p> <p>There is no chance of community spirit being built up by starting off this way and being spread over such a wide area means that there are tremendous difficulties.</p> <p>Would the councilors feel they could be reduced in number from 9 to 3 and maintain good levels of communication and action for the ward? No!</p> <p>The CNP2 still does not have the support or even a level of awareness across the wards. It is still a secret organisation. Democracy is more difficult during a pandemic. But please ensure that it is allowed to have a chance. We need pro-active meetings across the three wards before any such group should be allowed to take over.</p> <p>If the people organising CNP2 this want to go ahead they have to stand up and allow democratic questioning and debate.</p>	<p>Therefore, the neighbourhood area boundary needs to be justified and deemed to be appropriate.</p> <p>The New Chadderton Partnership have justified their boundary in the area application ('Justification of the Boundary'). This explains that it includes the town centre, residential and employment areas as well as areas of open land and smaller settlements of Chadderton Heights and Healds Green.</p> <p>The justification acknowledges that the neighbourhood area is a large area but reflects that there is nothing in legislation to prevent its selection and other neighbourhood areas of this size have been designated.</p> <p>The justification recognises that Chadderton contains many different communities which may have different priorities which will have to be accommodated through the development of the plan.</p> <p>The justification adds that planning at scale will also allow some larger issues such as transport links to have a better</p>

Name	Organisation (if relevant)	Comment	Council's response
			<p>chance of being improved than if proposals are made on a more micro scale.</p> <p>The future of the town centre has also been identified as an important issue which again will have an impact on all residents so needs to be considered in the context of the Chadderton area as a whole.</p> <p>In addition, additional grant funding is available for neighbourhood areas with a population of over 25,000. This also demonstrates that there is not a cap on the population size for a neighbourhood area.</p> <p>It is for a neighbourhood planning group to consider how to best engage with and listen to the community as part of the neighbourhood plan preparation and informal consultation and how to best reflect the different needs and ambitions within the designated area.</p> <p>Forum Membership:</p>

Name	Organisation (if relevant)	Comment	Council's response
			<p>The Council must be satisfied that the Forum is made up of a minimum of 21 people who live in the neighbourhood area, work there or is an elected member whose area falls in the neighbourhood area concerned in line with Section 61F of the Town and Country Planning Act 1990. The Forum application has exceeded the minimum requirement significantly.</p> <p>The Forum's constitution addresses membership. It is understood that the Forum have a membership form, and, should the Forum be designated, individuals will be able to use this form to apply to be Forum members (section 6.3). The Forum will need to make this available once designated.</p> <p>The constitution sets out an appeal process (6.5).</p> <p>The Council made the decision not to publish the details of the Forum members. This is explained in the 'Summary of The New Chadderton Partnership Forum Members'.</p>

Name	Organisation (if relevant)	Comment	Council's response
			<p>Oldham Council has redacted all personal information for consultation.</p> <p>The regulations only require details of one member to be shown and the Forum application does not include consent for personal information to be published.</p> <p>The Forum members include individuals living in South Chadderton.</p> <p>The New Chadderton Partnership forum could once designated choose to make available the names and details of the forum members but they would need to make sure this is in line with data protection. The Council would have no responsibility for any publication of personal details of the forum.</p> <p>It is expected that minutes will be published once meetings take place as a designated forum (see section 9.8 of constitution).</p>
D Drinkwater (2)		<p>Additional comment: Comment refers to post on facebook explaining the formation of the New Chadderton Partnership.</p>	<p>The Council must be satisfied that the Forum is made up of a minimum of 21 people who live in the neighbourhood area, work there or is an elected member</p>

Name	Organisation (if relevant)	Comment	Council's response
Maeliosa	Minerals and Waste Unit	<p>1. By "agreeing to publish a membership form" - this already makes it sound like they are struggling with the concept of openness and transparency. This group should be fully open at this stage. They are trying to garner support for what is currently and looks likely to remain a closed shop.</p> <p>2. Not being able to process application forms until the forum is registered seems to be counter democracy again and a deliberate attempt to maintain a small close-knit group of people who agree politically.</p> <p>3. This statement does not inspire confidence in the openness of this organisation.</p> <p>4. Unless there is full democracy within this organisation at all times then it should not be approved</p>	<p>whose area falls in the neighbourhood area concerned in line with Section 61F of the Town and Country Planning Act 1990. The Forum application has exceeded the minimum requirement significantly.</p> <p>Once the Forum is designated The New Chadderton Partnership will be able to publish a membership form and invite further members.</p> <p>The Forum will also be required to consult the wider community and stakeholders (in addition to the Council carrying out formal consultation) and therefore being a member of the Forum is not the only way to be involved in the preparation of a neighbourhood plan.</p>
		<p>The northern portion of the proposed Chadderton Neighbourhood Area is within Mineral Safeguarding Areas (MSA) for Brick Clay, Sand and Gravel and Coal. These designations are not specifically referenced in the application so it is important to note that going forward, the Greater Manchester Minerals Plan should be consulted to ensure compliance for any future decision or plan making, if the forum is successfully designated.</p>	<p>Noted. The Council will ensure that the Forum is made aware of these comments.</p>

Name	Organisation (if relevant)	Comment	Council's response
Marilyn Atherton		<p>Object to application. Believe this application is not in the best interest of the people of Chadderton.</p> <p>This application is undemocratic as it will allow twenty people, who have refused to be named, the authority to pass any future planning for the whole of Chadderton, without those of us who live here, being involved. The whole thing seems to have been carried out under very Clandestine Conditions.</p> <p>I also have concerns as to why such an important issue as this is being heard by a single councillor, surely this is too big an issue to be decided by a single person?</p> <p>I request this application is refused as it does not represent the best interest for the majority of the people of Chadderton.</p>	<p>The Council must be satisfied that the Forum is made up of a minimum of 21 people who live in the neighbourhood area, work there or is an elected member whose area falls in the neighbourhood area concerned in line with Section 61F of the Town and Country Planning Act 1990. The Forum application has exceeded the minimum requirement significantly.</p> <p>The Council made the decision not to publish the details of the forum members. This is explained in the 'Summary of The New Chadderton Partnership Forum Members'.</p> <p>Oldham Council has redacted all personal information for consultation.</p> <p>The regulations only require details of one member to be shown and the Forum application does not include consent for personal information to be published.</p> <p>The Forum is made up of over 21 people and therefore is not in the control of one single councillor.</p>

Name	Organisation (if relevant)	Comment	Council's response
Andrew Leysens	United Utilities	<p>It is important that United Utilities is consulted at an early stage and kept aware should you look to allocate any sites, over and above the allocations determined by the Council in the wider development plan for Oldham. United Utilities wishes to build a strong partnership with neighbourhood groups to aid sustainable development and growth.</p> <p>Our Assets:</p> <p>We will not normally permit development over or in close proximity to our assets. All United Utilities' assets will need to be afforded due regard in the masterplanning process for sites and any transport or public realm improvements. This should include careful consideration of landscaping proposals in the vicinity of our assets and any changes in levels of land over our assets. This can be done using our free preapplication service using the contact details (details provided).</p> <p>Sustainable Drainage</p>	<p>Future planning applications will still be determined by Oldham Council for the Chadderton neighbourhood area. However the neighbourhood plan, if and when adopted (following an independent examination and referendum) would be considered as part of the decision making process.</p>
			<p>Noted. The Council will ensure that the Forum is made aware of these comments.</p>

Name	Organisation (if relevant)	Comment	Council's response
		<p>There is an opportunity for the local community to prioritise sustainable drainage systems. We request the inclusion of a policy that prioritises the use of multi-functional sustainable drainage systems in preference to traditional underground piped and tanked storage systems. This allows for attenuation features which are an integral part of the landscaping and which deliver wider benefits. (e.g biodiversity, wellbeing and recreation).</p> <p>Provided recommended policy wording.</p> <p>Landscaping and Public Realm Improvements</p> <p>We encourage the proposed approach to landscaping and public realm improvements in the Neighbourhood Plan to be evaluated early in the design process to identify opportunities for landscaping to be integrated with sustainable surface water management design objectives.</p> <p>We request that the Council and applicants consider opportunities for source control and slowing the flow of surface water as part of any public realm improvements, which could be achieved through:</p> <ul style="list-style-type: none"> • permeable surfacing; • retrofitted swales; and • bioretention tree pits / rain gardens. <p>Also encourage water re-use opportunities in redevelopment proposals such as grey water recycling.</p>	

Name	Organisation (if relevant)	Comment	Council's response
		<p>Case study examples of the above provided.</p> <p>Recommended policy wording provided.</p> <p>Development next to Wastewater Treatment Works and Pumping Stations</p> <p>We have Oldham Wastewater Treatment Works within the proposed Neighbourhood Plan boundary (site plan enclosed). Recommend that the location of this key infrastructure, and any other wastewater treatment works / wastewater pumping stations, are considered in the preparation of any new neighbourhood development plan. It is important to explain that:</p> <ol style="list-style-type: none"> 1. Wastewater treatment works are key infrastructure for the borough which may need to expand in the future to meet growth needs or respond to new environmental drivers. Maintaining a space around a treatment works is desirable to respond to any future investment requirements. 2. A wastewater treatment works is an industrial operation which can result in emissions. These emissions include odour and noise. A wastewater treatment works can also attract flies. A wastewater treatment works is also subject to vehicle movements from large tankers which need to access the site. <p>It would be more appropriate to identify new development sites, especially sensitive uses, such as housing, which are not close to a wastewater treatment works. This position is in line with the 'agent of change' principle set out at paragraph 187 of the NPPF</p>	

Name	Organisation (if relevant)	Comment	Council's response
		<p>and Paragraph: 009 Reference ID: 30-009-20190722 and Paragraph: 005 Reference ID: 34-005-20140306 of the National Planning Practice Guidance.</p> <p>Recommended policy regarding the above provided.</p> <p>Water Efficiency:</p> <p>Building Regulations Part G includes an optional standard for water efficiency of 110 litres per person per day (l/p/day) for new residential development which can be implemented through local planning policy where there is a clear need based on evidence. We have enclosed evidence prepared by Water Resources West to support the adoption of the Building Regulations optional requirement for local authorities in North West England.</p> <p>Recommended policy provided.</p> <p>Improving water efficiency makes a valuable contribution to water reduction as well as carbon reductions and We also wish to note the associated societal benefits by helping to reduce bills.</p>	
Christopher Tansley		<p>I support the New Chadderton Partnership and its quest to register as a Neighbourhood Forum for Chadderton.</p> <p>Initially I had concerns about the membership makeup of the New Chadderton Partnership but of the 11 published names I have no problem; however I am disappointed that names and details of the remaining 10 members has not been published.</p>	<p>Support noted.</p> <p>Oldham Council has redacted all personal information for consultation. The Council made the decision not to publish the details of the Forum members. This is</p>

Name	Organisation (if relevant)	Comment	Council's response
		<p>I am no longer troubled at the potential prospect of members forming an alliance to promote their own material self interest. My doubts were allayed after I read online a detailed and comprehensive report on the present situation and the progression that led to it.</p> <p>Regrettably, I fear that many people within the 3 Chadderton wards will be unaware of this proposal, and perhaps those that are aware have formed a negative opinion as a result of lack of information. I sincerely hope the prospect does not collapse on the back of these shortcomings.</p>	<p>explained in the 'Summary of The New Chadderton Partnership Forum Members'.</p> <p>The application included 61 members on the Forum application therefore this has exceeded the minimum requirement of 21 members.</p> <p>It is understood that in relation to these comments some members details have been published by the proposed Forum. Any publication of members details must be done in line with data protection requirements by the proposed Forum.</p> <p>The Council has published the applications in line with the Neighbourhood Planning Regulations. The report referred to is not part of the consultation as this is external activity.</p>
Karl Cockram		I would like to submit comment and support the application for a designated neighbourhood plan. I wish the committee all the very best.	Support noted.

Neighbourhood Area and Forum Designation Notice

Town and Country Planning Act 1990 (Section 61F) and The Neighbourhood Planning (General) Regulations 2012 (Regulation 10(2))

Section 61F and 61G of the Town and Country Planning Act 1990 provides a local planning authority with the power to designate an area as a neighbourhood area and an organisation or body as a neighbourhood forum.

Publicising a Designation of a Neighbourhood Area

Under the Neighbourhood Planning (General) Regulations 2012 Part 2 Regulation 7, the local planning authority must publish on its website, and other such manner as they consider is likely to bring the designation to the attention of people who live, work or carry on business in the neighbourhood area:

- The name of the neighbourhood area;
- A map which identifies the area; and
- The name of the relevant body who applied for the designation.

Publicising a Designation of a Neighbourhood Forum.

Under the Neighbourhood Planning (General) Regulations 2012 (as amended) Part 3 Regulation 10, the local planning authority must publish on its website, and in other such manner as they consider is likely to bring the designation to the attention of people who live, work or carry on business in the neighbourhood area:

- The name of the neighbourhood forum
- A copy of the written constitution of the proposed neighbourhood forum
- The name of the neighbourhood area to which the designation relates; and
- Contact details for at least one member of the neighbourhood forum.

Name of neighbourhood area: Chadderton Neighbourhood Area

Name of neighbourhood forum (relevant body): The New Chadderton Partnership

Contact details for forum member: Tony Tomlinson, 2 Hill Top Chadderton OL1 2SB. Telephone number: 078097 22263.
Email: Tonytomlinson2015@gmail.com

Map and Constitution: A copy of the map which identifies the area and constitution is available on Oldham Council's website at https://www.oldham.gov.uk/info/200585/local_plan/1644/neighbourhood_planning and at Chadderton Library (please check opening times).

Decision

Notice is hereby given that Oldham Council, pursuant to a Cabinet decision made on 28 February 2022, has approved the designation of The New Chadderton

Partnership as a Neighbourhood Forum and the designation of Chadderton Neighbourhood Area.

Please note the Neighbourhood Forum designation will cease to have effect at the end of the period of 5 years from the day the designation was made which was the 28th February 2022.

For further information please contact strategic planning at spi@oldham.gov.uk.



Report to CABINET

PART A

The former WH Shaws office and clock tower building, Diggle – Options Appraisal

Portfolio Holder:

Officer Contact: Emma Barton, Director of Economy

Report Author: Andrew Hall, Principal Regeneration Officer
Ext. 3456

28th February 2022

Reason for Decision

Cabinet approval is required to confirm expenditure of the financial allocation made in the capital programme towards works relating to the former WH Shaws office and clock tower building, Diggle. In addition to delegate authority to the Director of Economy and Legal Services to progress appointments for priority works as set out in this report.

Recommendations

It is recommended that Cabinet;

- i. Approve Option 2 'Envelope Repair' as set out in this report.
- ii. Delegates authority to the Director of Economy to develop, consult, procure and arrange for the execution by the Director of Legal Services of any relevant contracts and incidental and ancillary documentation.

Clock Tower, Diggle

1 Background

- 1.1 The former WH Shaws office and clock tower building is a significant heritage asset which forms the gateway to the new Saddleworth School. As part of the Council's recently approved Creating a Better Place agenda, the Grade II building has been transferred to the Council's corporate estate.

2 Current Position

- 2.1 Following a structural and a building survey, an options appraisal has now been completed.
- 2.2 The option that is recommended has been formed on the basis that a viable long term use for the building is still to be determined and that the overall condition of the building is poor and will continue to deteriorate without further action beyond holding repairs.
- 2.3 There is currently a capital allocation for works to the Diggle clocktower held as part of the Corporate Landlord Backlog Maintenance Capital Programme.

3 Options/Alternatives

- 3.1 Options 1 Full Build Repair – Without a clear end-use for the building, this is not considered a viable option.
- 3.2 Option 2 Envelope Repair – A programme that would aim to introduce the provision of mains services into the building and refurbish the external fabric of the building to meet modern design standards, providing long term protection to the building interiors – allowing the building to be mothballed whilst an appropriate end use is identified. This will require the appointment of an appropriate design team to develop and manage the works.
- 3.3 Option 3 Holding Repairs - These repairs would be the minimum necessary to stabilise the rate of deterioration of the building and would include the roof and gutters, drying out the building and stabilising environmental conditions within. Holding repairs by their very nature address the most important defects in the building. However, these have a limited longevity as they do not address the core issues of continued deterioration. They are likely to require continued attention in the challenge against a continually degrading building fabric. Unless the building is to be disposed of on the open market, this option is not advisable.

4 Preferred Option

- 4.1 Option 2 is the preferred option. It allows the building to be retained in a presentable condition that prevents further degradation and presents greater opportunities for

further development from its “shell and core” state. The financial expenditure required for Option 2 is not considered abortive as it would form part of the works for Option 1 if additional funding should subsequently be identified.

5 Consultation

5.1 N/A.

6 Financial Implications

6.1 Capital Implications

6.2 Revenue Implications

7 Legal Services Comments

7.1 There are no specific legal implications to this decision provided that the Council’s Financial Procedure Rules are complied with.

7.2 Any procurements/contracts conducted/entered into must be lawful and compliant with the Council’s Contract Procedure Rules and EU Regulations.

7.3 The report contains information as is detailed in Paragraph [3] of the revised Part 1 of Schedule 1A of the Local Government Act 1972 however this exemption is not absolute and will not survive once contractual arrangements are entered into or until such time that the public interest test weighs in favour of disclosure. The exclusion from publication is justified for the reasons stated. (Rebecca Boyle)

8. Co-operative Agenda

8.1 The improvement of education standards, especially at secondary level, is a key priority for the Council and in respect to the co-operative agenda is helping to deliver an inclusive economy where ambition and mobility is supported and encouraged. In terms of thriving communities, the new school will provide a stronger basis for improved partnerships and improved learning. Whilst the clock tower building does not form part of the school facilities, its physical location is integral to how the new school will be perceived and a future use related to the school or education need will be explored as part of future consultation.

9 Risk Assessments

9.1 The report sets out a way the Council can manage its risks with this building in line with the agreed budget it has set aside. (Mark Stenson)

10 IT Implications

10.1 N/A

11 Property Implications

11.1 Essential external works required to stabilise the building has been identified in the existing Corporate Landlord Backlog Maintenance programme. (Adam Smith/Andrew Hall)

12 Procurement Implications

12.1 All design and construction requirements will be procured in full compliance with Public Contract Regulations 2015 and Contract Procedure Rules. The early engagement of procurement is essential to ensure suitable delivery strategies are developed and adopted. (Dan Cheetham).

13 Environmental and Health & Safety Implications

13.1 Full compliance with the Construction (Design and Management) Regulations 2015 must be ensured throughout the project-through from design to construction. Suitably competent contractors must be appointed and monitored throughout the project. (L.Smith).

14 Equality, community cohesion and crime implications

14.1 S17 of the Crime and Disorder Act 1998 places a duty on the local authority to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment).

14.2 This duty should be considered during the design phase of the building and associated land. Consideration should be given to crime reduction/prevention measures during any construction works and following completion, in order to reduce the potential for any adverse impact upon the community. (L.Kenny).

15 Equality Impact Assessment Completed?

15.1 No.

16 Key Decision Reference

16.1 ESR-02-22.

17 Background Papers

17.1 N/A

18 Appendices

18.1 N/A

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Report to CABINET

Street Litter bin replacement program

Portfolio Holder:

Cllr Amanda Chadderton – Cabinet member for People & Place

Officer Contact: John Lamb – Director of Environmental Management

Report Author: Glenn Dale – Interim Assistant Director of Environmental Services.

Ext. 4065

28TH February 2022

Reason for Decision

To seek approval for the expenditure of capital funding to purchase new street litter bins as part of the boroughwide replacement programme.

Executive Summary

The existing street bins are now coming to the end of their working life and therefore in need of urgent replacement. A report was approved by Cabinet in August 2022 giving officers the authority to tender for the replacement street bins and as such tenders have now been received and evaluated.

Recommendations

To authorise officers to spend capital funding from capital programme for the provision of street bins as outlined in the report following tender process.

Street Litter bin replacement program

1 Background

- 1.1 Oldham Council currently has some 1172 public street litter bins servicing the whole Borough, dispersed across each of its district centres, corridor gateways, main roads, estates. Parks, cemeteries, and countryside areas also contain litter bins; however, these bins are not included in this figure. The current make-up of these bins covers a wide variety of styles, sizes, and types each having an impact which affects frequency of service and resources are assigned to this operation.
- 1.2 The existing street bins were coming to the end of their working life and therefore in need of urgent replacement. A report was drafted identifying the need to undertake a largescale replacement program, including a review of how bin servicing needed to change and align with the new style and increased size of the proposed replacement bins.
- 1.3 The report was submitted and approved by Cabinet in August 2021 giving officers the authority to tender for the replacement street bins and as such tenders have now been received and evaluated.

2 Current Position

- 2.1 Tender documents were drafted and placed on the e-procurement portal ‘The Chest’ on 23rd July 2021 with a closing date of 7th September 2021.
- 2.2 3 bids were received and evaluated in line with the criteria outlined in the documentation. The scores can be seen in the table.
Of the 3 bids received two suppliers were disqualified for the following reasons.
 - had not submitted a completed ITT of commercials
 - did not price the mandatory sections on the commercials which stated a failure if they were not complete.

89
0
0

3 Options/Alternatives

- 3.1 Option 1: To award the purchase of Street bins to the highest scoring bidder This represents the most economically advantageous tender as the bins offered match the specification outlined along with a competitive price.
- 3.2 Option 2: To not award As a result, the existing bins will no longer be fit for purpose and require removal. An alternative procurement exercise will need to be undertaken extending the timescales and potentially leaving the borough without street bins.

4 Preferred Option

4.1 Option 1: To award the purchase of Street bins to the highest scoring bidder. This represents the most economically advantageous tender as the bins offered match the specification outlined along with a competitive price.

5 **Consultation**

5.1 Following tender receipt, ward members were consulted on the proposed placement planning process, changes to servicing structure, bin styling and size.

5.2 During consultation process members were given opportunity to comments and make alternate suggestion on locations or addition of new bins. This information being was collated and changes to new additions included into final tender pricing summary.

6 **Financial Implications**

6.1 Cabinet approved a capital spending programme totaling £0.533m in February 2021

6.2 Following the recent tender exercise, it has been confirmed the cost to replace 928 street bins will be circa £0.531m.

6.3 These costs will be financed from the use of Funds for Emerging Priorities held as part of the existing capital programme. (John Edisbury)

7 **Legal Services Comments**

7.1 This procurement has been undertaken in accordance with the Contract Procedure Rules and subject to the Council's standard terms and conditions. The street litter bins are to be procured in one transaction with a delivery schedule of 50 per week and thereafter service and support, including a software licence, is to be provided over a five year term as these are "intelligent" bins (Sukie Kaur

8. **Co-operative Agenda**

8.1 The issue of area and street cleaning is closely aligned to the Council's Love Where You Live & Don't Trash Oldham approach to engaging with communities. The proposals will continue to build upon the Council doing their bit whilst expecting communities to do their bit and providing a better environment for all as a result.

9 **Human Resources Comments**

9.1 None

10 **Risk Assessments**

10.1 None

11 **IT Implications**

11.1 There is no mention or costs provisioned in this report for IT configuration or support, therefore it is assumed there are no IT implications. Chris Petrie – Head of IT.

12 **Property Implications**

12.1 None

13 **Procurement Implications**

-
- 13.1 The Commercial Procurement Unit supports the recommendations outlined in the report. The procurement has been carried out in line with Oldham Council's Contract Procedure Rules and PCR 2015
- 13.2 The submissions were evaluated in line with the criteria as described in the tender document seeking the most economically advantageous tender (Emma Wall)
- 14 **Environmental and Health & Safety Implications**
- 14.1 This work is designed to support a holistic approach to improving the local environment. There will be a reduction in Manual Handling and needle stick injury, and reduction in the contact with waste products highlighted as a risk throughout the current Covid-19 pandemic. (Matthew Hill)
- 15 **Equality, community cohesion and crime implications**
- 15.1 There is clear evidence to an improved environment supporting community cohesion.
- 16 **Implications for Children and Young People**
- 16.1 None
- 17 **Equality Impact Assessment Completed?**
- 17.1 No
- 18 **Key Decision**
- 18.1 Yes
- 19 **Key Decision Reference**
- 19.1 A rule 14 was agreed by the Chair of Policy Overview and Scrutiny Committee therefore no Key Decision reference is needed.
- 20 **Background Papers**
- 20.1 N/a
- 21 **Appendices**
- 21.1 N/a



Report to Cabinet 24 February 2022

Changing Futures

Portfolio Holder:

Councillor Zahid Chauhan, Cabinet Member for Health and Social Care

Officer Contact: Mark Warren, Director of Community Services and Adult Social Care

Report Author: David Garner, Head of Business Strategy and Performance Adult Social Care
Phone: 07866 185463

24th February 2022

Reason for Decision

To agree the use of funding granted to Oldham Council for participation in the Greater Manchester Combined Authority's response to the Government's Changing Futures Programme.

Executive Summary

The 'Changing Futures Programme' is a £64 million joint initiative by the Department for Levelling Up, Housing & Communities (DLUHC) and The National Lottery Community Fund (TNLCF).

The fund is for local organisations to work in partnership to better support those who experience multiple disadvantage, including but not limited to homelessness, substance misuse, mental health

issues, domestic abuse, and contact with the criminal justice system. The programme seeks to make an impact at the individual, service and system level and build learning to influence future programmes and policy in this area.

Greater Manchester applied for and was selected as one of the 15 areas in the country to form part of 'Changing Futures' and has been awarded £4.7m over 3 years (up to March 2024). There are four innovation areas in the GM programme; Oldham, Manchester, Rochdale and Wigan each with an individual locality delivery and development plan.

Oldham Council has been working with partners, including the voluntary and community sector, for several years, to understand how system barriers affect some resident's ability to engage effectively with services and this will form the main basis of the Oldham programme.

While the main focus of the programme in Oldham will be on a wide group of people with multiple disadvantage, there will also be an additional focus, 'The Oldham lens' that will build upon the work to date to develop a peer-led offer enabling women to better access the support they need. This includes addressing some of the barriers they face whilst building resilience to reduce the likelihood of them needing to be involved with those services again.

Across the programme we anticipate that intensive support will be offered to approximately 100 people across the duration of the programme. Whilst the programme will only directly support a small number of people, the impact of the programme should be far reaching as the learning from these cases and from a wider group of people with lived experience should lead to changes in the way our services are delivered and how our system operates across the borough.

This programme is subject to a tight deadline to implement the service element to meet DLUHC requirements. The following options are being proposed to put the service in place. Full details of the options are in the main body of the report.

Option 1: Commence Procurement Exercise: To undertake a procurement exercise to identify the most appropriate provider(s) of the Changing Futures service in Oldham.

Option 2: Host the Changing Futures service in-house: To initially host the Changing Futures service, in-house, at Oldham Council using seconded staff from the council, the local voluntary and community sector, and other providers. Although initially hosted by Oldham Council, the design and implementation of the service will be done collaboratively with the community and voluntary sector and other providers. During the programme work will be undertaken to transfer hosting of the service to the voluntary and community sector when appropriate. **Preferred Option**

Option 3: Withdraw from the 'Changing Futures' programme: To withdraw from the programme as there is insufficient time to establish the service element of the programme to meet DLUHC requirements.

The funding for the Changing Futures Programme is in the form of a grant provided by GMCA of £772,193 for the period August 2021-March 2024.

Recommendation

That Cabinet agree to proceed with the preferred option, option 2, to host the Changing Futures intensive support service for adults with multiple dependencies within Oldham Council. While this will be hosted internally by the council the programme will be developed and delivered in partnership with the community and voluntary sector and other partners.

Changing Futures

1 Background

- 1.1 The 'Changing Futures Programme' is a £64 million joint initiative by the Department for Levelling Up, Housing & Communities (DLUHC) and The National Lottery Community Fund (TNLCF).
- 1.2 The fund is for local organisations to work in partnership to better support those who experience multiple disadvantage, including but not limited to homelessness, substance misuse, mental health issues, domestic abuse, and contact with the criminal justice system. The programme seeks to make an impact at the individual, service and system level and build learning to influence future programmes and policy in this area.
- 1.3 The programme sets out the expectations at each of these levels as well as six core delivery principles:
- **Individual level:** co-ordinate, stabilise and improve outcomes for local cohorts of adults experiencing multiple disadvantage.
 - **Service level:** greater integration and collaboration across local services to provide a person-centred approach, and reduced demand on 'reactive' services.
 - **System level:** Strong multi-agency partnerships, governance and better use of data leads to lasting system change and informs commissioning and government policy.
- 1.4 The six core delivery principles:
1. Work in partnership **across local services** and the voluntary and community sector at a strategic and operational level
 2. Coordinate support, and **better integrate** local services to enable a 'whole person' approach
 3. Create **flexibility** in how local services respond, taking a **system-wide** view with shared accountability and ownership and a 'no wrong door' approach to support
 4. Involve people with **lived experience** of multiple disadvantage in the design, delivery and evaluation of improved services and in governance and decision making
 5. Take a **trauma-informed** approach across local system, services and in the governance of the programme
 6. Commit to drive **lasting** system-change, with long-term sustainable changes to benefit people experiencing multiple disadvantage and commitment to sustain the benefits of the programme beyond the lifetime of the funding
- 1.4 Greater Manchester applied for and was selected as one of the 15 areas in the country to form part of 'Changing Futures' and has been awarded £4.7m over 3 years (up to March 2024). There are four innovation areas in the GM programme; Oldham, Manchester, Rochdale and Wigan each with a locality delivery and development plan focused on multiple disadvantage but each with an additional 'lens' (e.g., dual diagnosis, women etc). This model is multi-sectoral (public and voluntary and community) and brings sites together in a mutually beneficial relationship supported by pan GM systems change activity (i.e., data fusion, workforce development, social innovation and systems change hub, the development of GROW traineeships for those experiencing multiple disadvantage).

1.5 The aim of this approach is to capitalise on collaborative strengths in GM within the limits of the national programme and funding using learning in four areas to grow approaches across GM and make the case for wider development and investment.

2 Current Position

2.1 Oldham Council has been working with partners including the voluntary sector for a number of years to understand how system barriers effect some resident's ability to engage with statutory services. It is recognised that some individuals are in a constant cycle of presenting as 'high need/high demand' but repeatedly disengage from any service that is offered.

2.2 This has resulted in a wide-ranging offer of support across statutory, voluntary, community, faith, and social enterprise organisations across Oldham, which has developed over the years relatively organically. As a result, the Oldham offer for some can be difficult to navigate. This is particularly evident when individuals fall outside of safeguarding thresholds and are offered a different level of support (self-help) from commissioned services and the voluntary and community sector. For many people who present with the traditional types of multiple complex needs (homelessness, addiction, mental ill-health & offending) this offer does not always work for them.

2.3 Learning and system mapping in Oldham has demonstrated that the 'Early Help' offer, and other specialist services, have significant crossover in relation to their delivery and approach to supporting the individual. However, this can be seen to be uncoordinated and while there is considerable partnership working in place within Oldham, its impact on supporting those with multiple & complex needs is limited. In addition, while there are considerable good practice examples across providers in Oldham, an area seen to require further development is the voice of the individual in the development and delivery of these services. This element of co-production and involving those with lived experience is critical to our future delivery model.

2.4 We have defined which key groups of individuals are disproportionately impacted upon & have negative experiences with services. It can be broken down into four groups that the Changing Futures Programme will help us to make a difference with:

- Those who are involved with statutory services but fail to engage effectively because of their complexity and mistrust of the system
- Residents who have suffered historical long-term multiple disadvantage & who have multiple & complex needs. These residents fall outside of the current offer but present themselves at front door services or are picked up in the criminal justice system when in crisis
- Referrals into the current Oldham Early Help Service that are too complex, resource and time demanding for any period of engagement to be seen as effective
- Specific groups of women who fall into all the above three categories but have been impacted on by their experiences in care and/or have been victims of child sexual exploitation or domestic abuse

2.5 Involvement in the Changing Futures Programme will support us to redesign and enhance our adult support offer and to embed a more supportive and intensive element for high need/high demand users. Key to this is the development of an 'Adult Intensive Support Team' that will support individuals to access statutory, non-statutory and community services. Although hosted through Oldham Council, the design and implementation of the service will be done collaboratively with the community and voluntary sector and other partners. This will be reviewed as the service develops with options to shift delivery entirely into the community and voluntary sector assessed. Whilst there is recognition of the need

for the service to be seen as independent of the Council due to the past experiences of adults of multiple disadvantage, the importance of generating system change from within is also a critical factor. The intention is for the service to support improved outcomes for residents whilst also identifying system blockages and barriers, highlighting learning to enable wider reform.

- 2.6 This new offer will focus on delivering a person-centred, trauma-informed, and mentoring-led approach. This will initially be delivered by practitioners with experience of working in a trauma-informed and person-centered way but with a phased approach to developing a Peer Support offer and involve those with lived experience to support others; initially as mentors/ advocates but with training and support to become part of the wider delivery team. The service will be developed through a process of co-design with experts by experience and the community, voluntary sector.
- 2.7 In order to address some of the challenges identified both by current providers and people in accessing the right service, the services' team manager post will include system navigation. This will identify the system barriers and blockages that prevent people from accessing the right support at the right time and will identify creative and innovative solutions to overcome these.
- 2.8 The new offer will include a focus through the Oldham lens on a group of young women with multiple disadvantage and additional risks, such as sexual exploitation, financial exploitation, abuse, and violence, as well as substance misuse, poverty and lack of family connections and support networks. In addition, they may also have negative experiences of engagement with statutory services including social work, health and mental health providers, the police, probation and DWP. This element of the programme aligns to the emerging priorities of the Women's Taskforce, and the Oldham Women's Network brings together VCFSE organisations delivering support directly to women in Oldham.
- 2.10 Across the programme we anticipate that intensive support will be offered to c.100 people. Whilst the programme will directly support a small number of people the impact of the programme should be far reaching as the learning from these cases and from a wider group of people with lived experience should lead to changes in the way our system operates.
- 2.11 Mark Warren, DASS and Managing Director of Community Health and Social Care is the SRO. In order to support the work of the programme a Strategy Board from across the membership of the Council's Management Board will be established. The work will impact on a wide range of different functions both across the council and more widely across the borough including place-based integration, workforce, estate, finance and corporate governance. There is a strong emphasis on the involvement of people with lived experience and we are looking at ways of ensuring they are involved not only in service design and delivery but in system change. This group will enable us to both respond to the needs of people who need support in Oldham and to consider the necessary changes to our system going forward.
- 2.12 The strategy group will be supported by an operational project group made up of adult social care, safeguarding, reform, community safety, finance, HR and strategy and performance as well as colleagues from the voluntary and community and health sectors.
- 2.13 In addition, links will be made with the other GM localities involved in the programme to share learning and good practice. This is currently facilitated by GM.

3 Options/Alternatives

3.1 In order to implement the Changing Futures programme a number of options have been considered. Initial plans to identify a principal lead for the programme from the voluntary and community sector have not been possible at this point. As a result, the following options have been considered in order to meet the timelines required. As the programme alternative options for delivery will be considered.

3.1 **Option 1: To undertake a procurement exercise to identify the most appropriate provider(s) of the Changing Futures service in Oldham.**

Advantages

- Meets current Procurement Requirements
- Gives an opportunity for a range of providers to submit bids to deliver the service
- Increases the opportunity for a range of different delivery models to be considered
- Provides for a range of competitively priced tenders to be considered

Disadvantages

- Length of time to complete the procurement exercise (anticipated April 2022)
- Limited number or no tenders are received putting involvement in the programme at risk
- Tenders received exceed the funding levels available
- Potential claw back of funding from the DLUHC due to slipping timescales.

3.2 **Option 2: To initially host the Changing Futures service in-house at Oldham Council using internally based staff and staff seconded from the local voluntary and community sector and other providers**

Advantages

- Time to set up the service likely to be achieved more quickly than by procurement
- Increased flexibility on use of budget across range of partners
- Potential to engage with a wide range of local experts
- Ability to test system change “from within” and to share the learning across the workforce

Disadvantages

- Changing Futures emphasis on role of voluntary and community sector and people with lived experience may not be met
- Negative impact on local providers not included in the programme due to limited roles and funding
- Increased coordination role for Oldham Council in service provision element of programme
- Challenges in recruiting to the new roles with the potential to create gaps in service provision from elsewhere in the Council.

3.3 **Option 3: Withdraw from the current programme**

Advantages

- Involvement in the programme has identified needs within the borough which cannot be developed without the restrictions of the Changing Futures programme
- Potential to review current provision in this area and develop required changes based on current available funding
- Still able to learn from Changing Futures programme as part of GM

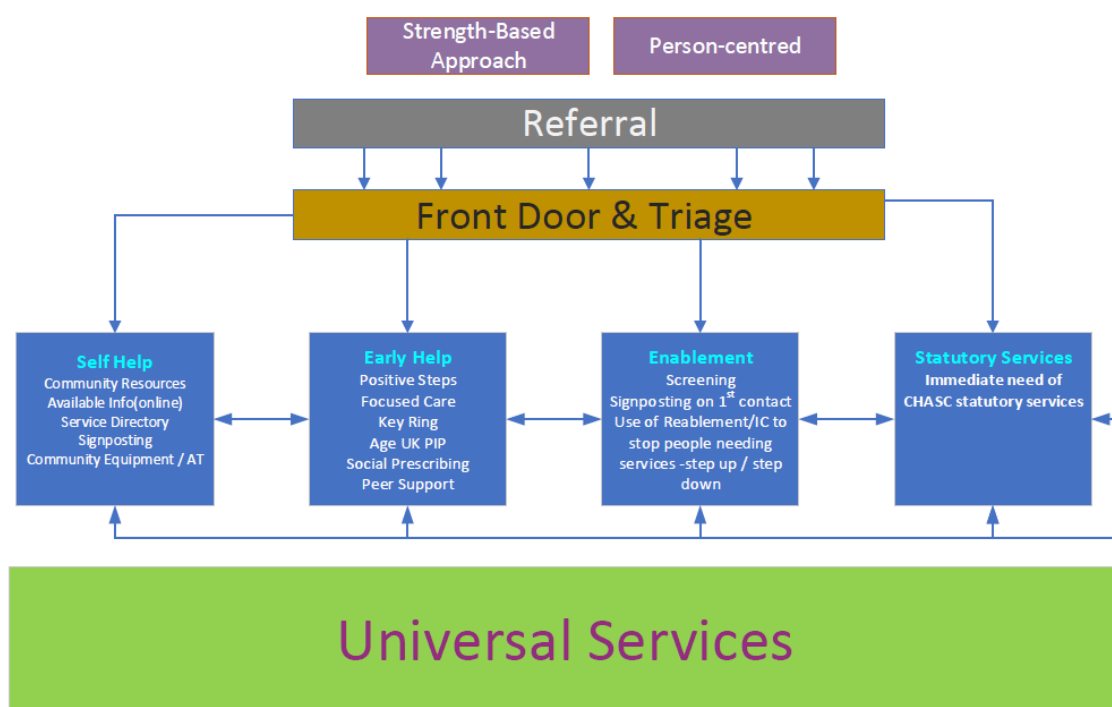
Disadvantages

- Reputational impact on the council of withdrawing at this stage locally, regionally, and nationally

- Loss of income to the borough available through the Changing Futures Programme
- Missed opportunity to consider new ways of working and system change in a key area for the borough

4 Preferred Option

- 4.1 The preferred option is Option 2. To initially host the Changing Futures service in-house at Oldham Council using seconded staff from the council, the local voluntary and community sector, and other providers. Although hosted through Oldham Council, the design and implementation of the service will be done collaboratively with the community and voluntary sector and other partners.
- 4.2 The funding will be used to establish a new offer hosted within the Council, this will not impact on any existing services or staff.
- 4.3 The purpose of the funding is to test new and innovative approaches to support adults with multiple disadvantage. The intention is for this new offer to be hosted by the council and to initially sit initially within Adult Services. It will form part of the overall Adult Social Care Prevention Model.
- 4.4 The model, shown below, adopts a strength-based, person-centred approach that focuses on ensuring that people are able to access the right support at the right time using a front-door triage service to carry out an initial assessment of people's needs and to direct and refer them to the most appropriate support pathway.



4.5 The model utilises four core areas of support:

- **Self-help** – the use, where appropriate of community resources, along with information and advice, including an enhanced service directory, signposting and the use of community equipment and assistive technology. It also includes an element of supported help for those who need extra support particularly at an early stage;

-
- **Early Help** – for people with low to medium support needs access to the range of current services available, including Positive Steps Early Intervention and Prevention Service, Social Prescribing, Focused Care Age UK PIP, Key Ring and other similar support, as well as the proposed high intensity support service for those with higher level support needs.
 - **Enablement** – the use of enablement services, that come in to contact with people on a regular basis, to promote independence and choice and supports people to achieve their reablement goals based on a strength-based, what people can do, as well as building confidence and independence in other areas of their lives.
 - **Statutory services** – the ongoing provision of support from statutory services including adult social care, physical health, mental health, where none of the other elements of the approach are able to provide support or there is an immediate need for support from statutory services.

4.6 In addition, there is a need to ensure that a whole range of ‘universal services’ are included in the scope of provision. This not only includes generic services but other targeted and specialist services that focus on specific issues that also impact on the lives of people with potential health and social care needs, this includes areas such as housing, homelessness, poverty, debt, employment and training, and criminal justice.

4.7 In order to retain separation from the mainstream and statutory Adult Services offer it is proposed that the new service form part of the front door and triage service.

4.8 In addition, the service will be located and operate in the community. A suitable location is currently being identified as a base for the team but it is expected the majority of the work will be carried out remotely. The necessary safety measures are being established for staff to operate this way.

4.9 New job descriptions have been developed specifically for the team and are currently undergoing job evaluation. There is a risk of existing council staff applying for the new roles which could potentially lead to gaps in other services. Those applying on a secondment basis would require agreement from their manager, this would consider the impact on wider service delivery. Any applications from the community and voluntary sector and wider organisations on a secondment basis, would require appropriate HR agreements and documentation to support this. These are currently being developed with support from HR colleagues.

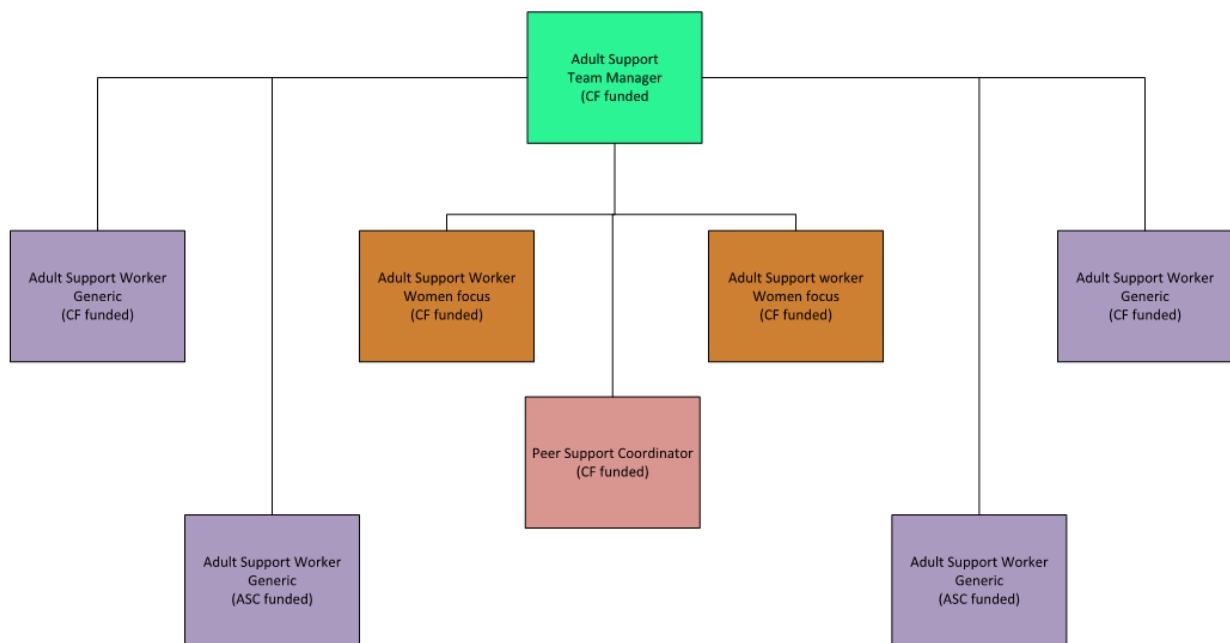
4.10 The proposal for consideration is to establish six support worker roles and a team manager to provide oversight and supervision. The Team Manager will report to the Client Services Manager who will have responsibility for the Front Door and Triage and would also work closely with the existing Head of Reform to capture learning to feed into the Changing Futures programme and work on removing system barriers and blockages. This will feed into the wider reform agenda and will support learning across Greater Manchester. In addition, arrangements will be put in place with Adult Social Care to ensure that staff within the team receive appropriate support and supervision along with wellbeing support.

4.11 Four of the support roles will form the generic provision that covers both elements of Changing Futures and of the overall Adult Intensive Support Team. This will allow the team to support people who are experiencing at least three of the five Changing Futures criteria – homelessness, substance misuse, mental health issues, domestic abuse and contact with the criminal justice system – and those who have high level support needs but do not meet the Changing Futures criteria who would receive support from the Adult Intensive Support Team. Bringing these elements together enables resources to be brought together to widen

the scope of the provision and to allow all aspects of support to be considered as part of the development of the future approach in this area rather than focusing solely on the Changing Futures criteria.

- 4.12 In addition, the team will have two specialist support workers focusing on the delivery of the women’s element of the offer supported by both the Team Manager and the Peer Support Coordinator. This role will work with women with lived experience including those who have received support from the programme in order to develop their role in delivering ongoing support.

Changing Futures and Adult Intensive Support Team Structure



5 Consultation

- 5.1 Throughout the development of the Changing Futures bid and following award of the grant there has been ongoing discussion with a range of stakeholders from across Oldham Council including Community Health and Social Care, Public Health, Reform and Community Safety; Oldham NHS Clinical Commissioning Group; and the local voluntary and community sector. Further consultation will take place if the preferred option is accepted, this will include opportunities for co-design of the new service with experts by experience.

6 Financial Implications

- 6.1 The funding for the Changing Futures Programme is in the form of a grant provided by GMCA of £772,193 for the period August 2021-March 2024. Additional funding from Adult Social Care, of £150,000 each year, for the period April 2022-March 2024 is available to support the provision of the adult intensive support team. This would enable a slightly more flexible

approach to supporting adults at an early stage in addition to the Changing Futures criteria. This is recognised as a need and gap in provision through the Adult Safeguarding Board.

7. Finance Service Comments

7.1 Following the submission of a Local Investment Plan, the grant agreement for the Changing Futures programme has been put in place between the Council and GMCA. Funding for 2021/22 and 2022/23 will be paid by MHCLG through Section 31 of the Local Government Act 2003 and 2023/24 will be paid by The National Lottery Community Fund under their terms and conditions.

7.2 The grant is worth £772,193 over a 3-year period August 2021 to March 2024 with budget profile detailed in the table below:

	2021/22	2022/23	2023/24	Total
Grant Schedule	169,359	293,917	308,917	772,193

7.3 In addition to the grant, ASC has identified recurrent budgetary provision of £150k held to support the provision of the adult intensive support team.

Finance will ensure that appropriate monitoring arrangements are put in place for the management and reporting of the grant. All Changing Futures related expenditure will be accounted for and monitored separately from other funding streams. Expenditure will be contained within the grant allocation and the Service contribution, as such there are no adverse financial implications arising.

(Danny Jackson, Senior Accountant)

8. Legal Services Comments

8.1 The contents of section 4 together with comments from HR are noted. There are no further legal comments to add, save that to minimize the risk of litigation council HR policies and procedures should be followed with regards to establishing roles and job evaluation and also ensuring the appropriate secondment agreement is in place. The structure and use of funding should also be monitored and periodically reviewed to ensure the proposal is fit for purpose.

(Radhika Aggarwal, Principal Employment Solicitor)

9. Co-operative Agenda

9.1 Involvement in the Changing Futures Programme supports Oldham's Co-operative agenda in a number of ways; particularly in relation to ensuring fairness and working together. The programme will involve and support people with multiple disadvantages and work to ensure that mutual benefits are achieved, add the greatest possible value, and enable everyone to be involved on an equal footing. The systems element of the programme will ensure that the views of a wide range of people and that all involved are treated with dignity and respect particularly through the involvement of people with lived experience.

10 Human Resources Comments

10.1 If the preferred option is approved, the appropriate HR processes will need to be followed to finalise the proposed structure, establish new roles and recruit to the positions. Due to the existing pressure on the Adults Social Care workforce, there's a risk that services will not be able to release staff via a secondment opportunity without destabilising their own operations.

It is envisaged there will be interest in the roles from the Voluntary Sector, in which case the appropriate secondment agreements will need to be put in place.

The service may need to consider recruitment outside of existing Council and Voluntary Sector resources on a fixed term contract basis. The Councils redeployment register should be reviewed to identify any appropriate candidates.

(Catherine Pearson, Strategic HR Lead)

11 Risk Assessments

- 11.1 The main risk to the council is that involvement in the programme does not proceed which will have both an impact on the development of the work in this area with people with lived experience and current providers. In addition, there is a reputational risk for the council at a local, regional, and national level of not continuing with the programme.

12 IT Implications

- 12.1 None

13 Property Implications

- 13.1 None

14 Procurement Implications

- 14.1 There are no Procurement implications when commissioning the service using Council's in-house resource. It is clarified that in addition to £772,193 grant funding the ASC will include £150,000 spend for intensive support for the cohort. The report recognises that there is significant crossover in relation to delivery of Early Help offer in Oldham. The Commercial team will support the commissioners to identify the barriers or blockages in the system preventing people accessing the required support.

(Raj Ahuja, Commercial Team, 15.12.2021)

15 Environmental and Health & Safety Implications

- 15.1 There are no Environmental and Health & Safety Implications

16 Equality, community cohesion and crime implications

- 16.1 There are no equality, community cohesion and crime implications

17 Equality Impact Assessment Completed?

- 17.1 Not applicable

18 Key Decision

- 18.1 Yes

19 Key Decision Reference

19.1 HSC0821

19 **Background Papers**

19.1 Not applicable

20 **Appendices**

20.1 None

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