

Oldham Borough Council



**Council Meeting
Wednesday 15 December 2021**

OLDHAM BOROUGH COUNCIL

To: ALL MEMBERS OF OLDHAM BOROUGH COUNCIL,
CIVIC CENTRE, OLDHAM

Tuesday, 7 December 2021

You are hereby summoned to attend a meeting of the Council which will be held on Wednesday 15 December 2021 at 6.00 pm in the Council Chamber, Civic Centre, for the following purposes:

- 1 To receive apologies for absence
- 2 To order that the Minutes of the meeting of the Council held on 3rd November 2021 be signed as a correct record (Pages 1 - 40)
- 3 To receive declarations of interest in any matter to be determined at the meeting
- 4 To deal with matters which the Mayor considers to be urgent business
- 5 To receive communications relating to the business of the Council
- 6 To receive and note petitions received relating to the business of the Council
(time limit 20 minutes)
- 7 Youth Council
(time limit 20 minutes)

Mental ill-health amongst young people

Council recognises that poor, and declining, mental health has been identified by young people in the borough as one of the biggest issues they face, especially after the adverse impact upon their health caused by the COVID-19 pandemic.

In the most recent annual Make Your Mark Ballot (a UK wide consultation of 11–18-year-olds), mental ill-health received 1,250 votes of the 8,700 cast, constituting the 2nd biggest issue of concern to young people in Oldham. This was reinforced by the findings of an online survey by the Oldham Youth Service in July 2021.

Research by the Children's Society shows that 75% of young people with mental health problems are not getting the help they need and that 34% of those people referred to NHS services are not accepted.

Although the budget for mental health support rose from £4.5 billion in 2016 to £10.5 billion in 2021. As 75% of all mental health conditions manifest in young adults before the age of 24 we believe that more money needs to be invested in treating mental ill-health in young people.

Council resolves to ask the Chief Executive to write to the Secretary of State for Health and Social Care, The Rt Hon Sajid Javid MP, the Chancellor of the Exchequer, The Rt Hon Rishi Sunak MP, and to the Prime Minister, The Rt Hon Boris Johnson MP, to express the concerns of the young people of Oldham, and to seek an adequate share

of the £79M set aside for mental health care to meet the needs of our young people.

8 Questions Time

a Public Questions

(time limit 15 Minutes)

b Questions to Leader and Cabinet

(time limit 30 minutes)

c Questions on Cabinet Minutes (Pages 41 - 52)

(time limit 15 minutes)

20th September 2021

18th October 2021

d Questions on Joint Arrangements (Pages 53 - 102)

(time limit 15 minutes)

GMCA	24 th September 2021 29 th October 2021
Police, Fire and Crime Panel	22 nd July 2021
National Peak Park Authority	3 rd September 2021
Health and Wellbeing Board	14 th September 2021
Commissioning Partnership Board	29 th April 2021

9 Notice of Administration Business

(time limit 30 minutes)

Motion 1

Councillor Hulme to MOVE and Councillor Briggs to SECOND:

Levelling down transport in Greater Manchester

This Council notes:

1. The recently published Integrated Rail Plan (IRP) scales back the Northern Powerhouse Rail (NPR) project to such an extent it has effectively been scrapped. The lack of a dedicated highspeed line between Liverpool and Leeds will impact the service at Greenfield and other towns and villages on the Huddersfield Line. The lack of any funding for electrification on the Rochdale line reduces capacity and reliability.
2. That the promise of an underground station at Manchester Piccadilly has been scrapped by the Government, potentially cutting billions from the local economy. This also raises concerns about the route of the new line running from Manchester to Marsden and how it may impact Oldham.
3. The difference in transport costs between London and Greater Manchester. In London, someone can make as many bus journeys as they like in an hour

for only £1.55 whereas a single bus journey in Oldham can cost at least double that.

4. The excellent work of Mayor Andy Burnham in taking back control of our buses in Greater Manchester. The Government has shown support for The Mayor's vision for travel in Greater Manchester with a £1bn package, however this does not make up for the billions now cut from transport in GM in the IRP.

This Council believes that the Government has reneged on its pledge to level up the economies of the north and the south: the difference in transport investment between London and the North is stark. Figures from the IPPR show the North has an £86bn deficit in Treasury transport spending compared to London. The North has received just £349 per person in transport spending since 2009/10 compared with £864 in London. The IPPR has also stated that to meet the challenge of the climate crisis, an extra £12bn a year must be invested. The Government promised repeatedly that they would build NPR and HS2 in full. This promise has been broken and the people of the north betrayed.

This Council resolves to ask the Chief Executive to write to

1. Mayor Andy Burnham supporting his efforts to secure the future of Northern Powerhouse Rail and the additional investment needed to provide a modern, efficient and integrated public transport system in Greater Manchester
2. Secretary of State for Transport Grant Shapps demanding that the Government revisits the IRP to ensure that Oldham, Greater Manchester and the North West receive a fair share in transport spending in comparison to London and that key projects such as the underground station at Manchester Piccadilly, HS2 and rail electrification are reinstated.

Motion 2

Councillor Moores to MOVE and Councillor Mushtaq to SECOND:

Supporting Oldham's children with SEND

This Council acknowledges the incredible work done by teachers, parents, and carers in supporting and nurturing children with Special Education Needs and Disabilities (SEND).

SEND comes in many forms, early identification and intervention are vital in ensuring we deliver the best possible outcomes for children with SEND. In Oldham we work tremendously hard to ensure that children with SEND are offered the best opportunities to thrive and develop in our education system. This is not easy task when schools are required to fund the at least first £6,000 of support for a child with SEND in the face of cuts to schools General Budgets, local authorities are also struggling with increasing demand, increasing cost and a failure by Central Government to adequately fund SEND provision.

One area of particular concern is the lack of investment) Speech Language and Communications (SLC) needs, this is just one of the many classification categories and children can be identified as having SLC needs as a primary SEND need, but we know that children in the majority of the other SEND categories will have associated SLC need.

This Council notes:

- There are around 7800 children and young people in Oldham who have Special

Educational Needs and Disabilities (SEND).

- 2634 children and young people have an Education, Health and Care plan (EHCP).
- Demand for SEND services is increasing rapidly and services are also responding to more complex needs. During 2020 - 2021 we saw a 100% increase in the number of EHC needs assessment requests between May and September.
- Oldham received Government SEND funding of £33,043,000 in 2019/20, but it spent more than £37m on services and in 2020/21 it received £39,189,000 and spent in excess of £40m
- The funding from Government has failed to keep pace with rapidly increasing costs, leaving big gaps in budgets for both the Council and schools.
- The Local Government Association estimated that councils in England would face a SEND funding gap of up to £1.6 billion by 2021.
- The requirement on schools to fund the at least first £6,000 of support for children with Special Educational Needs and Disabilities, making caring for children with Special Education Needs and Disabilities a financial burden on schools in the face of cuts to schools General Budgets.
- Speech and Language Therapy (SALT) services for children with SLC needs requires significant investment at a national level.

This Council believes:

1. We face a national crisis in high needs funding, but this crisis is hitting towns like Oldham harder than other parts of the country.
2. The Government have failed to invest in services to children at risk of not being able to speak or understand language at an age-appropriate level.
3. The Government is failing to fund SEND services properly and it's falling to local councils and schools to plug the gaps.
4. That while the additional £6,146m of Government funding is welcome, it doesn't even cover the gap we already face.
5. Children and young people with special needs and disabilities are some of the most vulnerable in our society and it's vital that the services that support them are funded fairly and properly.

This Council resolves to ask the Chief Executive to write to:

1. The Secretary of State for Education urging him to urgently invest SEND services and ensure that Government funding keeps pace with rising demand complexity of need, including Speech and Language Therapy Services and to end the requirement on schools to fund at least the first £6,000.

10 Notice of Opposition Business

(time limit 30 minutes)

Motion 1

Councillor Arnott to MOVE and Councillor Lancaster to SECOND:

Oldham's Roads Are Not Racetracks For Criminals.

In 2020, close to 680m vehicle miles were travelled in Oldham. Given the sheer number of vehicle miles travelled, it is sadly inevitable that collisions and accidents will occur, even when drivers are law abiding and drive considerately.

On average 681 people are killed or seriously injured on the roads of Greater Manchester each year. Of all reported collisions, 58% involved a driver aged between 17 and 35 and a staggering 80% of all fatal incidents involved a male driver. However, there is a dangerous group, of mostly young men and women, who consider the roads of Oldham as their own personal racetrack, and routinely and recklessly speed on our roads with no regard for the safety of themselves or others, putting other drivers, cyclists, and pedestrians in real danger of serious injury or worse. A number of these vehicles are not taxed or insured and have been modified to increase speed and performance at the expense of safety and security. Speed cameras are sadly not enough as, our roads have become the plaything of these people with some using stolen vehicles and plates to race each other and then abandon those same vehicles also. Several vehicles are used in crimes such as burglaries, carjacking's, transportation of narcotics, get away driving, prostitution, and illegal street racing.

This Council resolves :

- That the Chief Executive of Oldham Council, on behalf of the people of this Borough, write to the Division Commander of Oldham and Greater Manchester Police (GMP) to demand that they take these vehicles off the road and target these groups of "boy racers" who consciously and deliberately set out to drive at speed, with reckless abandon putting the lives of others at risk.
- That the Council work with and give full use and access to GMP of cameras, buildings, and offices in implementing a crackdown.
- That Oldham Council share its records with GMP on reports of incidents which residents have reported and look to build a database which they can then target criminals with.
- That the Chief Executive of Oldham Council recommend that GMP should look to seize and crush vehicles that partake in these dangerous acts of driving as well as cash fines and points on their licence.
- That the Chief Executive of Oldham Council recommend that GMP look to deploy a team to patrol some of the worst highways from the evening to the early hours of the morning when many of these crimes take place.
- That Oldham Council takes a zero-tolerance approach to all crimes that involve narcotics and will support GMP in their efforts to test and arrest those driving whilst under the influence of narcotics.

Motion 2

Councillor Al-Hamdani to MOVE and Councillor Williamson to SECOND:

Time for the Fair Game manifesto in football

Council believes that football, the national game in the UK, is currently in crisis. COVID-19 has devastated the revenue of many lower-league clubs, with the loss of some notables, and dozens more clubs teetering on the brink of survival. Frequently bad management has gone unnoticed or ignored and clubs are run unsustainably, putting at risk all the history, heritage, and economic benefit they bring to an area – often in pursuit of short-term gain.

Council believes that football clubs are not ordinary businesses; they are historic sporting institutions that are both a civic and community asset, and a source of pride and unity, in their hometown or city.

Council therefore supports Fair Game, a national campaign that seeks radical reform

of the way football is managed and run, specifically its call for:

- An independent regulator for the sport.
- A refocus on 'values' rather than profit.
- The establishment of a Sustainability Index, which will reallocate the payments made to clubs to reward those which are run well, respect equality standards and properly engage with their fans and their community.
- Fans to be given the final say on any proposed change to a club's 'crown jewels', including the club's name, nickname, colours, badge and the geographical location from where the club plays.

Council also notes that former Sports Minister Tracey Crouch MP is about to publish a Government-commissioned fan-led review into football governance and believes that some of its findings will mirror Fair Game's aspirations.

As a Co-operative Council, we would also like to see football clubs co-operatively owned by their fans, rather than owners with no connection to a town or with more interest in extracting profits from the club, rather than the team's on-pitch performance.

Council therefore resolves to:

- Declare its support for the Fair Game manifesto, 'Solutions for our National Game', and calls on other councils to join us in our support.
- Ask the Chief Executive to write to the Minister for Sport, our local Members of Parliament, and the Chair of the Local Government Association Culture, Tourism and Sport Board, asking them to support and work towards implementing Fair Game's manifesto and the findings of the fan-led review led by Tracey Crouch MP.
- Ask the Council's representative to the Co-operative Council's Innovation Network to request the CCIN investigate how best member councils can support the registration of their local football clubs as Assets of Community Value and facilitate their future purchase and operation, when the opportunity arises, as fan-owned co-operatives.

Motion 3

Councillor Woodvine to MOVE and Councillor Byrne to SECOND:

Earthshot Oldham.

In 2020 H.R.H the Duke of Cambridge founded the Earthshot Prize, inspiring innovative ideas and incentivising change, across this country and around the world. It is ambitious and prestigious. A year on Oldham can also be inspired by the words and work of the Royal Family and these 'Earthshots' – simple but ambitious goals which, if achieved by 2030, will improve life for us all, and for generations to come.

Each Earthshot is underpinned by scientifically agreed targets including the U.N. Sustainable Development Goals and other internationally recognised measures to help repair our planet. Together, they form a unique set of challenges rooted in science, which aim to generate new ways of thinking, as well as new technologies, systems, policies and solutions.

By bringing these five critical issues together this Council can recognise the interconnectivity between environmental challenges and the urgent need to tackle them together. Like the Prize, this Council can aim to turn the current pessimism surrounding environmental issues into optimism, by highlighting the ability of human ingenuity to bring about change, and inspiring collective action.

As it is a decade of action this Council notes that:

- Species face extinction as habitats are destroyed, but destroying nature threatens our lives too. Forests and natural land are vital to human health and happiness, helping to prevent global warming and producing oxygen that we breathe.
- Thousands of children in Oldham breathe toxic air every day, causing countless deaths that could be prevented. We refuse to accept this – clean air and healthy lives are within our reach.
- Warmer temperatures, pollution, plastic and harmful fishing practices are having devastating impacts on the ocean, putting life underwater in jeopardy but this decade we can choose to make our ocean healthy.
- The world we have built is not like this; we throw everything away, and this is harming our planet but we have the power to build something better.
- Carbon in the atmosphere is making our planet warmer, to levels which threaten all life on Earth but it is not too late; if we act now, we can make the world a better, more sustainable home for everyone.

By 2030 this Council chooses to:

- Repair and preserve the habitats that our animals need to live, from forests and grasslands, to wetlands, lakes and rivers.
- End outdated transport that emits toxic fumes, remove pollution from the air using both technology and nature, and eliminate the burning of fossil fuels, choosing 100% renewable energy for everyone – from our towns to villages.
- Bring forward a new era where everyone uses the ocean sustainably and to refuse to accept a world where turtles, dolphins and coral reefs vanish from our seas.
- Eliminate food waste, single-use packaging, and inspire a new generation of people, companies, and industries to reuse, repurpose, and recycle.
- Build a system that can work forever, where people in Oldham can live safe, healthy and happy lives, without waste.
- Fix our climate so that life everywhere can thrive for generations to come.

As we must act now to protect our future this Council resolves to:

- Protect and restore nature in Oldham, ensuring that for the first time in human history the natural world around us is growing and **not** shrinking.
- Clean our air, ensuring that everybody in Oldham breathes clean, healthy air – at the World Health Organisation standard, or better.
- Revive our oceans, repairing and preserving our oceans for future generations.
- Build a waste-free Oldham, and world, where nothing goes to waste and where the leftovers of one process become the raw materials of the next – just like they do in nature.
- Fix our climate by cutting out Carbon and building a Carbon-neutral economy that lets every culture and community in Oldham thrive.

Motion 4

Councillor H Gloster to MOVE and Councillor Murphy to SECOND:

Increasing and promoting the Warm Home Discount

This Council notes:

- The Warm Home Discount Scheme, a Government initiative administered by energy suppliers, provides eligible households with a £140 discount on their electricity bill between September and March each year which has remained fixed for over 9 years.
- Energy prices have increased significantly in recent years, with the costs of energy

increasing by 40% in the last year alone.

- Additionally, Ofgem has recently set an unprecedented price cap hike, a measure which the End Fuel Poverty Coalition has predicted will propel a further 1.2 million people into fuel poverty (up from 4.1 million to 5.3 million).
- Following a consultation earlier this year, the government has pledged to increase the rebate in England and Wales and to expand the scheme so that an additional 780,000 households become eligible.

Council believes:

- That the Warm Home Discount is vital in helping to tackle fuel poverty.
- The £10 increase is wholly inadequate given price inflation over the last nine years and the increases proposed in the future.
- That many eligible households are not aware of the discount or how to apply for it.

This Council resolves:

- To ask the Chief Executive to write to the Minister of State at the Department for Business, Energy & Industrial Strategy to urgently increase the value of the Warm Home Discount Scheme to reflect price inflation and future increases and to identify new ways to promote the rebate so many more eligible households are aware of it and apply for it.

11 Covid 19 Update

Report to follow.

12 Update on Actions from Council (Pages 103 - 118)

13 Public Speaking at Traffic Regulation Order Panel (Pages 119 - 124)

14 2020/21 Annual Statement of Accounts (Pages 125 - 412)

Please note due to the size of the appendices, a hard copy will be available in the Group Rooms and Civic Reception, Civic Centre, Oldham

15 Procurement of the Council's External Auditors 2023/24 to 2027/28 (Pages 413 - 426)

16 Municipal Calendar 2022-2023 (Pages 427 - 444)

17 Council Gambling policy review (Pages 445 - 490)

18 Treasury Management Mid Year Review Report 2021/22 (Pages 491 - 516)

19 Adoption of the Public Health Act 1925 Concerning Naming of Streets (Pages 517 - 522)

NOTE: The meeting of the Council will conclude 3 hours and 30 minutes after the commencement of the meeting.



Harry Catherall
Chief Executive

PROCEDURE FOR NOTICE OF MOTIONS
NO AMENDMENT

MOTION – Mover of the Motion to MOVE



MOTION – Secunder of the Motion to SECOND – May reserve right to speak



DEBATE ON THE MOTION: Include Timings



MOVER of Motion – Right of Reply



VOTE – For/Against/Abstain



Declare outcome of the VOTE

RULE ON TIMINGS

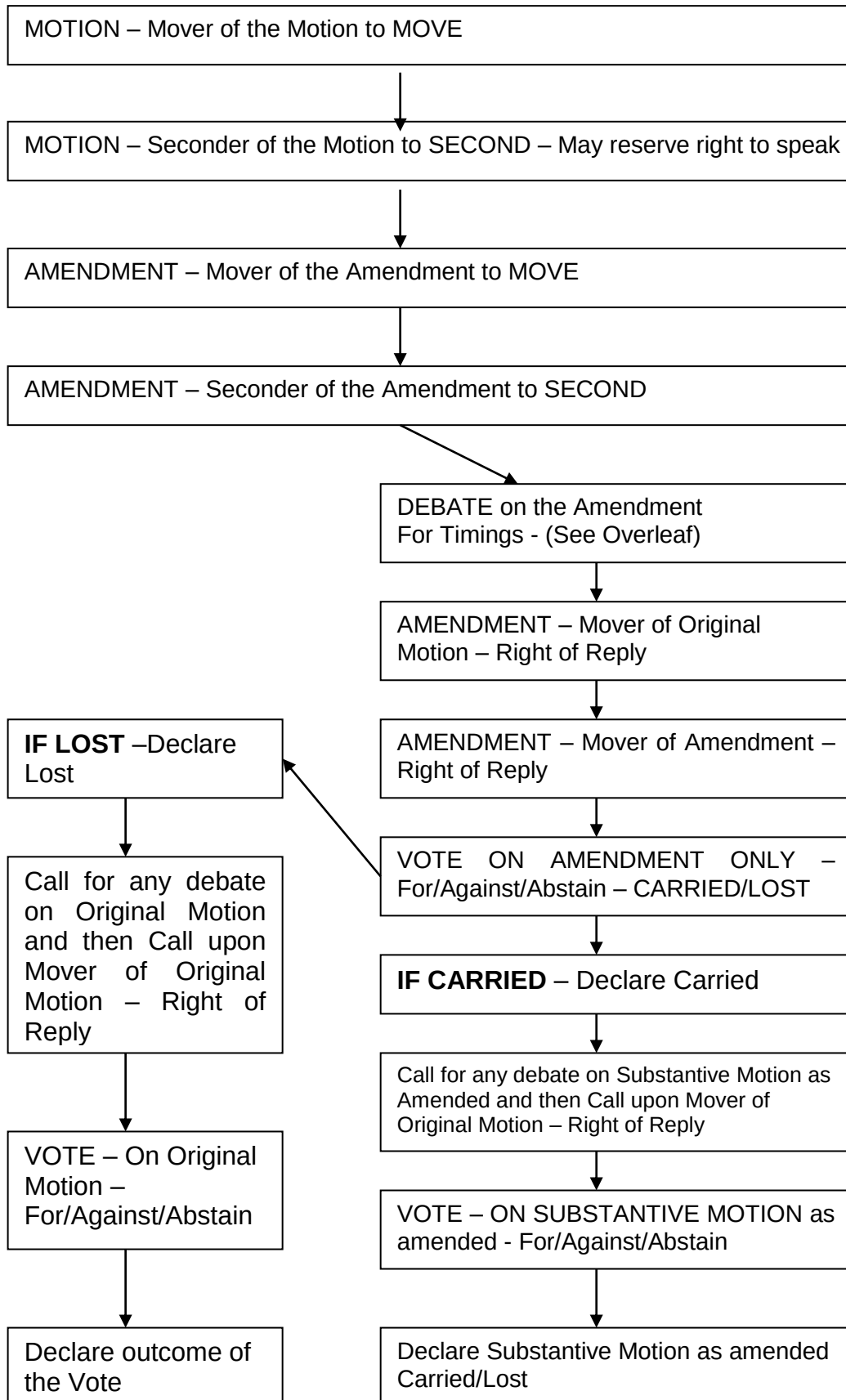
(a) No Member shall speak longer than four minutes on any **Motion or Amendment**, or by way of question, observation or reply, unless by consent of the Members of the Council present, he/she is allowed an extension, in which case only one extension of 30 seconds shall be allowed.

(b) A Member replying to more than one question will have up to six minutes to reply to each question with an extension of 30 seconds

PROCEDURE FOR NOTICE OF MOTIONS

WITH AMENDMENT

WITH AMENDMENT



This page is intentionally left blank

Present: The Mayor – Councillor Harrison

Councillors Ahmad, Akhtar, Al-Hamdani, G. Alexander, Ali, Alyas, Arnott, M Bashforth, S Bashforth, Birch, Briggs, Brownridge, Byrne, Chadderton, Chauhan, Cosgrove, Curley, Davis, Dean, Garry, C. Gloster, H. Gloster, Goodwin, Hamblett, Hindle, Hobin, A Hussain, F Hussain, Ibrahim, Iqbal, Islam, Jabbar, Kenyon, Lancaster, Malik, McLaren, Moores, Murphy, Mushtaq, K Phythian, Roberts, Salamat, Shah, Sharp, Sheldon, Shuttleworth, Stretton, Surjan, Sykes, Taylor, Toor, Wilkinson, Williamson, Williams and Woodvine

1 TO RECEIVE APOLOGIES FOR ABSENCE

Apologies were received from Councillors Abid, Hulme, Leach and C Phythian.

2 TO ORDER THAT THE MINUTES OF THE SPECIAL MEETING OF COUNCIL HELD ON 8TH SEPTEMBER 2021 AND THE ORDINARY MEETING HELD ON 8TH SEPTEMBER 2021 BE SIGNED AS A CORRECT RECORD

RESOLVED – That the minutes of the Council meetings held on 8th September 2021 be approved as correct records.

3 TO RECEIVE DECLARATIONS OF INTEREST IN ANY MATTER TO BE DETERMINED AT THE MEETING

Councillor Garry declared a disclosable pecuniary interest at Item 10d by virtue of her husband's employment with Greater Manchester Police.

Councillor Chris Gloster declared a non-registerable interest at Item 10d by virtue of his receipt of an occupational pension from Greater Manchester Police.

Councillor Hazel Gloster declared a non-registerable interest at Item 10d by virtue of her husband's receipt of an occupational pension from Greater Manchester Police.

Councillor Surjan declared a disclosable pecuniary interest in Item 13.

Councillor Hamblett declared an other registerable interest at Item 10d in relation to MioCare, by virtue of being a Council nominee on the Board.

Councillor Chauhan declared an other registerable interest at Item 10d in relation to MioCare, by virtue of being a Council nominee on the Board.

Councillor S Bashforth declared an other registerable interest at Item 10d in relation to MioCare, by virtue of being a Council nominee on the Board.

4 TO DEAL WITH MATTERS WHICH THE MAYOR CONSIDERS TO BE URGENT BUSINESS

There were no items of urgent business.

5 **TO RECEIVE COMMUNICATIONS RELATING TO THE BUSINESS OF THE COUNCIL**

The Mayor made reference to the recent death of Sir David Amess MP following a knife attack during a surgery at his constituency in Leigh-on-Sea and the Council held a minute's silence in his memory.

6 **GREATER MANCHESTER POLICING PLAN**

Chief Superintendent Chris Bowen addressed the meeting.

The Council was informed that he had been in post for five weeks. He would be focussing on the future of policing in Oldham.

He had come to a passionate workforce that wanted to make a difference to the communities of Greater Manchester (GM), that needed to pull in the same direction to make things better.

GMP would make five promises to the people of GM:-

1. Respond to incidents and emergencies
2. Investigate and solve crime
3. Prevent, reduce crime, reduce harm and reduce anti-social behaviour
4. Deliver outstanding service
5. Build back public trust and confidence

Delivery of the first four promises would help to deliver the fifth.

Councillor Shah asked how it was intended to deliver promise five and build trust back within communities?

Chief Superintendent Bowen responded that delivery of the first four promises would deliver the fifth. The force had to prove to the people that promises 1-4 were actually being delivered and the statistics would show this. It was accepted that there would be times when things were not right, and these would be identified and lessons learned to stop it happening again.

Councillor Sheldon welcomed the new Chief Superintendent.

Councillor Sykes asked how it would be possible to return to community policing and what three things would have visibly improved for Oldham residents in twelve months time?

Chief Superintendent Bowen responded that he was passionate about neighbourhood policing and its benefit. A neighbourhood policing review was currently being undertaken and it would ensure every area had a named police officer. Three things to demonstrate improvement:-

1. Get to victims quickly, respond appropriately and deal with properly
2. Free up neighbourhood policing to do true problem-solving policing
3. Increase visibility of neighbourhood policing

This would require time to implement new procedures and he would happily come back to provide updates to inform the Council on progress.

Councillor Hobin welcomed the new Chief Superintendent.

The Mayor thanked Chief Superintendent Bowen for his attendance.

7

TO RECEIVE AND NOTE PETITIONS RECEIVED RELATING TO THE BUSINESS OF THE COUNCIL

There were no petitions received to be noted.

8

LEADER'S ANNUAL STATEMENT

The Leader of the Council, Councillor Arooj Shah, delivered her first Annual Statement.

The Leader reminded the Council of her priorities, as set out in May 2021.

- Getting back to basics by investing in cleaning up streets, taking action on littering and flytipping and restoring a sense of pride in neighbourhoods.
- Steering the town's economic recovery from the impact of the pandemic – supporting local businesses, creating jobs and attracting investment and funding. At the heart of this was the delivery of key regeneration schemes, both in the town centre and elsewhere.
- Reconnecting with local people, to acknowledge that many residents felt distant from the decisions made about their area and from how their local services were run, and to do something to put that right.
- Continuing to support the most vulnerable and to drive out inequality and unfairness wherever it existed.

The recruitment of a new Chief Executive, Harry Catherall, had made a real difference to the culture and approach in the organisation. He shared the Leader's passion for putting residents at the centre of everything the Council did and for providing great quality local services and was already working to drive that culture through every council service and to every council employee. Thanks were given to the Chief Executive for what he had already done for Oldham and for the amazing things he would continue to achieve for local people.

The scale of the challenges that Oldham and its people faced and the role of elected members in addressing those challenges was acknowledged

The Leader referred to the difficulties of the last eighteen months. Many local people felt the impact of the pandemic on their jobs and their wages as well as their health, and rising costs for basic necessities like food and fuel were pushing more people into poverty. The recent cut to universal credit had served to push people further towards financial crisis. Young people had seen their education significantly disrupted by the

pandemic, and more disrupted in Oldham than other areas of the country. Public services had been stretched to breaking point through sheer demand— hospitals, ambulance service and GPs and also services like welfare rights and other support teams. The pandemic had increased the number of young people and families needing support from safeguarding services to keep them safe.

The Leader highlighted that, at such times, Councils and the services they provided were vital and mattered more than ever to local communities. To support them, the Council needed fair funding through sustainable levels of funding that acknowledged the level of need in different areas. It was not true levelling up to ask local council-tax payers to bear the brunt of the impact of the pandemic on local services like adult social care through increased ‘precepts’. It was not levelling up to ensure that areas with high levels of need were left with the stark choices of cutting local services, selling off local assets or heaping the financial burden onto already struggling local taxpayers. There could be no levelling up until there was acknowledgement of the huge impact that ten years of government cuts had on services. In Oldham that amounted to nearly £200 million of funding stripped from local services since 2011.

The Leader referred to her top priority of in the last few months, listening to residents to make sure the nature of the challenges they faced was understood. As part of this, meetings would be held in each area, to give people the chance to ask questions and raise local issues with the Leader and the Chief Executive. These sessions were open to everyone and were a real opportunity for people to share their views and ask anything they needed to of the Council.

A Big Conversation would be held with local people about the town centre regeneration plans. The Leader was excited about the prospects for Spindles, for the new housing planned for the area, for the fantastic new town centre park, for our new events space, new theatre, for a new improved home for Tommyfield Market and for the plans for the Egyptian Rooms. This investment was crucial to create a new future for the Town Centre as shopping and leisure habits changed even more in light of the pandemic. The purchase of Spindles was a vital step in delivering this future and a planning application was expected to be submitted before the end of the year, with work on site starting soon after.

The town centre belonged to the people of Oldham and would not thrive without their support, so the plans needed to reflect their thoughts, their wishes and their concerns through open discussion. The Big Conversation was happening now and residents could add their thoughts online if they were unable to make the events.

The Leader highlighted the need for innovation and fresh thinking to shape our own economic destiny as a town. She had asked Alun Francis to lead an Independent Economic Review,

with a group of experts – everyone from national think tanks, academics and local business people - to hear evidence on how best to create economic growth in Oldham in a way that genuinely worked for local people. What was required were great jobs and Oldham people in those jobs to get on in life. The Review would be making its recommendations early next year.



The Leader informed the Council she had invited levelling up minister Michael Gove for a visit and that invitation remained open but believed the Government would not be coming to help Oldham.

The Leader highlighted that there was much to do to tackle the inequalities and injustices that continued to shame society. She was determined to use her time as leader to make a difference for those who experienced discrimination and unfairness on a daily basis. She had recently launched the Oldham Women's Taskforce, with a group of truly inspiring women from across the borough who had given up their time to highlight and tackle the issues that made women's lives most difficult. Issues that particularly affected women could be missed or treated as an afterthought and the taskforce would put them front and centre. An Equality Strategy had been published, and with the Women's Taskforce, the Poverty Truth Commission, and work at Greater Manchester with the Cooperatives and Inclusion portfolio, there would be a lot more to come on this agenda in the weeks and months ahead. A programme with local businesses to create jobs for people who have been in the criminal justice system or are at risk of becoming involved in crime was due to be launched very soon.

The Leader referred to her desire for Oldham to be a place people were really proud to call home. She highlighted the work of Councillor Amanda Chadderton in bringing forward a solution to litter issues. £1.27m would be invested to enhance street cleaning and the fly-tipping enforcement budget. This had been used to increase permanent street cleaning and enforcement staff, work more closely with local communities and voluntary groups and instigate a deep clean of the whole borough. In the first month of the deep clean the team picked up 17 tonnes of litter. Since May there had been 84 community litter picks, and fly-tipping prosecutions were way up.

The Leader referred to the murder of Sir David Amess MP and the risk taken by Councillors in representing their communities. She expressed the wish that this tragic incident would act as a catalyst for change in Oldham and elsewhere. Councillors regularly faced abuse, harassment and intimidation online and in person. She was seeking less hatred and less personal abuse, most of which was fuelled by lies and misinformation, and by the colour of her skin, her religion and the fact that she was a woman.

The Leader highlighted that, over the last few months, she had faced regular death threats, had been approached and verbally attacked in the street and, on a small number of occasions,

physically threatened by people. She urged Councillors to collectively agree not to fuel mistrust and division, to address misinformation rather than use it for political gain, and to publicly condemn those who sought to spread hate and incite abuse. The best way to combat the hate and vitriol seen online and in real life was by working well together and with mutual respect. The contribution of the whole Council was needed to meet the ambitious plans for the borough and the aim to improve local people's lives.



RESOLVED that the content of the Leader's Annual Statement be noted.

9 **YOUTH COUNCIL**

There were no items submitted by the Youth Council.

10 **QUESTIONS TIME**

a Public Questions

1. Question received from Robert Barnes
The time limit for Public Questions has been reduced to 15 minutes by this administration. Would the Council Leader give serious consideration to restoring the time limit to 30 minutes? In addition, at the moment there is no right of reply to the question that has been asked. In the interests of openness, transparency, accountability and democracy, will the Council Leader give serious consideration to allow the public a right of reply of two minutes to an answer they have been given by an Elected Member? Elected Members are servants of the people. Isn't it time that this administration acknowledged that?

Councillor Shah, Leader of the Council and Cabinet Member for Economic and Social Reform replied that it was important to say that every public question that was submitted to Full Council received an answer from the Leader or another Cabinet Member and they tried to fit as many answers into the meeting as they could. Any that they did not get to received a written response that was also published on the Council's website.

By extending time for public questions the Council would however, have to reduce time for other urgent and important business that it had to get through or reduce time for elected representatives to raise issues or queries about their wards. A right of reply could be considered, but this would inevitably reduce the number of public questions that could be addressed in any meeting.

Decisions about changes to Full Council timings were made by a cross-party group made up of the Leader and fellow group leaders and this could be taken to a future meeting for discussion.

As a Conservative candidate for a councillor position, Mr Barnes could also raise this with Councillor Sheldon, who could also bring it to that meeting for discussion.

2. Question received from Julie and George Heywood
My question is to the leader of oldham council. Does she think it is OK for ombc to block and blank my dad's concerns, he is 89 yrs old has been waiting for a call back since June last year!! Also blocked from I love oldham page on Facebook. complaints had me ring my complaint then email then put it in writing to be then told "i'm out of time" do you think something needs to be done to prevent us the public from having our concerns and complaints blocked and blanked. Thankyou

Councillor Shah, Leader of the Council and Cabinet Member for Economic and Social Reform replied that the Council's social media channels aimed to provide an informative, engaging and inclusive space for all residents of Oldham. The Council would answer questions, provide useful information, and signpost residents to the services and departments they need.

Posts that directed criticism to the Council were not usually removed. In fact, we welcomed – and encouraged – feedback from our residents. We were happy to be told where we had got it wrong.

However, there was a zero tolerance approach to racism and abuse on our social media pages, just as there would be in face to face conversations. That was why the Council had a policy on what was deemed to be acceptable use, which was published on both the Facebook page and the website.

On occasion, there were comments that did not meet the social standards and the Council was forced to remove them. If users breached this policy more than once, or if they used language that was deemed serious, then they would be blocked from commenting on posts.

On 10 December 2019, Ms Heywood was banned from commenting on posts, as her comment breached what would be deemed to be acceptable.

The policy clearly stated that anyone making abusive, discriminatory or offensive comments would have them removed and they would be blocked from posting on our channels.

George Heywood was not listed as currently, or ever, having been banned from commenting.

The Leader was aware that Ms Heywood had previously complained about being blocked from the Facebook page, and the Council had responded to her some weeks ago to explain why. It had also clarified that her father had not been blocked.

It had also been confirmed to Ms Heywood that, given the length of time that had passed, she had been reinstated on the Love Oldham facebook page, and could now engage with content in line with the social media rules.

3. Question received from Joshua Charters
Throughout the country Young Carers are struggling with the

pressures put on them as they try to balance education, work, caring responsibilities and perhaps, if possible, leisure time. Unfortunately, young people with caring responsibilities are often hidden from public view and struggle to find the help and support they need. Could the relevant Cabinet Member, please tell us how many young people in Oldham are classed as Young Carers and what services we have in place to support them?

Councillor Moores, Cabinet Member for Children and Young People replied that there were 601 young carers receiving support from Positive Steps at the end of March 2021, but this was only the tip of the iceberg, there were many more young carers out there who were hidden from view. The Council contracted with Positive Steps to deliver a Young Carers Support Service. This provided and maintained a support service for young people with caring responsibilities who were living or educated in Oldham and to their families. They worked with schools and other support agencies to identify young people aged 8 to 18 who had caring responsibilities and assessed the needs of individuals to agree the level of support needed. They also led on delivery of targeted interventions for those young people who needed intensive care

Positive Steps attracted additional funding through Charitable Trusts and donations to support work with young people with caring responsibilities. They had recently secured a grant from Children in Need which would enable them to develop a peer support programme with some of the older young people aged 14+ and enabled them to employ a coordinator for the Service. During the pandemic, rather than furloughing staff, Positive Steps chose to provide additional support to these young people, using their own resources, as they were concerned that, with schools closed, the responsibilities and lack of respite time was increased. They also arranged for all young people active within the service to obtain an iPad so that they could continue with their schooling and use it for social contact and leisure activities.

Councillor Moores had visited Positive Steps the day before and met two young carers. He had heard how they supported members of their family and how they valued the support provided by the service.

4. Question received from Leanne Munroe

I am very concerned about a huge increase in fuel bills at the same time that the government has cut Universal Credit by £20 a week, food costs are rising and furlough has ended. What will be the impact on Oldham residents and what can the Council do to help?

Councillor Jabbar, Cabinet Member for Finance and Low Carbon

replied that the Council was keenly aware of the financial pressures being faced by many in Oldham and the highest

tax burden in peacetime falling on working people. In this regard the Council was providing support in a number of ways:



Oldham
Council

- Firstly, using Oldham's allocation the Government's Household Support Fund to support vulnerable families with children and young people with food over the October half term and again over the Christmas 2021 period and February 2022 half term holiday.
- Secondly, using funding from the Government's Holiday Food and Activities programme to provide a range of support including the provision of healthy food and enriching activities, for school-aged children who receive benefits-related free school meals.
- Thirdly, the Warm Homes team assist residents in need with emergency credit vouchers for electricity and gas and with new and replacement boilers as well as give practical advice on switching energy supplier or tariff, energy saving measures and reducing energy use around the home.
- Fourthly, the Local Welfare Provision Scheme was available to support those in crisis with essential household items including beds, bedding, white goods and furniture.

There was also the Discretionary Housing Payment scheme to assist residents where Housing Benefit or Universal Credit did not meet the full rent being charged and the Council Tax Reduction Scheme supported those on low incomes to pay their Council Tax. The Council understood the additional financial pressures on households in Oldham and was doing all it could to support them.

5. Question received from Sarah Birch

I saw a report on Northwest tonight saying Oldham has a housing crisis – can the Cabinet member for Housing explain if this is true and whether the recent news that all social homes in Oldham will be available through the Housing Options service will make any difference?

Councillor Roberts, Cabinet Member for Housing responded that Oldham Council had over 6,000 households on the housing register who all had a housing need. Oldham Council operated a Common Allocation Framework (CAF) and members of the CAF (there were had 6 registered social landlords who took part) provided all of their available to rent homes through this framework. (The remaining 5 registered providers operated a nominations agreement, letting half of their available to rent social homes to households on the Council's housing register). The Council received approximately 150 re-housing applications each week, of these approximately 80% or 120 were accepted onto the Council's rehousing register.

When the pandemic hit there was a sharp decrease in the number of social homes becoming available to rent, with approximately 5 – 10 homes becoming available each week. The number of socially rented homes becoming available to

rent was increasing, with an average for the past 4 weeks of 32 per week. This meant that the numbers on the Housing Register were still increasing by about 100 households a week.

Oldham had also seen an increase in homelessness applications from 1,286 in 19/20 to 1,367 in 20/21, which was an increase of over 6% over the past 12 months.

As a local authority, we were doing all we could to try and improve supply and access to affordable homes within the borough including the ambitious Creating a Better Place Programme. However, we needed a change in Government policy to provide Oldham with the funding to build social homes at the scale needed to meet the increasing demand, demonstrated by the number of households on the Housing Register.

6. Question received from Neil Wilby
Would Cllr Shah, on behalf of the Council, please provide Members with an update on the progress of the Oldham Strand of the Greater Manchester Mayor's Assurance Review regarding Child Sexual Exploitation? Thank you

Councillor Shah, Leader of the Council and Cabinet Member for Economic and Social Reform replied that the ongoing independent review into historic safeguarding practices was being led by the GMCA and it was the Combined Authority, and report authors Malcom Newsome and Gary Ridgeway who would determine final arrangements for its publication. She had not yet had sight of the draft report, and would not until it had been finalised, but I was assured by Andy Burnham that the report would be published by the end of the year as he indicated it would.

What she could promise was that, when it was published, we would welcome its findings, reflect on any lessons we could learn from past practice and aim to make the support we gave to victims of abuse better. At the heart of this review was reinstating trust and confidence in our safeguarding procedures, so that people felt confident reporting concerns, knowing that they would be dealt with robustly and sensitively.

As promised, as soon as we had a publication date, we would arrange a special meeting for Councillors and members of the public to ask any questions and consider the findings.

7. Question received from Dale Rees
Please can I ask what's going on with this barrier we was promised to stop fly tipping at back of St James Church in derker where its bad for fly tipping I see all other locations have been done?

Councillor Chadderton, Cabinet Member for Neighbourhoods, replied that other barriers were now in place across Oldham in some of the fly-tipping hotspots, and to very positive effect. This one required a legal process to

be undertaken, which would take between 3 to 6 months. Officers had been asked to do this as soon as possible and if, as expected, there was a positive outcome, to install the barrier as soon as they could.

8. Question received from Neil Wilby
Would Cllr Shah, on behalf of the Council, please inform Members of progress being made with regards to tackling on-line abuse in the darker corners of the internet in Oldham. The Hate Crime Awareness Week campaign, run by the Council, was well conceived and executed but is there any positive steps that can be taken by the Executive Management Team to arrest the problem? Thank you.

Councillor Shah, Leader of the Council and Cabinet Member for Economic and Social Reform responded that it was known that this had been a particular issue in Oldham over the last few years with a small minority of people spreading lies and misinformation widely online in order to incite abuse both online and in 'real-life'.

From her own experience taking steps against the abuse this incited was difficult as reporting to social media platforms often offered no response or action, even where content was clearly racist, misogynistic or part of a targeted campaign of harassment.

Where it was believed that online abuse that that had been notified was of a threatening nature or could be considered a hate crime it was always reported to Greater Manchester Police. Others subjected to such abuse were urged to also report it through the proper channels.

b Questions to Leader and Cabinet

Councillor Sykes, Leader of the Liberal Democratic Group:

Question 1 – Marking Her Majesty's Platinum Jubilee

"My first question tonight relates to the concerns the Queen's Platinum Jubilee next year.

First and foremost, I hope all Council will join me in wishing her majesty a full and speedy recovery from her recent spell of being under the weather.

Her Majesty Queen Elizabeth II will in 2022 have been our noble sovereign and Head of the Commonwealth for 70 years, and there are rightly calls from every quarter that this magnificent and unsurpassed achievement in public service be properly celebrated in every corner of our land.

In June, I wrote to Councillor Chadderton as Cabinet Member for Neighbourhoods, requesting that rose varieties named after Her Majesty the Queen and her late husband HRH Prince Phillip should be planted side-by-side in Oldham's major public parks and



gardens as a tribute to our Royal Family.

I also copied in Councillor Hulme as Council Tree Champion as I suggested that we get our borough's residents involved in a tree planting programme to mark the Platinum Jubilee, with schools and community groups planting trees in our parks and gardens.

On 2 June 2022, the actual date of the anniversary, localities in the UK and across the Commonwealth are being invited to light beacons, to arrange for town criers to make proclamations, and at the setting of the sun local pipe bands will play a unique tune specially composed for the occasion.

We shall no doubt also receive many calls from our Borough's residents for permission to hold street parties and other celebratory events.

So, can the Leader please tell me what is being done to prepare for this momentous event, and will she also consider appointing a senior member of her Administration as a Champion to co-ordinate the effort?"

Councillor Shah, Leader of the Council and Cabinet Member for Economic and Social Reform, replied that there were discussion taking places and proposals being put forward, which would be shared when they were finalised. She agreed that the Jubilee should be celebrated in the dignified way it warranted.

Question 2 – Princes Gate turns Seven

"For my second question tonight, I want to return to a subject that has now become a fixture in the annual Council calendar.

No, I am not referring to the Oldham Big Bang which explodes once more tomorrow night. Instead, it is that annual question that I as Opposition Leader ask about Prince's Gate.

For once more this month we shall arrive at yet another anniversary of the announcement by a former Council Leader, now thrice removed, of the supposed 'gamechanger' that was to be Prince's Gate. And this year this farce turns seven.

I would have brought a birthday cake with candles to share, but we have yet to even see the birth.

For Princes' Gate has had a gestation period over four times longer than an elephant. (That's 18 to 22 months by the way). On 19 November 2014, the BBC first reported Oldham Council's announcement of the 'game changer' and the promise of a 150,000 square foot retail development, with 800 homes and 700 parking spaces.

This project has seen numerous false dawns. It is now two years since the latest when in the Council's Town Centre Vision this Administration promised work 'due to start on site autumn 2019'.

The project has also been significantly scaled back. The early withdrawal of “missing retail giant” Marks and Spencer meant we now have only the promise of a 28,500 square foot retail development – one fifth the size of the original proposal – and supporting acts Lidl and Travelodge, not original headliner M+S.

So, as we rapidly approach the seventh anniversary of inactivity, please can the Leader tell me if there is any possibility - whatsoever - of shovels in the ground any time soon?”

Councillor Shah, Leader of the Council and Cabinet Member for Economic and Social Reform, replied that it was disappointing that Princes Gate had not progressed and the frustrations were shared. The detailed plans were available on the website for comment. As set out in her Annual Statement, a detailed planning application was expected for Spindles towards the end of this year, with the project commencing soon after for the wider town centre regeneration.

Councillor Sheldon, Leader of the Conservative Group:

Question 1 – Oldham Ramblers

Would the Leader join me in thanking the Oldham Ramblers for their sterling work over the past 12 months? The group did their last job for the year yesterday and will now take a break until spring. They are a voluntary group who turn out in all weathers to tidy up footpaths around our Borough. The group use their own equipment, tools and their own time to carry out this work. on occasion, they may need some financial support and we, as Councillors, can support this work through our individual budgets. I would also like to encourage residents to get out into the fresh air and discover the paths which have now been cleared. Walking is a sure way to enjoy the outdoors and is a benefit both for our mental health and social interaction. Once again, my sincere thanks to the Oldham Ramblers.

Councillor Shah, Leader of the Council and Cabinet Member for Economic and Social Reform, replied that of course she would join him in thanking them, as she would with any voluntary group that was improving the Borough. She would be happy to meet with them to discuss how the Council could work with them as part of the “Don’t Trash Oldham” campaign, as those footpaths were vital to the Borough. It would be nice of she and the Mayor could meet them jointly to acknowledge and celebrate their achievements.

Question 2 – Fireworks

Please will the Leader condemn all illegal sales of fireworks and ask members of the public to respect their neighbours, particularly those with young children, when setting off fireworks? May I also highlight the distress fireworks can cause to pets and livestock, which all suffer from loud noises. I would ask everybody to enjoy fireworks but be responsible when lighting them.

Councillor Shah, Leader of the Council and Cabinet Member for Economic and Social Reform, responded that she agreed fireworks being set off could be distressful and harmful and the Council would do what it could to promote the use of safe fireworks. She joined the condemnation of the sale of illegal fireworks, which not only caused distress but also were unacceptable in being set off at all times of the day and night. Action was needed along with a strong lobbying perspective, and she would do what she could to promote the use of safe fireworks.

The Council agreed to waive Council Procedure Rule 2.1.3 (h) to allow Councillor Hindle to ask a question.

Councillor Hindle asked the following question:

In light of the news that the Council could find no development partner for the Spindles site and is planning to self-deliver, would a more sensible option be to cut the losses and sell the site on? With the Council's track record on projects, Princes Gate, the flagship Queen Elizabeth hall conference centre, and the massive overspend on the cinema, to name a few, this has the makings of becoming another money pit. The previous Leader assured us that it was a bargain purchase, surely then someone will take this bargain off our hands. Our residents deserve better than having to pay for any more vanity projects.

Councillor Shah, Leader of the Council and Cabinet Member for Economic and Social Reform, replied that it would absolutely not be sold. It was in the middle of the town centre and the Council could not afford for it to be owned by people who did not care about it. We had been there before and it had grim consequences. There were plans that would be live next year and it was the Council's job to support the town centre and build its future. She was not going to apologise for being ambitious for the people of the town or the town centre.

1. Councillor McLaren asked the following question:
With a number of new residential developments now underway in Chadderton Central Ward and also the fact that we have 2 high schools all situated on the west side of Broadway, could the Cabinet Member responsible for transport please explain what is being put in place to encourage people living, working and studying in this area to walk, cycle or use public transport?

Councillor Shah, Leader of the Council and Cabinet Member for Economic and Social Reform, replied that there was a lot going on to make it easier for people to get around on foot, by bike or to use the bus.

The Mayor's Bee Network cycling and walking plan included two schemes in the Chadderton area – one linking Broadway to the Metrolink stop at Freehold, and one linking Broadway to the Rochdale Canal. We were also working with local residents in Chadderton North and Westwood to

design Oldham's first Active Neighbourhood scheme to make it easier for them to get around on foot and by bike. We were working with Transport for Greater Manchester to improve public transport, with the number of parking spaces at Mills Hill Rail Station set to double as part of a scheme to improve the Park and Ride there, and plans being developed to improve the main bus route between Oldham, Rochdale and Ashton. Greater Manchester was also changing the way buses were run, bringing them under local control, which would mean better services for all areas, including Chadderton Central.

We were asking TfGM to look at whether Metrolink could be extended from Oldham to Middleton as part of their long term plan.

This was all part of a much bigger plan for Greater Manchester to have a London-style active travel and public transport network that would make it easier for everyone to get around.

2. Councillor Goodwin asked the following question:
Could the Cabinet member for Finance please explain to the council and to Oldham's residents and businesses the impact of the Chancellor's budget and spending review? What will be the impact over the next few years on personal budgets and on the council's capacity to deliver quality services?

Councillor Jabbar, Cabinet Member for Finance and Low Carbon replied that the Chancellor had placed the highest tax burden on the people in peacetime.

There were a range of issues that impacted on personal finances including changes to universal credit, but the overall impact on individuals would be linked to personal circumstances. However, the previously announced increase in National Insurance Contributions to support health and social care spending would have a detrimental impact on household incomes.

The fundamental review of Business Rates had been deferred which would not only impact on businesses but also the financing of the Council. However, business rates reliefs were extended for retail, leisure and hospitality businesses into 2022/23.

There was clearly additional funding for Local Government - £4.8bn of new grant funding over the next 3 financial years, but the additional resources announced were at such a high level it was not possible to determine the actual benefit to the Council until the detail was provided in the Provisional Local Government Finance Settlement, which was expected in December. The receipt of additional funding would support the Council in its budget setting and would support the financial sustainability of the Council for 20-22/23 and future years. Once the detail was known, the financial forecasts of the Council would be finalised.

3. Councillor Garry asked the following question:

I was shocked and saddened to hear of the death of Sir David Amess MP at his surgery – taking part in a fundamental building block of our democracy: the ability of our constituents to meet their representatives face to face, alone.

I watched the tributes – from all sides of the House – and was moved by the responses. A cursory appraisal of what was written in most of the daily newspapers was also positive, calling for more respect of opposing views etc. I was therefore, understandably surprised to read of the vile abuse and death threat that an Oldham MP has received from a troll on facebook, but pleased that the disgraceful troll has now received a suspended prison sentence and a fine for his actions.

However. I was outraged when a resident called ‘John’ wrote the following on the Oldham Times facebook page as a result of a report on Jim’s “Justice has left Town” article, and I will read the comment to you.

“This quote said by Cher’s character to Daryl Van Horne in “The Witches of Eastwick” perfectly sums up JM and his phoney cronies at OMBC.

You are physically repulsive, intellectually retarded, you’re morally reprehensible, vulgar, insensitive, selfish, stupid, you have no taste, a lousy sense of humour and you smell. You’re not even interesting enough to make me sick.”

Obviously, I reported this to facebook and was told that it doesn’t go against any of our Community Standards. For this reason, we didn’t take the comment down.

I find John’s disgraceful comments sickening and wonder, will we never rise up above the pits that political discourse seems to have descended to as long as such disgraceful comments (against whichever Political Party) are allowed?

Councillor Shah, Leader of the Council and Cabinet Member for Economic and Social Reform, responded that she agreed on this issue and more should be done to regulate online hate and abuse. Unfortunately the Community Standards that social media platforms claimed to uphold were, quite simply, a joke. She had reported several posts that were racist and abusive in nature, only to be told that they did not breach the standards. Facebook and other social media platforms were, at their heart, advertising platforms and should be held to similar standards as other advertising, as on television and in print. Those who ran such groups should moderate the content. On the Council’s social media channels, there was a zero-tolerance approach and posts were removed as soon as the Council became aware of them and it was hoped other local organisations would follow suit.

4. Councillor Byrne asked the following question:
There are Definitive Footpaths in most wards which have not been given attention during the past 18 months.
Many have been deliberately blocked, signs turned in opposite directions and many just fallen into disrepair.



Oldham
Council

Enforcements on actions to rectify these have been almost non-existent by the Council for a number of reasons throughout this Pandemic.

I know of a number of Footpath issues that have been raised in the Saddleworth Wards.

These are the 'Rural' Wards where these paths are now in greater use by residents not only from these wards but from the wider Oldham area.

Open air recreation has become very important to so many people and as a Council we have encouraged this.

We are now to have a new Footpaths Officer and can I ask that he has a suitable budget and time to recommence and enforce rules and Laws that have been suspended during the Time of COVID so that it does not just fall to willing volunteers and Councillors Allowances to put right.

Councillor Chadderton, Cabinet Member for Neighbourhoods, replied that a new permanent full time Public Rights of Way (PROW) officer was appointed this summer 2021 and had been working to re-establish communications and relationships with many local walking groups and associations over the last few months. He had been already focussing on dealing with numerous unofficial "blockages" on the PROW network that were not dealt with during the early Covid lockdown period. This backlog of very specific issues was being prioritised by the PROW officer.

In addition to the full time permanent post, there was overall funding of £35 000 per year for PROW small schemes / maintenance works – this comprised both revenue and capital monies. In order to fund larger capital scheme improvements, where possible funds were approved within the overall Highways Capital programme for individual schemes such as the very recent replacement of the large bridleway bridge across Church Road in Uppermill carrying the Pennine Bridleway. There were further funds approved within this programme for two more replacement footbridges totalling £165 000.

Where possible external grant funding was also applied for and, if necessary, the Council did match-fund.

5. Councillor C Gloster asked the following question:

Any anticipated action on tackling HMO's?

In the Oldham Liberal Democrats' written submission to the Local Plan, the group called for tighter controls on premises being converted to Houses of Multiple Occupation, or HMO's. This was picked up by the Oldham Times who asked the Cabinet Member for Housing for her comments where she accused the Liberal Democrats of 'playing to the gallery'.

It is notable that Jim McMahon MP, who is the MP representing constituents in Cllr Robert's Ward, has recently called for the very same thing stating that Oldham Council needs to act now to stop the constant stream of HMO applications, adding: 'I would press for action to be

prioritised to address this head on' (Oldham Times 1/10/21). Can the Cabinet Member for Housing tell us if we can now envisage action to be prioritised or is Jim McMahon MP simply playing to the gallery as well?



Councillor Roberts, Cabinet Member for Housing replied that the Council was already considering what measures are available enable stronger management of the conversion of properties to HMO's. Any changes to Council planning policy on the conversion of properties to HMO's would need to be made through the Local Plan review, as new planning policies could not be introduced without the due process of a Local Plan examination and the adoption of those new policies within a new Local Plan. Once adopted, those policies could then be material considerations in the planning application process.

Alongside this, the Council was exploring introducing Article 4 Directions and specifically included this issue in the issues and options consultation on the Local Plan, where there was evidence that would justify the removal of permitted development rights for the conversion of homes to HMO's housing fewer than seven unrelated individuals. Currently, permitted development rights meant that no planning permission was needed for such a conversion. For all conversions of non-residential properties to HMO's, and for conversion of residential properties to HMO's of seven or more people, planning permission was already required.

6. Councillor Shuttleworth asked the following question:
The land at the former failed Collective Spirit Free School site within Chadderton South Ward was returned to Council control some years ago now and one individual, from outside Chadderton South, continues to question the future use of the site. Part of the site has already been returned to Whitegate End Primary School to benefit the children who have missed out on the use of the playing field in recent years.

While this site appears on the Strategic Housing Land Availability schedule, may I ask the appropriate Cabinet member to confirm:

- if this land would only be suitable for housing?
- has there been any interest in the purchase of the land from any developer?
- is there, or has there been, any application under consideration for housing development or any other development?

Councillor Roberts, Cabinet Member for Housing, responded that a site of this site and nature could have a number of potential uses, however given the well-publicised shortage of quality new homes (and in particular of affordable homes) within the borough, and the need to meet the Government's Housing targets while minimising the impact on the greenbelt, housing was considered to represent the most

appropriate use of the land in these circumstances.
There had been no recent direct enquiries from developers for this specific site.
The Council had not taken forward any planning applications in relation to the site to date.



7. Councillor Mushtaq asked the following question:
Following the highly successful clean-up campaign in Alexandra Ward this September the ward councillors have received numerous comments expressing gratitude and praising the staff for their great work. They have also asked that this great work be complemented by stronger enforcement and prosecutions to help reduce the number of people fly-tipping can the relevant cabinet member please update us on these issues.

Councillor Chadderton, Cabinet Member for Neighbourhoods, thanked him for the question and the appreciation of the team involved in the 'Don't Trash Oldham' work that happened in Alexandra ward in September. It was good to hear such positive comments from residents and businesses in this and other wards. She would like to reassure the Councillor that the Council's Environmental Enforcement team were constantly responding to new reports of flytipping and where evidence was found will progress the case and either serve a fixed penalty notice or look to instigate legal proceedings against the offenders. As a comparator, across Greater Manchester, Oldham Council has a good reputation for flytipping enforcement actions with the latest benchmarking statistics showing that we are 3rd out of the 10 local authorities in Gm.

This enforcement work is regularly reported on a ward by ward basis and would shortly be complimented by five new Environment Marshals. Each cluster would have one Environment Marshal and their role would be to patrol the areas in that cluster and report any issues needing enforcement action.

8. Councillor Taylor asked the following question:
Could the Leader of the Council update us on the roll out of the Big Conversation and the response so far both in talking to residents about the Town centre proposals and the neighbourhood meetings in Hollinwood and Saddleworth West and Lees.

Councillor Shah, Leader of the Council and Cabinet Member for Economic and Social Reform, responded that the Big Oldham Conversation was our new approach to engagement with people throughout Oldham, and she was pleased to say that it had been very successful so far. We were talking to residents and businesses across the borough to find out what they thought about subjects such as littering, public transport, anti-social behaviour and our plans for the new-look town centre – no topic of

conversation was out of bounds.

The first Meet the Leader session took place in October in Hollinwood, where residents asked about issues including fly-tipping, street cleaning and potholes, as well as talking about other issues important to their communities.

The following day she would be in Saddleworth West and Leeds for the second Meet the Leader event; on Saturday, in Spindles talking to people about the town centre regeneration plans, and the following Tuesday the third Meet the Leader event was being held at Oldham Library, for people living and working in Coldhurst and St Mary's.

Sessions would be hosted in wards across the borough, with every ward being included before the end of March 2022, and she was really keen that as many residents, businesses and members as possible attended, to ensure everyone has their say.

9. Councillor Arnott asked the following question:
2021 marks the centenary anniversary of the Royal British Legion, the foremost and most recognisable of any of the many charities that support our service men and women and very importantly our veterans. The work of the legion over its 100 years has benefited literally hundreds of thousands of men, women and children, and the organisation is rightly held in the highest esteem and regarded as part of the very fabric of our proud nation.

As we approach the 11 November, and the annual Remembrance Day commemorations, services and parades, could I, as a veteran myself, ask the Council Leader to provide an update on how the Council has engaged with, recognised and supported the Royal British Legion and the outstanding work that it does, in this, its 100th year.

Councillor Shah, Leader of the Council and Cabinet Member for Economic and Social Reform, replied that Oldham Council have graciously agreed for the Greater Manchester County Conference to be held in the Council Chamber on 22 January 2022. This would have taken place in 2021, however Covid had stopped this. This will mean that all branches will be invited to attend.

An Officer of the Council, who is the Chadderton Branch Secretary, RBL Branch Community Support Officer and a Member of the Greater Manchester County Committee approached the RBL to hold the meeting in Oldham and this was voted on and agreed, and we are looking forward to hosting this meeting in the North of Manchester for the first time in a lot of years.

We have several branches across Oldham, in Chadderton, Lees, Oldham, Royton, Saddleworth and Shaw and Crompton, which Madam Mayor will formally reopen on 11.11.2021 at the Central Hall in Newtown Street, Shaw.

At this point in the meeting, the Mayor advised that the time limit for this item had expired.



RESOLVED that the questions and responses provided be noted.

Oldham
Council

c Questions on Cabinet Minutes

The Council was requested to note the minutes of the Cabinet meetings held on the undermentioned dates and to receive any questions on any items within the minutes from members of the Council who were not members of the Cabinet, and receive responses from Cabinet members. The minutes of the Cabinet meetings held on 23rd August 2021 and 13th September 2021 were submitted.

Members raised the following questions:-

Councillor C Gloster asked the following question in relation to Cabinet 23rd August 2021 – Item 8 – Towns Fund Grant Acceptance

The £24 million is to be split between four big capital projects. Projects of this size either fail to materialise, complete in a different form to that envisaged or goes grossly over budget. Does the relevant Cabinet Member believe that we will be able to deliver these projects without any of the deficiencies outlined, bearing in mind the advice from the Peer Review Group not to be over-ambitious in the area of capital projects?

Councillor Shah, Leader of the Council and Cabinet Member for Economic and Social Reform responded that the projects are all costed in the Capital Programme. If there was not confidence, the plans would not have been put forward. Concerns were understandable, which was why conversations were being had to consult and make sure everyone was on board. It would be valuable if all Members could join in instilling confidence in the residents and helping them to understand the projects were for them, about them and guided by them.

Councillor C Gloster asked a supplementary question as to the concerns raised by the Peer Review Group.

Councillor Shah replied that she had responded to this.

RESOLVED that:

1. The minutes of the Cabinet meetings held on 23rd August 2021 and 13th September be noted.
2. The questions and responses provided be noted.

d Questions on Joint Arrangements

Council was asked to note the minutes of the following Joint Authority and Partnership meetings and the relevant spokespersons to respond to questions from Members.

The minutes of the Joint Authorities and Partnerships were

submitted as follows:



GM Waste and Recycling Committee	13th July 2021
GM Health and Social Care Partnership	30th July 2021
Health and Wellbeing Board	22nd June 2021
GM Transport Committee	20th August 2021
GMCA	25th June 2021 10th September 2021
Miocare	14th July 2021
National Peak Park Authority	2nd July 2021

Members raised the following questions:

1. Councillor Toor asked in relation to page 91 GMCA 114/ 21 Clean Air Plan Update
Can the Leader please clarify and explain the reasons for Oldham participating in the Greater Manchester Clean Air Plan?

Councillor Shah, Leader of the Council and Cabinet Member for Economic and Social Reform responded that working together through the GM Combined Authority, local councils, including Oldham were under direction from the Government to introduce the Clean Air Plan and subsequent Clean Air Zone in the shortest possible time. This was to comply with legal Nitrogen Dioxide limits on local roads. All GM Authorities (the nine Labour councils and the Conservative Council in Bolton) had approved the GM Clean Air Plan and category 'C' Clean Air Zone because they had no choice but to act, not only because they had been told to do so, but also because many people in the city region were suffering ill health and even early death due to dirty air. However, the funding package provided by the Government was significantly less than required to install the infrastructure needed, support local businesses affected and to pay for the running of the scheme by the Government, meaning that, once again, the cost was left to be picked up by those who lived and worked in Greater Manchester. Alongside other GM Leaders, she was continuing to lobby Government for fair funding for the running of this scheme.

2. Councillor Hamblett asked in relation to Health and Wellbeing Board 22/6/21 Item 8, pages 2-3 – Healthwatch Oldham Report – COVID-19: Your Health and Care Experiences Report
With reference to the Healthwatch report two issues that are repeatedly raised by constituents with elected members are
1. The difficulty in actually getting through to medical centre reception staff by telephone, with long wait times, calls frequently being cut off and calls not being returned,
2. The inability of patients to actually access in person appointments with GPs.

What is the Health and Wellbeing Board doing to address these issues of real public concern with medical professionals and surgery staff, and when can our constituents expect to see real improvements in the service?



Councillor Chauhan, Cabinet Member for Health and Social Care responded that the issue was under remit of NHS Oldham and a detailed response had been requested which would be provided to the Councillor. This was a national issue which had multiple causes including funding. An article had recently been published where the Health Secretary had acknowledged he could not fulfil the manifesto pledge to provide 6000 GP's and there had been cuts to training for nurses.

3. Councillor Al-Hamdani asked in relation to GMTC 42/21, page 8-9 – Electric Vehicle Charging Network
With plans for a new clean air zone to launch in May 2022 for Manchester, it is critical to ensure we have enough electric vehicle charging points in place to support existing and new electric vehicle owners. It is estimated that we will need 3,000 public chargers by 2025, but we only have 323 in place at present and there are only plans to add 54 next year.

At this rate we won't have a public charging network in place in 50 year's time, yet alone in less than five. With the lack of action, drivers will have no means to move to sustainable transport and the clean air zone will be all stick and no carrot.

Can the Cabinet Member tell me what is being done to install more EV charging points more quickly in this borough and to put more pressure on the Greater Manchester Mayor and Greater Manchester Combined Authority to speed up installations across the city region?

Councillor Shah, Leader of the Council and Cabinet Member for Economic and Social Reform responded that Electric vehicle charging points in Greater Manchester were provided by many different operators. Be.EV was Greater Manchester's publicly-owned network and was owned and co-ordinated by Transport for Greater Manchester (TfGM) on behalf of all 10 GM local authorities, including Oldham. 130 of the 360 public charging points already available in GM were Be.EV charging points.

To help deliver the 3000 charging points GM needs by 2025, TfGM had ambitious plans to invest in the Be.EV network in the short term while we were waiting for commercial operators step up their networks. GMCA had recently published a GM Electric Vehicle Charging Infrastructure Strategy which would guide this investment. Funding had already been secured for some additional chargers through the Clean Air Plan, with more rapid chargers and dedicated taxi chargers on their way, and TfGM was asking for more government funding to deliver more points - we were, for example, awaiting the outcome of a bid to the Government's

On-Street Residential Charge Point Scheme for a number of community charger hubs.

We were working closely with TfGM to expand the Be.EV network in Oldham.



4. Councillor Sykes asked in relation to GMTC 43/21, page 9 – Network Performance Report

This minute refers to the increasing instances of crime and violence on the network, and regrettably many of these instances occur on the Rochdale – Oldham – Manchester Metrolink line.

There are also more reports of children and young people taking their lives in their hands by ‘surfing’ the tram through riding on the couplings between carriages

It is conceded that there is a minimal police presence on the network, so surely with passengers facing an increasing risk of attack, harassment, or theft and with the increasing risk of a child or young person dying through an act of juvenile foolhardiness, isn't this the time to look again at improving public safety on our trams by introducing conductors as the Liberal Democrats first suggested three years ago in November 2018?

Councillor Briggs responded he had echoed these concerns at the last GMTC meeting when he concurred with the fact that a presence on the trams was needed. There been violence from the Manchester boundary as far as Rochdale. The Rochdale Councillor had agreed with Councillor Briggs at that meeting and they were waiting for a response as to what TfGM were going to do.

5. Councillor H Gloster asked in relation to GMCA 119/21, page 20-21 - Brownfield Housing Land –

The Chancellor Rishi Sunak announced the most welcome, and much needed, establishment of a £1.8bn fund to build around 160,000 homes on brownfield sites as part of the funding settlement for the Department for Levelling Up, Housing and Communities in last Wednesday's Budget. Obviously more money for brownfield means less pressure on our irreplaceable green belt so my hope is that some of this money will come Oldham's way. Prior to the Budget, the Greater Manchester Mayor revealed how much extra Greater Manchester was going to receive for public transport, so has he revealed how much of this Brownfield Housing Land fund will be coming to our city region as well?

Councillor Roberts, Cabinet Member for Housing responded that it was correct that there was a headline announcement in the recent budget of £1.8bn to support housing supply. This included £300m locally led grant funding that would be distributed to Mayoral Combined Authorities and LAs to unlock smaller brownfield sites. We had not received further information from the Department as to how much GM would receive.

There was also information about £1.5bn fund to regenerate



Oldham
Council

underused land and deliver transport links and community facilities – again with further information to follow regarding allocation/bidding.

As you would expect, both GMCA would be doing everything they could to secure as much of this grant funding as possible for the region, and the Council would seek to secure funding to help support delivery of the much needed local housing supply, in line with a brownfield first approach.

11

NOTICE OF ADMINISTRATION BUSINESS

Motion 1

Councillor Shah MOVED and Councillor Chadderton
SECONDED the following MOTION:

Motion 1 - Violence Against Women and Girls

This Council notes the shocking prevalence of violence against women and girls, most recently made visible by the appalling murders of Sarah Everard and Sabina Nessa. This is fuelled by a toxic culture of misogyny, with a recent report from the APPG for UN Women finding that 71% of women of all ages in the UK have experienced some form of sexual harassment in a public space.

Tackling the violence and misogyny in society is a long-term challenge that requires a collective response, from the online companies that enable the sharing of harmful and abusive content to employers not doing enough to address inequality in the workplace.

This Council welcomes the recent publication of Greater Manchester's Gender-Based Violence Strategy, which sets out a ten-year plan that includes every part of our society. In Oldham we also take a partnership approach to addressing gender-based violence, aiming to prevent future abuse (including by educating young people about healthy relationships), addressing the behaviour of those who have perpetrated abuse and providing support to survivors. The Council is looking to strengthen this approach further, with a new Domestic Abuse Strategy following work with the charity SafeLives to review Oldham's current activity.

Where violence is committed against women and girls, it is important we have a robust response from our police to deliver justice. This Council notes the appalling statistic revealed by the Government's End-to-End Rape Review that only 1.6% of rape cases brought to the police result in a charge.

The fresh approach brought by the new Chief Constable of Greater Manchester Police since his appointment is important if we are to rebuild faith that justice will be served. The disbanding of GMP's Serious Sexual Offences Unit in 2017 as part of a transformation in favour of omni-competence raised questions about the priorities of the force at the time.

This Council resolves to ask the Chief Executive to write to Chief Constable Stephen Watson:

- Welcoming the improvement plan he has produced for Greater Manchester Police, including a recognition of the

importance of Think Victim training, and acknowledgement that there has been a lack of focus on support for those most vulnerable.

- Welcoming the move away from the notion of omni-competence, and requesting information about what this will mean for specialist support for the victims of sexual violence
- Requesting information about what training officers generally are given to support the victims of sexual violence given the reports of women being treated poorly by non-specialist officers of GMP in the past

This Council also resolves to work cross-party to promote the consultation on Oldham's Domestic Abuse Strategy, which is published this week.

Councillor Toor spoke in favour of the motion.

Councillor Mushtaq spoke in favour of the motion.

Councillor Roberts spoke in favour of the motion.

Councillor Al-Hamdani spoke in favour of the motion.

Councillor Goodwin spoke in favour of the motion.

Councillor Williamson spoke in favour of the motion.

Councillor Shah exercised her right of reply.

On being put to the vote, the MOTION was unanimously CARRIED.

Councillor Ahmad MOVED and Councillor Shah SECONDED that the time allowed for this Item be extended by 15 minutes.

On being put to the vote, the MOTION was CARRIED.

RESOLVED that:

1. The Chief Executive be asked to write to Chief Constable Stephen Watson:
 - Welcoming the improvement plan he has produced for Greater Manchester Police, including a recognition of the importance of Think Victim training, and acknowledgement that there has been a lack of focus on support for those most vulnerable.
 - Welcoming the move away from the notion of omni-competence, and requesting information about what this will mean for specialist support for the victims of sexual violence
 - Requesting information about what training officers generally are given to support the victims of sexual violence given the reports of women being treated poorly by non-specialist officers of GMP in the past
2. The Council would work cross-party to promote the consultation on Oldham's Domestic Abuse Strategy, which was published this week.

Motion 2

Councillor Jabbar MOVED and Councillor Ahmad SECONDED the following MOTION:

Motion 2 - COP26



This Council notes the 26th UN Climate Change Conference (COP26), taking place in Glasgow, which aims to:

- Secure global net zero emissions by the middle of the century, thereby sustaining the possibility of keeping global temperature rises within the 1.5 degrees target that will avoid climate catastrophe
- Support countries to protect communities and natural habitats affected by climate change
- Mobilise at least \$100bn in climate finance per year
- Finalise rules for countries, businesses and civil to collaborate based on the Paris agreement

This Council welcomes the Government's decision to finally publish its long awaited net zero strategy. We note with concern however that much of the strategy relies on negative emissions technology that doesn't currently exist or is largely untested. Dr Gavin Killip from the University of Oxford has called the strategy "a big disappointment", noting that on home heating and efficiency "the level of financial support is too small, and too many important elements have been ignored." Dr Meysam Qadrdan from Cardiff University has also stated that "the proposed funding fall short", and Prof Kevin Anderson from the University of Manchester said "the UK's Net Zero strategy falls far short of both its Paris and G7 temperature and equality commitments. ... The numbers reveal a story of subterfuge, delusion, offsetting and piecemeal policies." The Wildlife Trusts state that the strategy "falls short of tackling both the nature and climate emergencies. ... It lacks the policies and investment needed to repair our broken natural world both on land and at sea, at the pace and scale required."

While the publication of a strategy, however inadequate, is welcome, this Council notes the recent failures of the Government when it comes to implementation. The National Audit Office described the Government's Green Homes Grants programme as "botched", and noted that "as a result, its benefits for carbon reduction were significantly reduced". The Federation of Master Builders described the Government's interventions as "flash in the pan policies". The New Economics Foundation have estimated that 19 million cold homes could be retrofitted for £11.7bn, a fraction of the money spent on the failed test and trace system. They have stated that "the scale of finance committed by the government in decarbonising our leaky housing stock is less than a quarter of what is actually needed by 2025."

This Council resolves to ask the Chief Executive to write to the Secretary of State for Business, Energy and Industrial Strategy, and the Secretary of State for Levelling Up, Housing and Communities to request that they:

- Enable local authorities to take the lead on developing the projects that will get us to net zero. Local authorities know their areas better than anyone, and with sufficient long-term resource can develop solutions that work for their community, addressing the climate emergency and driving sustainable economic growth and green jobs

- Put the climate emergency and green jobs at the heart of the “levelling up” agenda
- Demonstrate their commitment to Oldham, levelling up and the climate emergency by providing funding for our innovative town centre heat network proposals as originally included in our Towns Fund bid

AMENDMENT

Councillor C. Gloster MOVED and Councillor Hamblett
SECONDED the following AMENDMENT:

Insert a new paragraph after the third paragraph ending ‘by 2025’. The new paragraph to read:

‘However, Council also recognises that, as a local authority ambitious to become a carbon neutral council by 2025 and a carbon neutral borough by 2030, we must lead the local drive towards Net Zero by making practical and time-bound commitments.’

After the conclusion of the original motion which ends ‘Towns Fund bid’ insert the following new wording:

‘In addition, Council also resolves to:

- Deliver the town centre heat network proposals once the money is found.
- Support the development of other renewable energy and battery storage projects, either alone or with private or public sector partners and communities, within the borough.
- Reduce the carbon footprint of its estate and vehicle fleet by divesting itself of surplus or energy-inefficient properties, retrofitting existing buildings, investing in solar and other renewable technology to light and heat its estate, and replacing diesel-petrol powered vehicles with electric, hydrogen or hybrid models wherever possible.
- Retrofit all streetlamps over time with more efficient and less costly LED lights.
- Work with public and private sector partners to accelerate the provision of electric vehicle charging points across the borough.
- Deliver 20mph zones to reduce vehicle speed, increase public safety and improve air quality.
- Increase tree coverage in the borough by retaining existing trees and engaging in the extensive planting of new woodland, particularly of native variants.
- Work to make this authority single plastic-use free.
- Work with supermarket retailers to establish reverse vending machine sites in the borough.
- Establish new planning guidance under the Local Plan requiring developers to achieve higher standards of insulation, take account of the impact of heatwaves and flooding, provide for greater in-situ self-generation of power and heat (through renewable technologies), and make provision for on-site electric vehicle charging points.

The amended motion to read:

This Council notes the 26th UN Climate Change Conference (COP26), taking place in Glasgow, which aims to:

- Secure global net zero emissions by the middle of the century, thereby sustaining the possibility of keeping global temperature rises within the 1.5 degrees target that will avoid climate catastrophe
- Support countries to protect communities and natural habitats affected by climate change
- Mobilise at least \$100bn in climate finance per year
- Finalise rules for countries, businesses and civil to collaborate based on the Paris agreement

This Council welcomes the Government's decision to finally publish its long awaited net zero strategy. We note with concern however that much of the strategy relies on negative emissions technology that doesn't currently exist or is largely untested. Dr Gavin Killip from the University of Oxford has called the strategy "a big disappointment", noting that on home heating and efficiency "the level of financial support is too small, and too many important elements have been ignored." Dr Meysam Qadrdan from Cardiff University has also stated that "the proposed funding fall short", and Prof Kevin Anderson from the University of Manchester said "the UK's Net Zero strategy falls far short of both its Paris and G7 temperature and equality commitments. ... The numbers reveal a story of subterfuge, delusion, offsetting and piecemeal policies." The Wildlife Trusts state that the strategy "falls short of tackling both the nature and climate emergencies. ... It lacks the policies and investment needed to repair our broken natural world both on land and at sea, at the pace and scale required."

While the publication of a strategy, however inadequate, is welcome, this Council notes the recent failures of the Government when it comes to implementation. The National Audit Office described the Government's Green Homes Grants programme as "botched", and noted that "as a result, its benefits for carbon reduction were significantly reduced". The Federation of Master Builders described the Government's interventions as "flash in the pan policies". The New Economics Foundation have estimated that 19 million cold homes could be retrofitted for £11.7bn, a fraction of the money spent on the failed test and trace system. They have stated that "the scale of finance committed by the government in decarbonising our leaky housing stock is less than a quarter of what is actually needed by 2025."

However, Council also recognises that, as a local authority ambitious to become a carbon neutral council by 2025 and a carbon neutral borough by 2030, we must lead the local drive towards Net Zero by making practical and time-bound commitments.

This Council resolves to ask the Chief Executive to write to the Secretary of State for Business, Energy and Industrial Strategy, and the Secretary of State for Levelling Up, Housing and Communities to request that they:

- Enable local authorities to take the lead on developing the projects that will get us to net zero. Local authorities know their areas better than anyone, and with sufficient long-term resource can develop solutions that work for their community, addressing the climate emergency and driving sustainable economic growth and green jobs
- Put the climate emergency and green jobs at the heart of the “levelling up” agenda
- Demonstrate their commitment to Oldham, levelling up and the climate emergency by providing funding for our innovative town centre heat network proposals as originally included in our Towns Fund bid

In addition, Council also resolves to:

- Deliver the town centre heat network proposals once the money is found.
- Support the development of other renewable energy and battery storage projects, either alone or with private or public sector partners and communities, within the borough.
- Reduce the carbon footprint of its estate and vehicle fleet by divesting itself of surplus or energy-inefficient properties, retrofitting existing buildings, investing in solar and other renewable technology to light and heat its estate, and replacing diesel-petrol powered vehicles with electric, hydrogen or hybrid models wherever possible.
- Retrofit all streetlamps over time with more efficient and less costly LED lights.
- Work with public and private sector partners to accelerate the provision of electric vehicle charging points across the borough.
- Deliver 20mph zones to reduce vehicle speed, increase public safety and improve air quality.
- Increase tree coverage in the borough by retaining existing trees and engaging in the extensive planting of new woodland, particularly of native variants.
- Work to make this authority single plastic-use free.
- Work with supermarket retailers to establish reverse vending machine sites in the borough.
- Establish new planning guidance under the Local Plan requiring developers to achieve higher standards of insulation, take account of the impact of heatwaves and flooding, provide for greater in-situ self-generation of power and heat (through renewable technologies), and make provision for on-site electric vehicle charging points.

A vote was then taken on the AMENDMENT, which was LOST.

Councillor Jabbar exercised his right of reply.

On being put to the vote, the MOTION was CARRIED.

RESOLVED that:

The Chief Executive be asked to write to the Secretary of State for Business, Energy and Industrial Strategy, and the Secretary

of State for Levelling Up, Housing and Communities to request that they:

- Enable local authorities to take the lead on developing the projects that will get us to net zero. Local authorities know their areas better than anyone, and with sufficient long-term resource can develop solutions that work for their community, addressing the climate emergency and driving sustainable economic growth and green jobs
- Put the climate emergency and green jobs at the heart of the “levelling up” agenda
- Demonstrate their commitment to Oldham, levelling up and the climate emergency by providing funding for our innovative town centre heat network proposals as originally included in our Towns Fund bid

12

NOTICE OF OPPOSITION BUSINESS

Motion 1

Councillor Murphy MOVED and Councillor H Gloster
SECONDED the
following MOTION:

Motion 1 - Save Our Rivers

This Council notes that:

- Every river in England is now polluted beyond legal limits; with the Environment Agency rating only 14% as Good in 2019.
- Our local rivers, the Beal, Irk, Medlock, and Tame all failed the most recent test for chemical pollution carried out by the agency.
- This chemical pollution is mostly caused by sewage discharges from water companies and the run-offs of nutrients from farms.
- The Rivers Irk and Tame are particularly threatened by further sewage-water discharges.
- Government funding to the Environment Agency to monitor river quality and regulate farms and water companies has dropped 75% since 2010/11.
- Farms are now almost never inspected, water quality is rarely tested, and water companies can pump raw sewage into rivers with virtual impunity.
- In addition, tyre rubber particles, metals from brake pads, and hydrocarbons from vehicle emissions, wash off road surfaces and into rivers, endangering wildlife and potentially introducing carcinogenic material into the water supply.

Council believes that, as host nation of COP-26 (the 26th UN Climate Change Conference of the Parties) in Glasgow on 31 October – 12 November 2021, the UK Government should commit to:

- Restoring Environment Agency budgets

- Increasing inspections of water companies and farms, and rigorously prosecuting offenders.
- Funding local and highways authorities to introduce treatment systems to prevent road pollutants from entering our water courses.

Council resolves to request the Chief Executive write to:

- The Environment Minister calling for the Government to make these commitments as host nation of COP-26.
- The Chief Executive of United Utilities calling for further urgent action to address the impact of waste-water discharges on our local rivers, particularly the Irk and Tame.
- The Regional Director of the National Farmers' Union requesting clarification on the action being taken locally by farmers to prevent the run-off of nutrients into our rivers.
- The charity River Action expressing this Council's support for their campaign to restore the health of Britain's rivers.

With our three MPs to be copied into this correspondence and asked for their support.

Councillor Jabbar spoke in favour of the motion.

Councillor Murphy exercised his right of reply.

On being put to the vote, the MOTION was CARRIED.

RESOLVED that:

The Chief Executive be requested to write to:

- The Environment Minister calling for the Government to make these commitments as host nation of COP-26.
- The Chief Executive of United Utilities calling for further urgent action to address the impact of waste-water discharges on our local rivers, particularly the Irk and Tame.
- The Regional Director of the National Farmers' Union requesting clarification on the action being taken locally by farmers to prevent the run-off of nutrients into our rivers.
- The charity River Action expressing this Council's support for their campaign to restore the health of Britain's rivers.

With the three MPs to be copied into this correspondence and asked for their support.

Motion 2

Councillor Lancaster to MOVED and Councillor Woodvine to SECONDED the following MOTION:

Motion 2 - South Pennines National Park

This Council notes that:

- the UK Government's commitment to protect 30% of our land by 2030, an ambition now shared by all G7 Members following the recent Summit in Cornwall, is very welcome
- the South Pennines, covering much of Saddleworth, Crompton Moor and Moorside in our Borough, ought to be included in any additional protected land allocation and can significantly contribute to meeting this national 30% target
- South Pennines Park (formerly 'Pennine Prospects') and other groups campaigning for a Regional Park for the South Pennines have undertaken significant and applaudable work, but this proposal would not provide equal status and support as is enjoyed by the other ten existing National Parks in England
- the South Pennines was first considered for National Park designation in the original Hobhouse Committee of seventy years ago, and its suitability for such designation remains strong today

This Council resolves to:

- work with the Local Authorities, any other key stakeholders and those with relevant expertise within the South Pennines geographic remit to build a case for and promote the South Pennines National Park concept
- proactively engage with, and present a case for National Park designation to, the upcoming Natural England assessment into England's landscapes in the 21st Century, and progress any further opportunities which may arise to advance this designation

AMENDMENT

Councillor McLaren MOVED and Councillor Roberts SECONDED the following AMENDMENT:

To add bullet point 6 under 'This Council notes'

- Engage with the Peak District National Park Authority and National Parks England to seek further advice and information as to the best possible means of protecting the South Pennines landscape in the light of the Glover Report and in the present financial climate.

The amended motion to read:

This Council notes that:

- the UK Government's commitment to protect 30% of our land by 2030, an ambition now shared by all G7 Members following the recent Summit in Cornwall, is very welcome
- the South Pennines, covering much of Saddleworth and Crompton Moor in our Borough, ought to be included in any additional protected land allocation and can significantly contribute to meeting this national 30% target
- Pennine Prospects and other groups campaigning for a Regional Park for the South Pennines have undertaken

significant and applaudable work, but this proposal would not provide equal status and support as is enjoyed by the other ten existing National Parks in England

- the South Pennines was first considered for National Park designation in the original Hobhouse Committee of seventy years ago, and its suitability for such designation remains strong today
- Engage with the Peak District National Park Authority and National Parks England to seek further advice and information as to the best possible means of protecting the South Pennines landscape in the light of the Glover Report and in the present financial climate.

This Council resolves to:

- work with the Local Authorities, any other key stakeholders and those with relevant expertise within the South Pennines geographic remit to build a case for and promote the South Pennines National Park concept
- proactively engage with, and present a case for National Park designation to, the upcoming Natural England assessment into England's landscapes in the 21st Century, and progress any further opportunities which may arise to advance this designation

Councillor Lancaster exercised his right of reply and indicated he accepted the amendment.

A vote was then taken on the AMENDMENT, which was CARRIED and became the SUBSTANTIVE MOTION.

On being put to the vote, the MOTION as amended was CARRIED.

RESOLVED that:

The Council would

1. Work with the Local Authorities, any other key stakeholders and those with relevant expertise within the South Pennines geographic remit to build a case for and promote the South Pennines National Park concept
2. Proactively engage with, and present a case for National Park designation to, the upcoming Natural England assessment into England's landscapes in the 21st Century, and progress any further opportunities which may arise to advance this designation

Motion 3

Councillor Al-Hamdani MOVED and Councillor C Gloster SECONDED the following MOTION:

Motion 3 - Future proofing our properties from flooding

Council notes that:

- Climate change will result in more incidents of flooding in the UK.

- The disaster relief charity ShelterBox estimated 5 million UK homes could be at risk of flooding by 2040.
- Properties in Shaw and Saddleworth have historically been flooded.
- It is becoming increasingly difficult to build defences capable of protecting all properties at risk of flooding.
- The campaign group 'Know Your Flood Risk' is calling upon central Government to make grants available to homeowners and small business owners in flood risk areas to make their properties 'flood resilient'.
- Flood resilience means designing, building and adapting properties such that if they are inundated, they can be made liveable again within days or weeks. This can involve actions such as rendering indoor walls, relaying flooring in water-proof materials or raising kitchen units.
- Victims of major floods are eligible for £5,000 support after the event, but Council believes that a more sensible approach would be to provide grant aid in advance to homeowners and small business owners to help make their properties flood resilient and that this would reduce the long-term cost to the public purse. Such a proposal has the support of the National Flood Forum and the Royal Institute of British Architects.
- 'Know Your Flood Risk' also publishes online guidance for local authorities and home and business owners and offers individual flood risk surveys for property owners.

Council resolves to:

- Ask the Chief Executive to write to the Parliamentary Under Secretary of State at the Department for Environment, Food and Rural Affairs requesting the Minister look to introduce grant aid to homeowners and small business owners in areas of flood risk to facilitate flood resilience work.
- Ask the Chief Executive to copy in our three local MPs, the Greater Manchester Mayor and the Clerks of the Saddleworth and Shaw and Crompton Parish Councils asking for their support.
- Ask the relevant Cabinet Member and Chief Officer to ensure that information about the offer to residents and small business owners of the campaign group 'Know Your Flood Risk' is posted, with links, on the Council's website, and make a request to the Saddleworth and Shaw and Crompton Parish Councils to do the same.

Councillor Sheldon spoke in favour of the motion.

Councillor Al-Hamdani exercised his right of reply.

On being put to the vote, the MOTION as amended was CARRIED.

RESOLVED that:

1. The Chief Executive be asked to write to the Parliamentary Under Secretary of State at the Department for Environment, Food and Rural Affairs requesting the Minister look to introduce grant aid to

homeowners and small business owners in areas of flood risk to facilitate flood resilience work.

2. The Chief Executive be asked to write to copy in our three local MPs, the Greater Manchester Mayor and the Clerks of the Saddleworth and Shaw and Crompton Parish Councils asking for their support.
3. The relevant Cabinet Member and Chief Officer be asked to ensure that information about the offer to residents and small business owners of the campaign group 'Know Your Flood Risk' is posted, with links, on the Council's website, and make a request to the Saddleworth and Shaw and Crompton Parish Councils to do the same.

Motion 4

Councillor Sharp MOVED and Councillor Sheldon SECONDED the following MOTION:

Motion 4 – Clean Air Zone

We note with disappointment that the Mayor of Greater Manchester (MoGM) and Greater Manchester Combined Authority (GMCA) have decided to press ahead with a Clean Air Charge for Greater Manchester (Gtr Manchester). The Gtr Manchester Clean Air Zone will end up being the largest in the UK, measuring 493 square miles. With costs and expenditure set to fall on taxpayers who will have to foot the bill for the infrastructure, maintenance as well as monitoring of cameras and extra layers of red tape, the bureaucracy for billing and collection.

The MoGM and GMCA had two options, and they were:

- Non-charging Clean Air Zones.
- Charging Clean Air Zones.¹

The decision to charge was made by the MoGM and GMCA. The zone and plans to charge are ill thought out and badly timed with the pandemic having hit Oldham and Gtr Manchester's economy hard. With vans, buses, coaches, taxis, private hire vehicles and lorries set to be hit and with many of them being self-employed or working as part of small businesses who already face immense financial difficulties. It is a tax on hard pressed workers and businesses.

The charge will mean that certain vehicles will pay £60 a day to drive within the zone, with vans paying £10 and taxi and private hire vehicles paying £7.50. Failure to pay will result in a £120 fine plus the daily charge.

We believe that this scheme and the required infrastructure will eventually lead to the charge being broadened out to charge motorists of all vehicles and is nothing more than a congestion charge by the back door.

This Council resolves that:

- Oldham Metropolitan Borough Council rejects the need to charge vehicles in the Gtr Manchester Clean Air Zone.
- That the people of Gtr Manchester including Oldham rejected congestion charging in 2008 via a referendum

and that any attempt to charge vehicles in future must be put to a referendum once again.

- The Chief Executive and Leader of Oldham Metropolitan Borough Council write to the MoGM and GMCA to inform them that Oldham Metropolitan Borough Council will unilaterally withdraw from the Gtr Manchester Clean Air Zone.
- That if required by law that Oldham Metropolitan Borough Council will look to implement a Non-charging Clean Air Zone should Oldham need to implement a Clean Air Zone.

On being put to the vote, the MOTION was LOST.

13

COVID-19 RESPONSE UPDATE

Councillor Shah MOVED and Councillor Chauhan SECONDED a report of the Strategic Director of Communities & Reform which provided an update on how the Council and its partners continue to monitor and manage the impact of COVID-19 in Oldham.

COVID-19 was still circulating across the UK and new cases were seen in Oldham every day. The report summarised the Council's activity, demonstrating how it collectively managed and prevented the spread of COVID-19 across Oldham communities.

It was PROPOSED and SECONDED that questions be submitted and responded to in writing.

On being put to the vote, the PROPOSAL was CARRIED.

RESOLVED that:

1. The content of the report be noted.
2. Questions be submitted and responded to in writing.

14

UPDATE ON ACTIONS FROM COUNCIL

Councillor Shah MOVED and Councillor Sykes SECONDED a report of the Director of Legal Services, which informed members of actions taken following the meeting of the Council on 8th September 2021.

RESOLVED that the actions regarding motions and issues from the meeting of the Council on 8th September 2021 be noted.

15

DISTRICT LEADS 2021-22

Councillor Chadderton MOVED and Councillor Shah SECONDED a report of the Head of Democratic Services which asked the Council to consider appointing District Leads for each new geographical District and a Deputy District Lead in North and East Districts and the recommendation that the District Leads receive an allowance.

Members were informed that, as part of the development of the new Place-Based Working model, the Council and partner services had moved to alignment of provision around a new set of five geographies. Council agreed to the changes on 14th July 2021.

To facilitate the role of Elected Members in the Place-Based model, a new District Lead was required for each of the new 5 Districts. A Deputy in North District and East District would also be required. This was to reflect the consultation with members over the past twelve months, recognise the wards in the North and East fall into two distinct communities, and to reflect the governance arrangements that had been in place and worked over the past few years. The deputies would not be remunerated.

RESOLVED that:

1. The appointment of a District Lead for each District Area and a Deputy District Lead in the North District and East District be agreed.
2. The allowance for the District Leads of £6,286, following a recommendation of the Independent Remuneration Panel and the adjustment to the basic allowance as outlined in the report, be agreed.
3. The following Members be appointed as District Leads and Deputy District Leads:
Central District Lead – Councillor Salamat
North District Lead – Councillor S Bashforth
North District Deputy – Councillor Williamson
East District Lead – Councillor Cosgrove
East District Deputy – Councillor Byrne
South District Lead – Councillor Davis
West District Lead – Councillor Brownridge

16

OVERVIEW AND SCRUTINY ANNUAL REPORT 2020/21

Councillor McLaren MOVED and Councillor Akhtar SECONDED a report of Cllr Colin McLaren, Chair of the Overview and Scrutiny Board, 2020/21

Cllr Riaz Ahmad, Chair of the Overview and Scrutiny Performance and Value for Money Select Committee, 2020/21 and Cllr Shoab Akhtar, Chair of the Health Scrutiny Committee, 2020/21, which provided the Council with the Overview and Scrutiny Annual report for the 2020/21 Municipal Year as required by the Council's Constitution at Overview and Scrutiny Procedure Rule 4.1.

The report outlined the statutory role of overview and scrutiny; the roles and responsibilities of the Overview and Scrutiny Board, the Overview and Scrutiny Performance and Value for Money Select Committee and the Health Scrutiny Committee in 2020/21; and a summary of the considerations and work undertaken by the three bodies during 2020/21.

Councillor McLaren offered his thanks to all the officers and Members who had contributed to the Scrutiny programme during

2020 and 2021, ably supported by the Constitutional Services Team, who had helped to facilitate the programme.



RESOLVED that:

1. The Overview and Scrutiny Annual Report for 2020/21 be noted.
2. The thanks of the Chairs expressed to Cabinet Members, Council Officers and representatives from partner organisations for their support and contributions in the delivery of as full a scrutiny function as was achievable during the difficult times in 2020/21 be supported.

17

ORGANISATIONAL FRAMEWORK

Councillor Shah MOVED and Councillor Sheldon SECONDED the report of the Chief Executive.

Members were reminded that, in July 2021, Council approved the Council's Covid-19 Recovery Strategy (Corporate Plan) for the Borough. The new strategy set out ambitions in six areas – driving equality; investing in quality housing; championing a green recovery; creating and protecting jobs and supporting businesses; prioritising education, skills and early years and promoting health and wellbeing including protecting the most vulnerable.

There was a requirement that appropriate Executive Leadership arrangements were put in place for the Council to deliver against the ambitions of the plan and also to continue to deliver statutory services and priorities.

Members were informed that the Council's Appointments Committee had met and considered revisions to the Council's Senior Management Team Structure and the report detailed a recommendation from that Committee for Full Council's consideration.

RESOLVED that the recommendations as detailed in the report be agreed.

The meeting started at 6.00pm and ended at 9.31 pm.

This page is intentionally left blank

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**

Councillors Jabbar and Mushtaq declared a personal interest at Item of the agenda by virtue of relatives attending North Chadderton School.

4 **PUBLIC QUESTION TIME**

There were no public questions.

5 **MINUTES OF THE CABINET MEETING HELD ON 23RD AUGUST 2021**

RESOLVED that the minutes of the meeting held on 23rd August 2021 be approved as a correct record.

6 **ALEXANDRA PARK DEPOT CONTRACT - CONSTRUCTION CONTRACT AND FINAL BUSINESS CASE APPROVAL**

The Cabinet gave consideration to a report of the Deputy Chief Executive, People and Place which sought approval to proceed with the construction of the new depot and energy sources in Alexandra Park Eco Centre, as an early phase of the wider Eco Centre masterplan.

On 25th January 2021, Cabinet approved Phase 1 of the Alexandra Park Eco Centre, comprising a new office building that was heated by an air source heat pump/mains electricity power system, with a new substation, and new CCTV and external lighting over the car park and landscaping areas.

On 18th May 2021, the main contract for the project was put out to tender, with three contractors submitting prices for the construction element of the project. A robust assessment and evaluation process, and a preferred contractor identified – refer to the details in part b paper.

Options/ alternatives considered

The options would be considered at Item 15 of the agenda.

RESOLVED – That the Cabinet would consider the commercially sensitive information as detailed at 15 of the of the agenda before making decision.

7 **OTHER PROTECTED OPEN LAND INTERIM PLANNING PAPER**

The Cabinet gave consideration to a report of the Deputy Chief Executive, People and place which sought approval to adopt and publish the Other Protected Open Land Interim Planning Paper.

The new national planning policy, review of existing OPOL sites, The paper says not all current sites meet the new criteria for local green space, suggesting the current OPOL site that do meet the criteria, two sites that no longer meet the green space criteria, using the local green space designation gives protection to OPOL sites

The Interim Planning Paper set out how the council would consider Other Protected Open Land (OPOL) when assessing planning applications for development that may impact on the OPOL. The paper needed to be read in conjunction with the Policy 22 'Protecting Open Land' of the Joint Core Strategy and Development Management Policies Development Plan Document (DPD) that was adopted 9 November 2011 by the council.

Options/alternatives considered

Option 1 -To adopt and publish the Other Protected Open Land Interim Planning Paper. The Interim Planning Paper should be used as a material consideration to assess the significance of each OPOL..

Option 2:- To not adopt and publish the Other Protected Open Land Interim Planning Paper. Development Management would be unable to use the Interim Planning Paper in determining planning applications regarding OPOL..

RESOLVED – That the Other Protected Open Land Interim Planning Paper.be adopted. The Interim Planning Paper would be used as a material consideration to assess the significance of each Other Protected Open Land.

8

EDUCATION CONTRIBUTIONS INTERIM PLANNING POSITION PAPER

The Cabinet gave consideration to report of the Deputy Chief Executive, People and Place which sought approval of and publication of the Education Contributions Interim Planning Position Paper.

This Interim Planning Position Paper set out how the Council would deal with education contributions for the Borough when determining planning applications for relevant developments that may impact on education provision, such as school places. The document would be read alongside Policy 2 'Communities' which included education and skills provision, and Policy 25 'Developer Contributions' of the Joint Core Strategy and Development Management Policies Development Plan Document (DPD) that was adopted 9 November 2011 by the council.

The Interim Planning Position Paper was in line with the government guidance 'Securing Developer Contributions for Education' which was published to assist local authorities in planning for education to support housing growth and seeking associated developer contributions.

Options/Alternatives considered

Option 1 - To approve and publish the Education Contributions Interim Planning Position Paper. The Interim Planning Position

Paper should be used The Education Contributions position paper

Advantages – The publication of the Interim Planning Position Paper will provide clarity and guidance to Development Management and applicants, setting out the council's approach to gathering education contributions as part of relevant developments.

Option 2 – To not approve and publish the Education Contributions Interim Planning Position Paper.

Advantages – there are no advantages in not publishing the Interim Planning Position Paper.

Disadvantages – Development Management will be unable to use the Interim Planning Position Paper in gathering education contributions for relevant planning applications. Contributions towards education will continue to be sought on an ad-hoc basis.

RESOLVED – That the Education Contributions Interim Planning Position Paper be approved so it can be used as a material consideration for planning applications in gathering education contributions to be delivered as part of relevant developments, in line with national planning policy and regulations.

9

EXPANSION OF NORTH CHADDERTON SCHOOL

Councillors Jabbar and Mushtaq declared a personal interest at this Item of the agenda by virtue of relatives attending North Chadderton School.

The Cabinet gave consideration to a report of the Director of Education and Early Years which sought approval to allocate Basic Needs Funding previously identified to facilitate a one form entry (1FE) expansion at North Chadderton School. This will enable a new - 3 storey, six classroom science block, sports changing and teaching pavilion, library classroom, parking and hard play extension- all of which are necessary to the scheme. The proposed works had been retendered in accordance with the Council's procurement rules through a 2 Stage Design and Build procurement strategy. A professional team was appointed to complete the new tender package and Kier were also appointed under a Pre-Construction Services Agreement. It was agreed at CIPB that confirmation of the additional requirement for Basic Need Funds would be reported to Cabinet on completion.

Subject to Cabinet approval of the recommendations in this report, Kier would be issued a contract award. This would be based on the final price which would be reviewed and verified by the Council's consultant cost estimator.

There continued to be a pressing need for additional places in secondary schools within the borough. North Chadderton is one of the boroughs highest performing and over-subscribed schools. North Chadderton agreed a temporary increase in the school PAN from 240- 270 at the request of the LA in order to secure sufficient school places in the borough.

Options/alternatives considered

Option 1 - Approve the cost for a 1 FE expansion to North Chadderton School.

Option 2 - Do not approve the cost of expansion by 1 FE for North Chadderton School. This would not fulfill the Local Authority's a statutory obligation to provide the necessary additional places in East Oldham by 2020.

RESOLVED – That the Cabinet would give consideration to the commercially sensitive recommendations as contained at Item 16 of the agenda.

10

FIR BANK PRIMARY SCHOOL - 30 PLACE NURSERY CLASS

The Cabinet gave consideration to a report of the Director of Economy which sought approval to allocate Basic Need Funding to establish a 30-place nursery class, housed in a new extension to the school building. This would extend the education offer to pupils between the ages of 3 and 11.

The Oak Trust submitted a proposal to establish a nursery class to meet demand for pre-school places. The proposal had received support from both the Cabinet portfolio holder for Children and Young People and the Education Provision Group (Sept 20).

A RIBA Stage 2 design and feasibility study, (supported by CIPB Jan 21) had now concluded and this had facilitated the production of a robust cost estimate for the classroom extension at a cost of £1,089m. A client technical team would need to be procured to take the project forward through the remaining RIBA Stages.

Following the completion of a RIBA Stage 2 feasibility the Council's cost consultant has confirmed a budget cost estimate of £1.089m.

Should Option 1 be agreed then the scheme would progress through a grant agreement to the Oak Trust, who would commission its own professional team and contractor to deliver the scheme.

Options/alternatives considered

Option 1 - Approve a funding award of up to £1.089m from Basic Need Funding to establish a 30-place nursery class.

Option 2 - Do not approve a funding award of up to £1.089m from Basic Need Funding to establish a 30-place nursery class. This option will not meet the identified need for nursery places.

RESOLVED – That the Cabinet would consider the commercially sensitive information contained at Item 17 of the agenda.

11

GM STREETS FOR ALL STRATEGY

The Cabinet gave consideration to a report of the Deputy Chief Executive, People and Place which provided details of a Greater Manchester Streets for All Strategy which had been prepared by Transport for Greater Manchester in partnership with the 10 GM local authorities and other stakeholders as a sub-strategy of the GM2040 Transport Strategy.

Streets for All supported the place-based agenda as well as achieving the ambition for more travel by walking, cycling and

public transport, which would help Greater Manchester to tackle the most pressing economic, environmental, quality of life and innovation challenges.

The ambition was to design more welcoming and greener streets which would enable people to incorporate more physical activity into their daily lives; which have clean air; which were safe and secure for everyone; which provide good access to public transport; and which are accessible for those with mobility impairments.

The Streets for All approach involved working at three levels to ensure that Greater Manchester's roads can transition to deliver Streets for All:

- 1) Spatial Planning;
- 2) Network Planning; and
- 3) Street Design & Management.

Options/alternatives considered

Option 1 – To recommend the Streets for All Strategy to the Greater Manchester Combined Authority.

Option 2 – Not to recommend the Streets for All Strategy to the Greater Manchester Combined Authority.

RESOLVED – That Greater Manchester Streets for All Strategy is recommended for approval by the GM Combined Authority.

12

REQUEST TO EXTEND AND VARY THE CONTRACT FOR THE PROVISION OF OLDHAM AND ROCHDALE COLLABORATIVE SUBSTANCE MISUSE TREATMENT AND RECOVERY SERVICE

The Cabinet gave consideration to a report of the Director of Public Health, which sought approval of an option to extend the contract for the provision of an integrated substance misuse service to Turning Point Services Ltd until 31st March 2023. On 22nd June 2021 Cabinet extended the contract for 1 year until 31st March 2022.

The contract was a collaborative commission with Rochdale Council. An Inter-Authority Collaboration Agreement has been signed by both Councils which agrees that Oldham Council is the lead contract authority. Rochdale Council has given delegated authority for Oldham Council to extend the contract on its behalf.

Option 1 - At contract completion on the 31st March 2022, the service is discontinued with no provision to Oldham residents for substance misuse treatment and recovery.

This was not a viable option as this would mean that specialist substance misuse support is not available to the borough's residents and we would not meet our obligations under the Health and Social Care Act 2012. This could also have an adverse impact on commissioning plans and service delivery in Rochdale.

Option 2 - Proceed to market for a full tender process for a new service to be in place by 1st April 2022.

Due to the unforeseen and unprecedented situation as a direct result of the COVID-19 pandemic, it is not tenable to complete a full tender process this financial year due to restricted capacity from both commissioners and the substance misuse providers. A tendering exercise would potentially destabilise the system

and disrupt service provision for those already accessing the service, at a time when there are already considerable changes to service delivery due to guidance issued in response to the COVID-19 pandemic.

There was also provision within the current contract for an extension of 1 more year and there are no performance issues with the current provider that would prompt the need to commence to an open tendering process at this time.

Option 3 - Approve the extension of the Adult Substance Misuse Treatment and Recovery Service for a period of one year from 1st April 2022 to 31st March 2023.

RESOLVED – That:

1. The extension of the contract with Turning Point Services Ltd for a further one year commencing 1st April 2022 until 31st March 2023 be approved.
2. A contract variation be agreed to allow Turning Point Services Ltd to deliver services in relation to Section 31 local authority grant for additional drug treatment crime and harm reduction activity and the delivery of an Individual Placement and Support (IPS) employment programme for clients in community drug and alcohol treatment.
3. A further contract variation be agreed to allow Turning Point Services Ltd to deliver services in relation to Section 31 Rough sleeping drug and alcohol treatment grant (RSDATG) for Oldham Borough. Please note that at the time of writing we are awaiting formal confirmation from PHE in relation to this grant. However so as not to delay the pass through of the funding to providers, the paper has been written with the assumption that we will receive the full allocation requested.

13

CONTRACT EXTENSION REQUEST; PROVISION OF AN INTEGRATED COMMUNITY EQUIPMENT SERVICE

The Cabinet gave consideration to a report of the Managing Director of Community Health and Social Care Services (DASS) which sought approval to extend a contract for the provision of an Integrated Community Equipment Service.

Cabinet awarded the contract on 19th June 2017, to commence 1st October 2017 and expire on 30th September 2020. The contract had an option for two one-year extensions; the first of these has been utilized, and the request was to approve the second and final extension permitted under the contract.

If approved, Council officers would work with Clinical Commissioning Group colleagues, and with officers from Tameside, to jointly re-tender the provision for a new service to be in place by 1st October 2022.

Options/alternatives considered

Option 1 – To approve the contract extension.

Option 2 - Not to approve the contract extension and allow the service to cease. This option was not recommended, as the provision of community equipment supports the wider health and care system by enabling people to remain at home for as long as possible, and to be discharged from hospital in a timely manner. Ceasing the service would impact negatively on service

user's quality of life and is likely to increase costs elsewhere in the system.

Not to extend the current contract and to retender the provision solely for Oldham.

RESOLVED – That the Cabinet would give consideration to the commercially sensitive information contained at Item 18 of the agenda before making a decision.

14 **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.

15 **ALEXANDRA PARK DEPOT CONTRACT -
CONSTRUCTION CONTRACT AND FINAL BUSINESS
CASE APPROVAL**

The Cabinet gave consideration to the commercially sensitive information in relation to Item 6 - Alexandra Park Depot Contract - Construction Contract and Final Business Case approval.

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

16 **EXPANSION OF NORTH CHADDERTON SCHOOL**

Councillors Jabbar and Mushtaq declared a personal interest at Item of the agenda by virtue of relatives attending North Chadderton School.

The Cabinet gave consideration to the commercially sensitive information in relation to Item 9 - Expansion of North Chadderton School.

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

17 **FIR BANK PRIMARY SCHOOL - 30 PLACE NURSERY
CLASS**

The Cabinet gave consideration to the commercially sensitive information in relation to Item 10 Fir Bank Primary School - 30 Place Nursery Class.

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

18 **CONTRACT EXTENSION REQUEST; PROVISION OF AN
INTEGRATED COMMUNITY EQUIPMENT SERVICE**

The Cabinet gave consideration to the commercially sensitive information in relation to Item 13 - Contract extension request; provision of an Integrated Community Equipment Service.

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

The meeting started at 6.00pm and finished at 6.16pm



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

1 **APOLOGIES FOR ABSENCE**

Apologies were received from Councillor Chadderton.

2 **URGENT BUSINESS**

There were no items of urgent business received.

3 **DECLARATIONS OF INTEREST**

Councillor Chauhan declared a personal interest at item 6 of the agenda by virtue of being a Founder of a Homeless Friendly Charity.

4 **PUBLIC QUESTION TIME**

There were no public questions received.

5 **MINUTES OF THE CABINET MEETING HELD ON 20TH
SEPTEMBER 2021**

RESOLVED - That the minutes of the Cabinet meeting held on 20th September 2021 be approved as a correct record.

6 **OLDHAM HOMELESSNESS PREVENTION AND
REDUCTION STRATEGY 2021-26**

Consideration was given to a report of the Director of Economy which informed the Cabinet that all Local Authorities were required to publish a new Homelessness Strategy every five years, as a minimum, based on a review of homelessness in the district. The Council's current Strategy covered the period 2016-21. The report sought approval for the new Homelessness Strategy 2021-26.

Members were informed that the Homelessness Act 2002 placed a statutory requirement on local authorities to publish a Homelessness Strategy based on a Review of homelessness in their district. These strategies must be published at least every 5 years, with Oldham's most recent Strategy running from 2016-2021.

Oldham's new Homelessness Prevention and Reduction Strategy 2021-26 had been developed in consultation with residents, stakeholders and Elected Members, and informed by a comprehensive Review of homelessness between 2016-2020. The Review particularly focussed on the period since the introduction of the Homelessness Reduction Act between 2018-2020, including an in-depth analysis of customer groups presenting to the Housing Options service, their support needs and the reasons why they came to be homeless.

The Strategy Delivery Plan took a pragmatic approach to tackling homelessness in Oldham, acknowledging that resources were finite, and the effects of austerity and the Covid-19 pandemic would have a lasting impact on communities. Its focus was on making best use of what the Council had and demonstrated an effective business case for further investment and working in partnership to deliver the following priorities:

- Advice and information
- Early identification
- Pre-crisis intervention
- Prevent recurring homelessness
- Partnership arrangements

Options/alternatives

1. Approve the contents of the Oldham Homelessness Prevention and Reduction Strategy 2021-26
2. Retain the priorities from the previous Homelessness Strategy 2016-21

RESOLVED – That:

1. The contents of the Oldham Homelessness Review 2016-20 be noted.
2. The contents of the Oldham Homelessness Prevention and Reduction Strategy 2021-26 be approved.

7

TEMPORARY ACCOMMODATION STRATEGY 2021-24

Members gave consideration to a report of the Deputy Chief Executive which sought approval of a new Temporary Accommodation Strategy and accompanying delivery plan, which set out how the Council would deliver efficiency and sustainment of temporary accommodation options pursuant to its statutory obligations.

The Cabinet noted that the introduction of the Homelessness Reduction Act coupled with the Council's statutory housing advice service coming back in-house were notable contributors to the development of the Council's Temporary Accommodation Strategy 2021-24.

The approach outlined in the Strategy would ensure the Council was able to withstand forthcoming homelessness pressures that had been exacerbated by the COVID-19 pandemic, namely the introduction of the Domestic Abuse Act 2021 and moratorium on bailiff evictions.

The Strategy and Delivery Plan outlined a programme for delivery of temporary accommodation that would help reduce budgetary pressures, meet suitability and legal compliance standards and improve sustainability in the light of anticipated challenges.

Options/alternatives

1. Do not approve the Temporary Accommodation Strategy 2021-24 and accompanying Delivery Plan.

2. Approve the Temporary Accommodation Strategy 2021-24 and the accompanying delivery plan and commence a procurement exercise to create a TA Provider framework.
3. Approve the Temporary Accommodation Strategy 2021-24 and accompanying delivery plan only.

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

8 **WASTE COLLECTION VEHICLES**

Members gave consideration to a report of the Deputy Chief Executive which sought approval to purchase five new waste collection vehicles. The vehicles would replace five old vehicle (2012 plates) and allow the waste management service to maintain and appropriately manage its statutory duties around domestic and commercial waste collections.

Members were informed that Oldham Council's Waste Management Service required five new vehicles to maintain the service. After exploring all available options, the service was seeking approval to purchase the new vehicle fleet through the procurement process outlined within the report.

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

9 **EXCLUSION OF THE PRESS AND PUBLIC**

RESOLVED that, in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they contain exempt information under 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.

10 **TEMPORARY ACCOMMODATION STRATEGY 2021-24**

The Cabinet gave consideration to the commercially sensitive information in relation to Item 7 – Temporary Accommodation Strategy 2021-24.

RESOLVED – That the recommendations as detailed within the report be agreed.

11 **WASTE COLLECTION VEHICLES**

The Cabinet gave consideration to the commercially sensitive information in relation to Item 8 – Waste Collection Vehicles.

RESOLVED – That the recommendations as detailed within the report be agreed.

The meeting started at 6.00pm and ended at 6.17pm

This page is intentionally left blank

**MINUTES OF THE MEETING OF THE
GREATER MANCHESTER COMBINED AUTHORITY
HELD ON FRIDAY 24 SEPTEMBER 2021 AT 100 EMBANKMENT, SALFORD**

PRESENT:

Greater Manchester Mayor
Greater Manchester Deputy Mayor
Police, Crime & Fire
Bolton
Bury
Manchester
Oldham
Rochdale
Salford
Stockport
Tameside
Trafford
Wigan

Andy Burnham (In the Chair)
Baroness Bev Hughes

Councillor Martin Cox
Councillor Eamonn O'Brien
Councillor Richard Leese
Councillor Arooj Shah
Councillor Neil Emmott
Councillor John Merry
Councillor Elise Wilson
Councillor Brenda Warrington
Councillor Andrew Western
Councillor David Molyneux

OFFICERS IN ATTENDANCE:

GMCA - Chief Executive
GMCA - Deputy Chief Executive
GMCA Monitoring Officer
GMCA Treasurer
Bolton
Bury
Oldham
Rochdale
Salford
Stockport
Tameside
Wigan
Office of the GM Mayor
GMCA
GMCA
GMCA
TfGM

Eamonn Boylan
Andrew Lightfoot
Liz Treacy
Steve Wilson
Tony Oakman
Lynne Risdale
Harry Catherall
Steve Rumbelow
Peter Openshaw
Mark Fitton
Ian Saxon
Alison McKenzie-Folan
Kevin Lee
Julie Connor
Nicola Ward
Lindsay Dunn
Simon Warburton

GMCA 160/21 APOLOGIES

RESOLVED /-

That apologies be received and noted from Salford City Mayor Paul Dennett (Councillor John Merry attending), Joanne Roney, Steven Pleasant (Ian Saxon attending) and Pam Smith (Mark Fitton attending).

GMCA 161/21 CHAIRS ANNOUNCEMENTS AND URGENT BUSINESS

The GM Mayor, Andy Burnham expressed his ongoing concerns regarding the Home Office handling of the dispersal of Afghan refugees in the UK, despite previous promises it had appeared that hotels in the city region had been asked to provide temporary accommodation rather than more sustainable longer-term accommodation being located. Furthermore, there remained an inequitable balance of dispersal across the country as a result of many local authorities refusing to take a share of the humanitarian response. However, those authorities who have offered their support, including each of the ten GM local authorities had experienced minimal notice of arrivals and minimal support from Government departments which was unacceptable and unsustainable. A policy on cities was urgently needed to ensure that communication and notice periods were improved and relationships with Local Authorities could be reinstated to ensure a coordinated, consistent and fair approach across the UK.

RESOLVED /-

1. That the concerns of the GMCA regarding the Government's use of hotels to house asylum seekers and refugees from Afghanistan, and the lack of pre-notification to Local Authorities be noted.
2. That the GMCA call on Government to mandate equitable distribution of asylum seekers and refugees across the UK.

GMCA 162/21 DECLARATIONS OF INTEREST

RESOLVED /-

That the GM Mayor, Andy Burnham declared a disclosable pecuniary interest in relation to item 22, GM Electric Vehicles Charging Infrastructure Strategy.

GMCA 163/21 MINUTES OF THE GMCA MEETING HELD ON 10 SEPTEMBER 2021

RESOLVED /-

That the minutes of the GMCA meeting held on 10 September 2021 be approved.

GMCA 164/21 GMCA APPOINTMENTS AND NOMINATIONS

The GM Mayor took members through a report which updated a number of appointment changes received from GM Local Authorities in relation to GMCA Committees.

RESOLVED /-

1. That the appointment of Cllr Ashley Dearnley to replace Cllr Kathleen Nickson (Rochdale) on the Housing, Planning & Environment Overview and Scrutiny Committee be agreed.

2. That it be noted that Cllr Tracey Rawlins and Cllr Emma Taylor (substitute member), have been appointed by Manchester City Council to the GM Air Quality Administration Committee and Clean Air Charging Authorities Committee.

GMCA 165/21 EDUCATION, WORK AND SKILLS ACTIVITY UPDATE

Councillor Andrew Western, Portfolio Leader for Education, Skills, Work & Apprenticeships, introduced a report which updated the GMCA on progress across the Education, Work & Skills Directorate over the past 12 months and also set out key recommendations for specific activities that were required for new and existing programmes.

Despite the challenges of the pandemic, it was reported that the Work and Skills team were still able to proactively meet the needs of GM residents and it was assuring to see the evidence of the difference made to people's lives as detailed within the report.

The GM Mayor added that the recently confirmed continuation of funding for the Working Well scheme was welcomed and that it was important to offer a wide range of courses that would develop the skills required for emerging sectors such as digital services.

RESOLVED /-

1. That the overall progress set out in the report against a wide range of activity across the Education, Work and Skills Directorate be noted.
2. That authority be delegated to the GMCA Treasurer in consultation with the Portfolio Lead for Education, Work and Skills to agree grant conditions, commissioning route and contract award for the skills bootcamp element of National Skills Fund, as necessary in the event this is devolved.
3. That the progress made to date on the European Social Fund Skills for Growth Programme be noted.
4. That authority be delegated to the Chief Executive Officer, GMCA & TfGM, and GMCA Treasurer to continue with the procurement and contracting of providers and activity relating to the GM Skills for Growth programme in conjunction with the Lead Portfolio Holder
5. That authority be delegated to the Chief Executive Officer, GMCA & TfGM, to award contracts, to address ESF NEET & Youth Unemployment reduction, to the winning bidders following the outcome of the competitive procurement exercise
6. That an amendment to the existing Working Well (Work and Health Programme) contract be approved to include the extension of the Job Entry Targeted Support (JETS) provision /element from March 2022 to March 2023, with an additional investment of £6,737,400 secured from the Department for Work & Pensions (DWP).

GMCA 166/21 GREATER MANCHESTER CIVIC UNIVERSITY AGREEMENT

Councillor Andrew Western, Portfolio Leader for Education, Skills, Work & Apprenticeships, took members through a report which sought endorsement from the GMCA for the Greater Manchester Civic University Agreement, a collective, co-developed commitment between

GM's five universities listed below and GMCA around collaborative working to tackle a shared range of local priorities including employment and skills. Through the use of established partnerships, this work was being able to be brought together on a large scale with a joint emphasis on reducing inequalities, a clear example as to how universities can be an enabler to levelling up Greater Manchester.

RESOLVED /-

1. That the shared approach by GM's universities embodied in the Greater Manchester Civic University Agreement (CUA) be noted.
2. That it be noted that the CUA was a high-level framework and symbolic statement of intent, with more specific deliverables needing to follow through the creation of a Civic University Board between the universities and GMCA.
3. That it be noted that the CUA was a living document and can be revisited in light of developments to the Greater Manchester Strategy.
4. That it be noted that, following agreement of the CUA by the GMCA, a public announcement will be made on Monday 27 September 2021.

GMCA 167/21 GM CULTURE FUND INVESTMENT 2022-2023

Councillor Martyn Cox introduced a report which set out the impacts of the pandemic on the GMCA Culture Portfolio of funded organisations and requested a roll-over of GMCA culture fund investment (£3.84m p/a) for one year (2022-2023) to provide surety to the organisations funded by GMCA and support the continuation of strategic cultural activity including Town of Culture, Creative Improvement Districts, StreamGM and the GM Music Commission.

The GM Mayor acknowledged the work undertaken previously by the late Councillor David Greenhalgh.

Members commented on the importance of the cultural offer in GM and its continual growth. In particular, Cllr Eamonn O'Brien welcomed the support of the GMCA to the town of culture initiative in Bury which was hoped to further strengthen the borough's cultural industry.

RESOLVED /-

1. That the allocation of £3.84m (£2.84million district contributions + £1million retained business rates) to create the GMCA Culture Fund Programme 2022/23 be approved.
2. That it be agreed that GMCA Culture Fund investment will roll-forward at the same level and supporting the same portfolio of organisations as in 2020/21 and 2021/2 for the next financial year – 2022/3, subject to organisational health checks on all portfolio organisations prior to funding.

In introducing the item, the GM Mayor, Andy Burnham, highlighted the number of acts of violence against women, in particular the murder of Sarah Everard and the more recent murder of Sabina Nessa in the last few days.

Deputy Mayor Bev Hughes introduced a report which outlined the development of the Greater Manchester Gender-Based Violence Strategy and sought the GMCAs authorisation for publication. In recognition that the UK is far from the place it needs to be to protect women and girls, the ten-year strategy had been expedited early to ensure that GM could begin to tackle gender-based violence more effectively. To inform the strategy, there had been a comprehensive and extensive consultation period undertaken, with the support of Manchester University over the last 6 months, and best practice and knowledge, globally, to support GM in delivering radical social change. It was recognised that addressing the violence and abuse that remained prevalent in homes, workplaces, online and within communities would be a significant enabler to ensuring that GM was the best city region to grow up, get on and get old within.

In the last 6-month period there has been 2 women killed every week by a man, either at home or in a public place.

GM had an opportunity to demonstrate globally how a city region and unified system could deliver radical social change. The strategy looked to address issues for women and girls such as power differential, disrespect, and harm from men. With over 50,000 incidents of domestic violence in GM every year it was clear that the challenge was of a significant scale, and it would take time to change attitudes and behaviours to effect real and lasting social change.

The broad aims of the Strategy were based on a radical transformation in the prevention of and response to violence and abuse towards women and girls, initially as a campaign of public engagement, including getting the support of men and boys, significant support for victims and families, especially children, pioneering work to tackle perpetrators and involving all partners in identifying and responding to abuse. A delivery plan would be produced to implement all the actions progressively over time. The role of those who had experience of gender-based violence would be integral to the delivery, with a pivotal role in the governance arrangements.

Members recognised the substantial contribution from partner organisations in the development of the strategy and recognised the wide role that all stakeholders have to play in its delivery. This was a milestone in GM; identifying the scale of the challenge and a clear push forward in tackling such crime, however it was important that Government also recognised the seismic issue and stepped up their level of support. Members of the GMCA expressed specific concerns for those women with no recourse to public funds and urged that this Strategy included them in its objectives, as all types of violence to women was incomprehensible.

Sadly, due to the scale and complexity of the issue, it was agreed that a ten-year strategy was essential to bring about systemic behavioural and cultural change. However, it was noted that the seven GM equality panels would be key in supporting the delivery of such change and offering further advice and guidance as the Strategy was put in place.

Members felt that education on these issues was also integral, and that this should be targeting all men and boys in order that they may have an increased awareness of the

impact of gender-based violence and actively stand against it. There had also been a change in the law this week to recognise emotional abuse and coercive control as a type of domestic violence with confirmation that the message and training will be re-enforced. Furthermore, there were a number of organisations that offer training to their front-line staff to help recognise the less obvious signs of abuse, including coercion and control.

Deputy Mayor Bev Hughes thanked the GMCA for their strength of support and reiterated that the Strategy was clear that the risk of violence and abuse was not distributed equally but was intrinsically linked to other factors such as race and poverty. The work of the GM Equality Panels, especially the Women & Young Girls Panel have been extremely important. The open conversation with men and boys was also essential as the majority of perpetrators of gender-based violence were male, however mobilising the whole population to actively support would be imperative to tackling the issue.

RESOLVED /-

1. That the Gender Based Violence Strategy be approved for publication and delivery.
2. That the establishment of a public campaign to promote the Gender Based Violence Strategy be endorsed and that all boys and men be urged to take responsibility for their actions and to take a stand against gender-based violence.

GMCA 169/21 TACKLING INEQUALITY IN GREATER MANCHESTER - RESPONSE TO THE REPORTS OF INDEPENDENT INEQUALITIES COMMISSION AND MARMOT 'BUILD BACK FAIRER'

Councillor Brenda Warrington, Portfolio Leader for Equalities, took the GMCA through a report which described the response to the recommendations of the Greater Manchester Independent Inequalities Commission and the Marmot 'Build Back Fairer' Report as a key part of a comprehensive and integrated Greater Manchester approach to tackling inequality and enabling equity. Following extensive engagement with key stakeholders, the report presented an overview of activities which had taken place across Greater Manchester as part of the 'essential pivot' of wellbeing and equality which would be included in the refreshed Greater Manchester Strategy.

It was noted that each of the GM Local Authorities had a key role to play in the delivery of these recommendations and appended to the report was a response from each GM Local Authority detailing the actions they were currently undertaking and those planned for the future. The refreshed Greater Manchester Strategy would provide a framework for change, but further resources were needed to ensure that these could be implemented and monitored.

The Tackling Inequalities Board would continue to provide an overview of this agenda; however, it was encouraging to see other GMCA portfolios putting equalities at the heart of their efforts to ensure that policy development remained people focussed.

RESOLVED /-

1. That the activities and planned activities taking place across Greater Manchester, across a range of localities, communities and institutions, in relation to the refreshed Greater Manchester Strategy be noted.

2. That the timeframe and urgency for acting on inequality, and the intention to quickly progress actions across all portfolios in the coming months be noted.

GMCA 170/21 REFRESH OF THE GREATER MANCHESTER VOLUNTARY COMMUNITY & SOCIAL ENTERPRISE ACCORD

Councillor Arooj Shah, Portfolio Leader for Community, Co-operatives, Voluntary Sector and Inclusion, introduced a report presenting the new, single GM Voluntary Community & Social Enterprise Accord for approval.

Members were reminded that in November 2017 the Accord was originally signed by the Mayor of Greater Manchester, on behalf of the GMCA, with the Voluntary, Community and Social Enterprise (VCSE) sector, which set out new, improved standards of working with VCSE organisations. The GM VCSE sector also entered into a Memorandum of Understanding (MOU) with the Health and Social Care Partnership. Since that time, a huge amount of collaborative work has taken place and the relationship between the public and VCSE sectors has increased in strength, particularly during the Coronavirus pandemic.

In September 2020, GMCA Members agreed to extend the scope of the Accord to include collaborative working with the GM Health and Social Care Partnership. At the same time, the GMCA also approved a proposal for investment in VCSE leadership and infrastructure in the Sector at a GM footprint.

The Accord would only be successful if fully implemented across the whole of the city region and given the GM Local Authorities will be responsible for delivering some elements, it was recommended that the Accord be referred to the GM Local Authorities for discussion.

The GMCA was reminded that the voluntary sector has strongly GM through the pandemic in all the GM districts, were the first to step in and support the needs of the GM public and had suffered financial damages as a result.

RESOLVED /-

1. That the new GM VCSE Accord be approved, as a tri-partite Agreement with the GM Health and Social Care Partnership and the GM VCSE Leadership Group on behalf of the VCSE sector in Greater Manchester.
2. That the Mayor of Greater Manchester, the GM Portfolio Lead for Community, Co-operatives, Voluntary Sector and Inclusion and the Chief Executive Officer, GMCA & TfGM be authorised to sign the Accord Agreement on their behalf.
3. That the Accord be referred for recommendation to each GM Local Authority, in recognition that a number of elements within the Accord were to be delivered by Local Authorities.

GMCA 171/21 GREATER MANCHESTER ECONOMIC DASHBOARD

Councillor Elise Wilson, Portfolio Leader for Economy, took Members through the latest refreshed Economic Resilience Dashboard.

Members were advised that there was an increasing vacancy rate, with continued shortages in skills professions, in addition to a reduction in furlough although this has not yet translated across to the benefit claimant count.

Business Event Progress21, organised by the Growth Company, successfully took place on 23 September 2021, and was well supported nationally and internationally.

SME's have been under significant pressure, with a number who have closed and re-opening uncertain for some.

Hotel occupancy across the city was improving although not yet at pre-pandemic levels.

Research and development spend by GM based research companies has increased by 50%, demonstrating that Government does need to commit to work with GM to support Innovation GM as part of the Spending Review.

RESOLVED /-

That the latest update of the Greater Manchester Economic Resilience Dashboard and response be noted, including delivery of the Local Industrial Strategy and Greater Manchester Economic Vision.

GMCA 172/21 GMCA, ENVIRONMENT AGENCY AND UNITED UTILITIES MEMORANDUM OF UNDERSTANDING

Steve Rumbelow, Portfolio Lead Chief Executive for Housing, Homelessness and Infrastructure, introduced a report seeking agreement to enter into a memorandum of understanding with the Environment Agency and United Utilities.

RESOLVED /-

1. That it be agreed that the GMCA will enter into a memorandum of understanding with the Environment Agency and United Utilities.
2. That the common areas of interest and outcomes be noted (para 3.4 and Appendix B of the report).
3. That it be agreed that the GMCA will receive an annual report on progress, success and any issues/barriers to delivery.

GMCA 173/21 SUSTAINABLE WARMTH COMPETITION

Councillor Emmott, Portfolio Lead for Green City Region, introduced a report seeking approval for GMCA to bid for cr£15m Government funding from the 'Sustainable Warmth Fund' from BEIS, on behalf of Greater Manchester Local Authorities and Registered Providers.

Members were advised that the Green Homes Grant LAD Phase 1a activity was due to be completed by August, with completion of Phase 1b and Phase 2 now extended by Government to March 2022.

RESOLVED /-

1. That it be agreed that GM Local Authorities should collectively bid for c£15m of Sustainable Warmth Competition funding, to continue the existing Green Homes Grant funded retrofit programme from December 2021 to March 2023.
2. That it be agreed that the GMCA should be the accountable body for the bid on behalf of GM Local Authorities and Registered Providers.
3. That, subject to a successful award, authority be delegated to the GMCA Treasurer and Monitoring Officer to contract with BEIS to receive and defray the funds to partners and procured delivery partner(s).
4. That it be noted that the equalities impact from this proposal will be managed via utilising delivery companies with robust equality policies, and the environmental outcome was to substantially reduce the carbon emissions from approximately 1200 homes in Greater Manchester.

GMCA 174/21 GM HOUSING INVESTMENT LOANS FUND UPDATE

Steve Rumbelow, Portfolio Lead Chief Executive for Housing, Homelessness and Infrastructure, introduced a report providing an update on the GM Housing Investment Loans Fund.

Members drew attention to the way the GMCA had creatively utilised the flexibility of the financial instruments to maximise the returns for the benefit of GM, with a request that further work be undertaken to develop a presentation on the wider regeneration benefits for the next meeting of the GMCA, which could be used to inform discussions at the forthcoming Party Conferences and with Government.

It was noted that the effective intervention and decision making of Local Authorities has been clearly demonstrated with the development of schemes across GM.

RESOLVED /-

1. That the contents of this report be noted.
2. That a presentation on how the flexible use of the financial instruments has impacted housing, creation and access to training and employment and the wider regeneration be submitted to the next meeting of the GMCA.

GMCA 175/21 GM INVESTMENT FRAMEWORK CONDITIONAL APPROVAL

Councillor David Molyneux, Portfolio Leader for Investment and Resources, introduced a report seeking GMCA approval for an investment into a second Life Sciences Fund ("LSF2"). The investment would be made from recycled funds.

RESOLVED /-

1. That an investment of £10m into a second Life Sciences Fund be approved.
2. That authority be delegated to the GMCA Treasurer and Monitoring Officer to review the due diligence information in respect of the above company, and, subject to their satisfactory review and agreement of the due diligence information and the overall detailed commercial terms of the investment, to sign off any outstanding conditions, issue final approvals and complete any necessary related documentation in respect of the investment noted above.

GMCA 176/21 DELIVERING THE BEE NETWORK: AUTUMN OVERVIEW

GM Mayor, Andy Burnham, introduced a report which provided an overview of progress towards delivering Greater Manchester's integrated transport system, the Bee Network and the role of affordable integrated public transport in 'Levelling Up' GM by providing access to employment and education. The Government would be requested to provide the residents of GM with London level bus fares, a daily cap on bus fares will not only provide a cost saving for residents but also open up options for residents.

RESOLVED /-

That progress in delivering the Bee Network be noted.

GMCA 177/21 GM CYCLE HIRE TARIFF PROPOSALS

GM Mayor, Andy Burnham, introduced a report which set out the tariff proposals for the GM Cycle Hire scheme.

Members were advised that GM cycle hire scheme, which will also include electric bikes, will commence in Salford and then rolled out across the City region centre with a view to further roll out across the GM districts.

RESOLVED /-

1. That the proposals contained within the report be noted.
2. That the initial Pay as Your Ride tariff proposal, as set out in section 2 of the report, be approved.

GMCA 178/21 THE MAYOR'S CYCLING AND WALKING CHALLENGE FUND AND ACTIVE TRAVEL FUND

GM Mayor, Andy Burnham introduced a report which sought funding approval requirements and provided an update on governance arrangements, in order to ensure the continued delivery of the GM Active Travel Capital and Revenue Programmes.

The GM Mayor confirmed that a pilot regarding the carriage of bikes on Metrolink would be progressed.

RESOLVED /-

1. That the release of up to £1.3 million of development cost funding for the 2 MCF schemes, Rochdale Castleton (Phase 2) and Trafford North Altrincham Bee Network set out in section 2 of the report, be approved.
2. That the release of up to £7.24 million MCF funding for the 6 schemes, Metrolink (Bury Line) Cycle Parking, Wigan Leigh-Atherton-Tyldsley: Leigh to Pennington, Manchester Northern Quarter Areas 1 and 3, Salford Trinity Way / Springfield Lane and Salford Gore Street Connection, as set out in section 3 of the report be approved, in order to secure full approval and enable the signing of the necessary legal agreements.
3. That an evaluation of the pilot to allow bikes on Metrolink be submitted to the GMCA in due course.

GMCA 179/21 STREETS FOR ALL STRATEGY

GM Mayor, Andy Burnham introduced a report which provided an overview of the Streets for All Strategy, which formed a sub-strategy to the Greater Manchester Transport Strategy 2040.

In introducing the report, members were advised that as part of the bids to Government, the GMCA was being pressed to demonstrate the prioritisation of Active Travel and public transport on the highways.

Members were advised that the Streets for All Strategy was due to be considered by Manchester City Council's Executive Committee at the end of October 2021.

The Chief Executive Officer, GMCA & TfGM assured the meeting that the overall objective was to increase safety, with the focus to be strengthened throughout the Strategy, with a read across with the Gender Based Violence Strategy.

RESOLVED /-

1. That the Streets for All Strategy be approved and adopted, subject to the approval of Manchester City Council's Executive Committee and the strengthening of the Strategy to reflect the earlier agreed Gender Based Violence Strategy, emphasising safety, as a priority objective, throughout the Strategy.
2. That integral role of an integrated, affordable public transport system to growing the economy, providing access to education and employment be recognised.

GMCA 180/21 BUS REFORM: THE GREATER MANCHESTER FRANCHISING SCHEME FOR BUSES 2021 -TRANSFER OF UNDERTAKINGS (PROTECTION OF EMPLOYMENT) REGULATIONS 2006 AND EMPLOYEE RELATED INFORMATION

Eamonn Boylan, Chief Executive Officer, GMCA & TfGM introduced a report which set out the processes to be followed when requesting employee related information and applying the Transfer of Undertakings (Protection of Employment) Regulations 2006 in a bus franchising context and makes recommendations for the delegation of certain connected functions to TfGM and the Chief Executive of the GMCA accordingly.

RESOLVED I/-

1. That the contents of the report be noted.
2. That the function of requesting relevant information from bus operators as set out in regulations 5 and 6 of the Franchising Schemes and Enhanced Partnership Schemes (Application of TUPE) (England) Regulations 2017 (the Regulations) be delegated to TfGM.
3. That the function of undertaking any consultations as required by the Regulations be delegated to TfGM.
4. That authority be delegated to the Chief Executive Officer, GMCA & TfGM to approve any proposed definition of 'principally connected' at the end of the consultation; such approval to be obtained before notifying the parties and publishing the agreement.
5. That authority be delegated to the Chief Executive Officer, GMCA & TfGM, to approve the proposed allocation arrangements (including any revised allocation arrangements) at the end of the consultation; such approval to be obtained before notifying the parties and before the allocation arrangements are published (or finalised and published in the case of revised allocation arrangements).
6. That, in the event that agreement is reached as to the definition of 'principally connected', that the function of notifying the parties and publishing the agreed definition be delegated to TfGM.
7. That the function of notifying the parties and publishing the allocation arrangements and finalising and publishing any revised allocation arrangements be delegated to TfGM.

Councillor Richard Leese, Deputy Mayor Chaired the meeting for the following item

GMCA 181/21 GM ELECTRIC VEHICLE CHARGING INFRASTRUCTURE STRATEGY

GM Mayor, Andy Burnham declared a disclosable pecuniary interest in relation to this report and left the meeting for the discussion.

Councillor Richard Leese introduced a report seeking approval the Greater Manchester Electric Vehicle Charging Infrastructure Strategy, a sub-strategy of the Greater Manchester 2040 Transport Strategy.

RESOLVED /-

1. That the Greater Manchester Electric Vehicle Charging Infrastructure Strategy be approved.
2. That it be noted that regular reports on progress against the Strategy be submitted to the GMCA.
3. That it be noted that the programme of planned publicly funded additional Electric Vehicle Infrastructure is included at electrictravel.tfgm.com, a sub-site of TfGM.com.

GMCA 182/21 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED /-

That, under section 100 (A)(4) of the Local Government Act 1972 the press and public should be excluded from the meeting for the following items on business on the grounds that this involved the likely disclosure of exempt information, as set out in the relevant paragraphs of Part 1, Schedule 12A of the Local Government Act 1972 and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

GMCA 183/21 GM INVESTMENT FRAMEWORK, CONDITIONAL PROJECT APPROVAL

Clerk's note: This item was considered in support of the report considered in Part A of the agenda (Minute GMCA 175/21 above refers).

RESOLVED /-

That the report be noted.

Signed by the Chair:

1.

This page is intentionally left blank

**MINUTES OF THE MEETING OF THE
GREATER MANCHESTER COMBINED AUTHORITY
HELD ON 29 OCTOBER 2021 AT BURY TOWN HALL, KNOWSLEY STREET, BURY**

PRESENT:

Greater Manchester Mayor
Greater Manchester Deputy Mayor
Police Crime & Fire
Bolton
Bury
Manchester
Oldham
Rochdale
Salford
Stockport
Tameside
Wigan

Andy Burnham (In the Chair)
Baroness Bev Hughes

Councillor Martyn Cox
Councillor Eamonn O'Brien
Councillor Richard Leese
Councillor Arooj Shah
Councillor Neil Emmott
City Mayor Paul Dennett
Councillor Elise Wilson
Councillor Brenda Warrington
Councillor David Molyneux

OFFICERS IN ATTENDANCE:

GMCA – Deputy Chief Executive
GMCA Monitoring Officer
GMCA Treasurer
Bolton
Bury
Manchester
Oldham
Rochdale
Salford
Stockport
Tameside
Wigan
GMCA
GMCA
GMCA
TfGM

Andrew Lightfoot
Liz Treacy
Steve Wilson
Jon Dyson
Geoff Little
Joanne Roney
Harry Catherall
Neil Thornton
Peter Openshaw
Caroline Simpson
Steven Pleasant
Alison McKenzie-Folan
Julie Connor
Sylvia Welsh
Nicola Ward
Steve Warrener

GMCA 184/21 APOLOGIES

RESOLVED/-

That apologies be received and noted from Councillor Andrew Western, Eamonn Boylan, Pam Smith (Caroline Simpson attending), Steve Rumbelow, Tom Stannard and Tony Oakman.

GMCA 185/21 CHAIRS ANNOUNCEMENTS AND URGENT BUSINESS

The GM Mayor, Andy Burnham, led tributes following the recent death of former Bury Mayor and Council Leader, Councillor Mike Connolly. His role in securing the devolution deal for Greater Manchester was noted and his pride in Bury was fondly remembered.

Following the recent announcements in Government's Budget and Spending Review, Members of the GMCA noted their appreciation for additional funding that had been allocated to transport infrastructure growth and core support for local government. Bolton, Bury, Manchester, Salford and Ashton had all been successful in securing funding for local projects from the Levelling Up Fund. It was noted that the spending power for local government remained unclear but Members urged against increases in regressive taxation due to the consequences it would have for the poorest in Greater Manchester.

RESOLVED /-

1. That the GMCA recognised the significant contribution to devolution made by Councillor Mike Connolly, formerly Leader of Bury Council who had sadly recently passed away, and that condolences be shared with his family, friends and colleagues.
2. That the GMCA welcomed the reference in this week's Government Budget to a 'London-style public transport system' for Greater Manchester and the allocation of funding to support specific projects across Greater Manchester through the Levelling-Up Fund. Recognising that this would only go a short way towards delivering the ambitions of Local Authorities, who had had their budgets significantly reduced over the last 11 years and that there should be further devolution to allow Local Authorities to determine their own local spend in line with local priorities in the future.
3. That it be noted, that the GMCA would be seeking to understand the budget announcement in greater detail.
4. That it be agreed that increased taxation was not acceptable as a means of funding for Local Authorities.

GMCA 186/21 DECLARATIONS OF INTEREST

RESOLVED /-

There were no declarations of interest reported by any Member in respect of any item on the agenda.

GMCA 187/21 MINUTES OF THE GMCA MEETING HELD ON 24 SEPTEMBER 2021

RESOLVED /-

That the minutes of the GMCA meeting held on the 24 September 2021 be approved as a correct record.

**GMCA 188/21 MINUTES OF THE GMCA RESOURCES COMMITTEE HELD ON 24
SEPTEMBER 2021**

RESOLVED /-

That the minutes of the GMCA Resources Committee meeting held on the 24 September 2021 be noted.

**GMCA 189/21 MINUTES OF THE GREATER MANCHESTER LOCAL ENTERPRISE
PARTNERSHIP BOARD HELD ON 22 SEPTEMBER 2021**

RESOLVED /-

That the minutes of the Greater Manchester Local Enterprise Partnership Board meeting held on the 22 September 2021 be noted.

**GMCA 190/21 MINUTES OF THE HOUSING, PLANNING & ENVIRONMENT
OVERVIEW & SCRUTINY COMMITTEE HELD ON 23 SEPTEMBER &
7 OCTOBER 2021**

RESOLVED /-

That the minutes of the Housing, Planning & Environment Overview & Scrutiny Committee meeting held on the 23 September 2021 & 7 October 2021 be noted.

**GMCA 191/21 MINUTES OF THE GMCA AUDIT COMMITTEE HELD ON 30
SEPTEMBER 2021**

RESOLVED /-

That the minutes of the GMCA Audit Committee meeting held on the 30 September 2021 be noted.

**GMCA 192/21 MINUTES OF THE GM WASTE & RECYCLING COMMITTEE HELD
ON 13 OCTOBER 2021**

RESOLVED /-

That the minutes of the GM Waste & Recycling Committee meeting held on the 13 October 2021 be noted.

**GMCA 193/21 MINUTES OF THE GREATER MANCHESTER TRANSPORT
COMMITTEE HELD ON 15 OCTOBER 2021**

RESOLVED /-

That the minutes of the Greater Manchester Transport Committee meeting held on the 15 October 2021 be noted.

GMCA 194/21 GREATER MANCHESTER APPOINTMENTS AND NOMINATIONS

The GMCA Monitoring Officer took members through a report which updated several appointment changes received from GM Local Authorities in relation to GMCA Committees.

RESOLVED /-

1. That the appointment of Andy Burnham and Andrew Western, as the GMCA member and substitute member on the TfN Board, and as the member and substitute member to the TfN General Purposes Committee be noted.
2. That the appointment of Cllr Nathan Boroda, Bury, to the Corporate Issues & Reform Overview and Scrutiny Committee be agreed.
3. That the appointment of Cllr Lee-Ann Igbon, Manchester, to the GMCA Corporate Issues & Reform Overview and Scrutiny Committee be agreed.
4. That the appointment of Cllr Samuel Rummer, Bolton to the GMCA Economy, Business Growth & Skills Overview and Scrutiny Committee be agreed.
5. That the appointment of Cllr Mrs Hillary Fairclough as the Bolton substitute member on the GMCA be noted.
6. That the further extension of the appointment of Geoff Linnell, Co-opted Independent Member, to act as the Chair of the Standards Committee, and Nicole Jackson, Independent Person, to assist the Monitoring Officer and Hearing Panel in dealing with allegations that members of the GMCA have acted in breach of the GMCA's Code of Conduct, to 30 November 2022 be approved, and that Rule 11.5 be suspended for this purpose.
7. That the appointment of Cllr Nadim Muslim, Bolton, to the GM Waste & Recycling Committee be agreed.
8. That the appointment of Cllr Rabnawaz Akbar, Manchester, and Cllr Mudasir Dean, Bolton, to the Police & Crime Steering Group be noted.
9. That the appointment of Cllr Rabnawaz Akbar, Manchester, and Cllr Mudasir Dean (Cllr Nadim Muslim as substitute), Bolton, to the Police & Crime Panel be noted.
10. That the appointment of Cllr Tracey Rawlins, Manchester, and Cllr Adele Warren (substitute) Bolton, to the Joint Development Plan – Places for Everyone, be noted.
11. That the appointment of Cllr Nadim Muslim, Bolton, to the Air Quality Administration Committee be noted.
12. That the appointment of Cllr Nadim Muslim, Bolton, to the Clean Air Charging Authorities Committee be noted.

13. That the appointment of Cllr Joanna Midgely, Manchester, to the Health & Social Care – Joint Commissioning Board be noted.
14. That the appointment of Cllr Gavin White, Manchester, and Cllr Adele Warren, Bolton, to the GM Work & Skills Executive be agreed.

GMCA 195/21 SOCIAL HOUSING DECARBONISATION FUND

Councillor Neil Emmott, Portfolio Leader for Green City Region, introduced a report which sought approval for the Combined Authority to bid for c.£15m Government funding from the 'Social Housing Decarbonisation Fund' from BEIS (Department for Business, Energy and Industrial Strategy), on behalf of Greater Manchester Local Authorities and registered providers.

If successful, the funds from this bid would help social housing providers to install decarbonisation measures, with over 1000 social homes being supported to achieve an EPC rating of C or above for their energy efficiency. Members were supportive of the bid, which reflected Greater Manchester's retrofit ambitions and was timely in light of the country-wide ambitions being currently highlighted COP 26 summit. However, concerns were raised regarding the extent of the retrofit challenge compared to the level of funding on offer. It was noted that homes currently being built would need to be retrofitted in around a decade's time, so acceleration in the rate of retrofitting and an increase in the funding on offer was required.

RESOLVED /-

1. That it be agreed that the GM Local Authorities should collectively bid for c.£15m of Social Housing Decarbonisation funding.
2. That it be agreed the GMCA should be the accountable body for the bid on behalf of GM Local Authorities and Registered Providers.
3. That, subject to a successful award, authority be delegated to the GMCA Treasurer and Solicitor to contract with BEIS to receive and defray the funds to partners and procured delivery partner(s).
4. That it be noted that the equalities impact from this proposal will be managed via utilising delivery companies with robust equality policies, and the environmental outcome is to substantially reduce the carbon emissions from in excess of 1000 social housing homes across Greater Manchester.

GMCA 196/21 PUBLIC SECTOR DECARBONISATION SCHEME (PHASE 3) 2021

Councillor Neil Emmott, Portfolio Leader for Green City Region, took Members through a report which outlined the latest opportunity presented by the Public Sector Decarbonisation Scheme and detailed Greater Manchester's ambition to seek substantial funding from Phase 3 of the scheme. Approval was sought (subject to a successful bid) to receive and expend c.£20-40m funding from Salix Finance, a Non-Departmental Public Body, to undertake low carbon retrofit projects on public buildings across Greater Manchester. The awards would be announced in November 2021 with a delivery timeframe of 12-36 months (85% within 12 months).

Members were reminded that Greater Manchester had been successful in obtaining £1m in revenue and £78m of capital under Phase 1 of the same scheme. As a result of the previous Phase 1 funding, 150 public buildings had been decarbonised across Greater Manchester. There was clear recognition across the GMCA for the progress that had been made so far.

RESOLVED /-

1. That the opportunity to bid for circa £20-40m of Public Sector Decarbonisation Scheme funding from Salix (NDPB) be noted.
2. That, subject to a successful bid, the receipt and defrayment of these funds either directly or via GM Local Authorities be agreed and authority delegated to the GMCA Treasurer and Solicitor to sign all necessary legal agreements.
3. That it be agreed to top slice from the capital grant to underpin the GMCA's cost of coordinating and project managing the scheme. The scale of the top slice will be confirmed on receipt of the grant.
4. That it be noted that the equalities impact from this proposal will be managed utilising delivery companies with robust equality policies, and the environmental outcome is to substantially reduce the carbon emissions from our public buildings in Greater Manchester.

GMCA 197/21 GREATER MANCHESTER TOWN OF CULTURE 2022

Councillor Martyn Cox, Portfolio Leader for Culture, took Members through a report which provided an update on GM's first Town of Culture, Bury, where activity had been delivered in 2021 due to COVID-19 restrictions preventing widescale delivery in 2020. The report also set out a proposal for GM's second Town of Culture in 2022.

Greater Manchester's first Town of Culture, Bury had delivered a hybrid programme of events, including the Head for the Hills festival and the online United We Stream music event which was viewed across the globe. It was noted that £50,000 of investment had returned £150,000 in additional funds for the programme, showcasing the success of the scheme. Councillor Eamonn O'Brien, Leader of Bury Council, thanked Members for their support over the past two years and highlighted the positive impacts of Bury's Town of Culture status, which would have a lasting legacy in the borough.

Members praised Bury for its work and emphasised the importance of the cultural offer within Greater Manchester. It was noted that the Town of Culture for 2022 was hoped to be announced in early December 2021.

RESOLVED /-

1. That the proposal for a second GM Town of Culture to be delivered in 2022 be approved.
2. That a programming budget from the agreed GMCA Culture Fund of £50,000 be approved for awarding to the GM Town of Culture 2022 in 2022/23 to support programming and delivery.

3. That the timescale process set out in Section 4 of the report be approved.

GMCA 198/21 GREATER MANCHESTER'S BUS SERVICE IMPROVEMENT PLAN

GM Mayor Andy Burnham, Portfolio Lead for Transport, took Members through a report which sought approval to submit to Government and publish Greater Manchester's Bus Service Improvement Plan (BSIP). The Plan had been produced in response to the Government's National Bus Strategy, which required all English Local Transport Authorities to produce and publish a BSIP by the end of October 2021. The BSIP aimed to improve the overall offer to bus customers, was aligned with GM's plans to introduce a franchised bus network from 2023 and would start to deliver the Bee Network vision for a London-style, integrated, accessible and inclusive transport network.

It was highlighted that Greater Manchester was uniquely placed as it could guarantee improvement and a return on investment compared to other city regions because of its bus franchising plans. Funding to support the BSIP had the potential to be life-changing for residents who would be able to take advantage of opportunities across the conurbation thanks to low fares and better transport links. It was noted that having fewer cars on the roads and a net-zero bus fleet would further contribute to Greater Manchester's 2038 zero carbon target and that Greater Manchester could become a template for other city regions in time.

All Members commended the work and ambitions contained within the BSIP and many emphasised the importance of buses in the public transport system, especially in districts that did not yet have Metrolink connections. It was also noted that an improved bus network could help to reduce inequalities within the city region and officers were asked to work with a range of groups to make sure that the Customer Charter represented all Greater Manchester residents.

Members were told that children's school buses would remain an integral part of the network, with the BSIP including proposals for reduced fares for school children. TfGM's commitment to inclusivity was highlighted in response to concerns about the Customer Charter and it was further noted that the BSIP included proposals for additional Travelsafe officers on the network.

RESOLVED /-

1. That the level of ambition and proposals being put forward as part of Greater Manchester's Bus Service Improvement Plan be endorsed.
2. That the publication and submission to Government of the Bus Service Improvement Plan be approved.
3. That the development of the Customer Charter be undertaken with representatives from all user and non-user groups to ensure that all qualitative aspects of customer experience can be included.
4. That in developing the Customer Charter, a minimum level of service for all communities in Greater Manchester be considered as a fundamental element of the offer.

GMCA 199/21 GREATER MANCHESTER MINIMUM LICENSING STANDARDS FOR TAXI AND PRIVATE HIRE

GM Mayor Andy Burnham, Portfolio Lead for Transport, took Members through a report which provided an update on the progress in developing a set of minimum licensing standards for taxis and private hire vehicles in Greater Manchester. Specifically, the report outlined the recommendations that officers would be making for Stage 2 (vehicles) of the standard proposals.

Emphasis was placed upon the purpose of the vehicular standards which was to make it easier for passengers to identify safe taxis and private hire vehicles. The concerns of the industry were noted and consequently it was agreed that the deadlines within the report would be adjusted to permit greater flexibility.

Members welcomed the report's ambitions and were supportive of the amended deadlines, noting that the industry had played a vital role during the pandemic and should be supported during the transition to the minimum licensing standards and the standards set by the Clean Air Plan. It was also recognised that creating a uniquely white fleet would help residents to identify safe taxis and private hire vehicles and distinguish between those from Greater Manchester and those from out-of-town operators who had not been required to adhere to the same level of standards in relation to both driver and passenger safety.

RESOLVED /-

That the progress of the Minimum Licensing Standards workstream be noted and the proposals at Stage 2 of the recommendations be endorsed with Local Authorities using best endeavours to meet them.

GMCA 200/21 GREATER MANCHESTER ECONOMIC DASHBOARD

Councillor Elise Wilson, Portfolio Lead for Economy & Business, took Members through the latest version of the Greater Manchester Economic Resilience Dashboard and provided an overview of activity related to the Economy portfolio, including the implementation of the Greater Manchester Industrial Strategy.

The Dashboard presented a positive forecast for the economy and an overall improvement for businesses, however it was noted that there would need to be continued close monitoring to ensure that businesses remained properly supported. The report also referenced the ongoing work on InnovationGM, which was a distinctive Levelling Up bid for research and development within Greater Manchester. A further update was provided relating to the Good Employment Charter, and it was hoped that new members would join the Charter after being assessed in November 2021. The formal launch of the Greater Manchester Living Wage City Region was announced for 15 November 2021 and Members of the GMCA were invited to the launch event.

RESOLVED /-

1. That the latest update of the Greater Manchester Economic Resilience Dashboard and response, including delivery of the Local Industrial Strategy and Greater Manchester Economic Vision be noted.
2. That it be noted that all members of the GMCA will be invited to the forthcoming launch of 'GM – A Living Wage City Region' on the 15 November 2021.

GMCA 201/21 GREATER MANCHESTER INVESTMENT FUNDS

Councillor David Molyneux, Portfolio Leader for Investment and Resources introduced a report which provided an overview of the GMCA's achievements in managing investment in commercial property, residential development and businesses within Greater Manchester.

Overall, £900 million had been invested and the figure continued to grow. £575 million had been invested into residential development, helping to build nearly 8000 homes in Greater Manchester. Major projects supported by the Fund had created 9000 jobs.

Members congratulated the success of the Fund and noted that such investment in GM was crucial. Additional figures were highlighted, including £15 million investment into Social Impact Funds, and £63 million investment which had specifically supported SME developers. It was noted that over £28 million had been generated by investment, which helped to deliver homes in Greater Manchester and support businesses in the region.

RESOLVED /-

That the report setting out the successful achievements of the funds be welcomed and further noted that the investment funds would continue to provide valuable investment for Greater Manchester residents into the future.

GMCA 202/21 GREATER MANCHESTER BROWNFIELD HOUSING FUND – REALLOCATION OF TRANCHE 2/ADDITIONAL 10% MONIES

Salford City Mayor Paul Dennett, Portfolio Leader for Housing, Homelessness and Infrastructure, took Members through a report which sought approval to reallocate funding from two sites that were unable to progress through the approved timescales. The report also sought approval to enter into individual grant agreements with the respective parties, if reallocation was to be approved.

It was noted that Greater Manchester had received a total investment of £96.9 million to deliver on its brownfield-first priorities. Project timescales were agreed at the outset of the process, but two projects were unable to meet those deadlines. The alternative projects in Bolton and Manchester had been identified by moving through a priority list and would deliver over 500 homes, with a proportion of those being affordable homes.

RESOLVED /-

1. That the allocation of grant funding to those sites set out within Section 2 of the report be approved.

2. That it be agreed that the GMCA enter into individual Grant Agreements for the Brownfield Housing Fund associated with the recommended sites.
3. That authority be delegated to the GMCA Treasurer acting in conjunction with the GMCA Monitoring Officer to agree the final terms of all necessary agreements.

**GMCA 203/21 GREATER MANCHESTER INVESTMENT FRAMEWORK,
CONDITIONAL PROJECT APPROVAL**

Councillor David Molyneux, Portfolio Leader for Investment and Resources introduced a report which sought approval for an investment from the GMCA into the Growth Investment Fund, which would be made from recycled funds.

RESOLVED /-

1. That an investment of £1 million into the Growth Investment Fund be approved.
2. That authority be delegated to the GMCA Treasurer and GMCA Monitoring Officer to review the due diligence information in respect of the above Fund, and, subject to their satisfactory review and agreement of the due diligence information and the overall detailed commercial terms of investment, to sign off any outstanding conditions, issue final approvals, and complete any necessary related documentation in respect of the investment noted above.

GMCA 204/21 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED /-

That, under section 100 (A)(4) of the Local Government Act 1972 the press and public should be excluded from the meeting for the following items on business on the grounds that this involved the likely disclosure of exempt information, as set out in the relevant paragraphs of Part 1, Schedule 12A of the Local Government Act 1972 and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

**GMCA 205/21 GM INVESTMENT FRAMEWORK, CONDITIONAL PROJECT
APPROVAL**

Clerk's Note: This item was considered in support of the report considered in Part A of agenda (Minute GMCA 203/21 above refers).

RESOLVED /-

That the report be noted.

Signed by the Chair:

**GREATER MANCHESTER POLICE, FIRE AND CRIME PANEL
MINUTES OF A MEETING HELD ON 22nd JULY 2021 AT THE MECHANICS INSTITUTE**

PRESENT:

Councillor Janet Emsley, Rochdale Council (Chair)
Councillor Rabnawaz Akbar, Manchester City Council
Councillor Kevin Anderson, Wigan Council
Councillor Richard Gold, Bury Council
Councillor Allison Gwynne, Tameside Borough Council
Councillor David Lancaster, Salford Council
Councillor Nadim Muslim, Bolton Council
Councillor Amanda Peers, Stockport Council
Councillor Graham Whitham, Trafford Council
Councillor Steve Williams, Oldham Council (Vice-Chair)
Majid Hussain, Independent Member
Angela Lawrence, Independent Member

Also in attendance: Baroness Beverley Hughes, Deputy Mayor.

Officers Present:

Neil Evans, Strategic Advisor to Deputy Mayor, GMCA
Chief Supt Rick Jackson, GMP
Clare Monaghan, Director, Police, Crime, Criminal Justice and Fire, GMCA
Dave Russel, Chief Fire Officer, GMFRS
Supt. Phil Spurgeon, GMP
Lee Teasdale, Governance and Scrutiny, GMCA
Gwynne Williams, Deputy Monitoring Officer, GMCA
Steve Wilson, City Treasurer, GMCA

PCFP/19/21 APOLOGIES

Apologies for absence were submitted on behalf of Jeanette Staley.

PCFP/20/21 APPOINTMENT OF CHAIR AND VICE-CHAIR OF THE PANEL

Nominations were requested for the role of Panel Chair for 2021/22 – a nomination was received for Councillor Janet Emsley, which was seconded and subsequently unanimously agreed.

Councillor Emsley took the Chair and requested nominations for the role of Vice-Chair for 2021/22. A nomination was received for Councillor Steve Williams, which was seconded and subsequently unanimously agreed.

RESOLVED/-

1. That Councillor Janet Emsley (Rochdale) be appointed as Chair of the Police, Fire and Crime Panel for the municipal year 2021/2022.

2. That Councillor Steve Williams (Oldham) be appointed as Vice-Chair of the Police, Fire and Crime Panel for the municipal year 2021/2022.

PCFP/21/21 MEMBERSHIP 2021/22

The Panel noted the membership for the Municipal Year 2021/22.

PCFP/22/21 CHAIR ANNOUNCEMENTS AND URGENT BUSINESS

The Chair invited Councillor Williams to address the Panel regarding the Greater Manchester Fire and Rescue Museum Trust. The Museum had recently received a grant of nearly £2m to aid its development and it now sought a member of the GM Police, Fire & Crime Panel to sit on the Trust. Councillor Williams nominated the Chair Councillor Emsley for the role, which was unanimously agreed.

RESOLVED/-

1. That Councillor Janet Emsley be nominated by the GM Police, Fire and Crime Panel as its member of the Greater Manchester Fire and Rescue Museum Trust.

PCFP/23/21 DECLARATIONS OF INTEREST

No declarations of interest were made.

PCFP/24/21 MINUTES OF THE PANEL HELD ON 14 MAY 2021

Members were asked to note and agree the minutes of the Panel meeting held on 14 May 2021.

Councillor Peers referenced minute item PCFP/16/21 (Balanced Appointment Objective and Co-opted Members) – stating that there was an opportunity to address the Panel's gender balance as well as its political balance. Members also suggested that the skills balance could be addressed through co-option as well. It was enquired whether approval from the Secretary of State had been granted.

It was advised that the application had been made, and in response the Secretary of State has asked for an indication of who the additional members would be. Therefore, two nominations were required from the Conservative Group, one nomination from the Liberal Democrat Group and two nominations from the Labour Group. The addressing of gender balance within these nominations would be a matter for each political group internally.

RESOLVED/-

1. That the minutes of the meeting held on 14th May 2021 be agreed by the Panel.
2. That each political party be asked to be mindful of the Panel's current gender balance in terms of its additional nominations.

Superintendent Phil Spurgeon (GMP) was invited to provide an update to the Panel. The following points were highlighted:

- In terms of Control Works progress – the Command-and-Control System had been stable and had served GMP very well during the many challenges posed by COVID-19. The opportunity to upgrade from the Version 9 launch package was welcomed. The latest version (Version 16) was expected to be available to GMP towards the end of the year. A training and testing team were in place to implement this.
- Regarding iOPS mobile technology for officers in the community. It was hoped that the user interface would be upgraded to ease the input process for intelligence/crime/vulnerability data/reports. A server upgrade was being worked on that would allow it to be up-to-speed with the platform that the mobile technology sat on.
- In relation to the dashboard – a mapping facility had been recently introduced that had been warmly welcomed by users.
- There had been a change in the senior responsible owner for iOPS with responsibility now falling under ACC Rob Potts. ACC Potts was not coming to the project 'cold' as he had previously stood in for ACC Chris Sykes during planned absences and was cognisant of all the challenges faced.
- 'PoliceWorks' was referenced. As the most complex and least mature of the iOPS products, this had proved to be the most challenging product since having gone live in terms of speed, performance and functionality. The new Chief Constable had commissioned an options review to re-assess the suitability of PoliceWorks to meet the needs of GMP going forward. Suppliers had concluded a three-month remediation plan in relation to some of the issues that had been faced after the upgrade in January, helping GMP to return to a position of good stability. A planned programme of works was in place with the suppliers to address speed and performance issues, with 15 items currently in scope (examples included within the report).
- Work was also taking place to look at the underpinning infrastructure. An upgrade to Version 2.8 had taken place in May and had addressed some of the bugs and defects causing most trouble.
- A clear programme of work was in place for the rest of 2021/22 – with the absolute priorities being performance; speed; and the ease & ability of staff to manage and input crimes, intelligence and searching.

Comments and Questions

- Members welcomed the establishment of a Confidence and Communications Working Group and enquired about planned measures to monitor this confidence. It was advised that Phil Swann (GMCA) had provided some light touch support in which feedback had been taken from staff which proved helpful in taking the project forward. A regular confidence score was taken from the network of iOPS bronzes for a 'temperature check' on how staff were feeling.

- Members welcomed the donations of tablets to communities. This was an important piece of work that enabled the poorest neighbourhoods to access contemporary technologies.
- The Chief Constable's options review was considered. How long would the review take to complete, to know whether the current system was indeed fit for purpose going forward? It was advised that a good start had been made on the options review, with an assessment of the system having taken place. The aspiration was that the review be completed within the next few months and the Chief Constable had advised that he wished to be in a position to take a decision by the end of the year. Members expressed their concerns about the resulting impact should the difficult decision be taken to consider an alternative system.
- Members asked what the biggest issues were in terms of technology for front line officers at the present time. It was advised that general issues around speed and performance remained the overarching concerns at the present time. Planned work with the suppliers included the speeding up of movement throughout the system.
- Questions were raised about how long the iOPS system could be expected to last before becoming outdated. It was advised that updates would be available to ensure that the system remained completely up to date in terms of mapping ability and other developing technologies.
- Members enquired about the budget for iOPS and spend to date. It was advised that spend to date could be provided to the Panel.

The Deputy Mayor for Policing & Crime was invited to address the Panel and highlighted the following:

- Both the Deputy Mayor and GM Mayor received regular updates from the Chief Constable on iOPS – both informally via weekly meetings, and more formally through the Deputy Mayor's policing meetings.
- It had been reinforced in correspondence with officers that other than PoliceWorks, the system was working very well and that the improvements were appreciated. The mobile capability was potentially transformational for officers, as was the dashboard available to districts.
- Reference was made to a further issue that had arisen with iOPS in the last week. This issue had revealed that a significant number of intelligence reports had been part-loaded into the system but not finalised and therefore had not reached the force intelligence bureau for assessment. The Chief Officers were now preparing an action plan and timeline in relation to this for the Mayor and Deputy Mayor.
- It was advised that a critical piece of work on this issue was being led by ACC Nicky Porter. The Chair asked that the Panel be advised of the outcome at the earliest opportunity.

The Chair drew the item to a close, stating that the Panel acknowledged the difficulties that are faced in introducing any new software system into a large-scale organisation. Thanks were expressed for the honesty with which GMP had addressed these issues. It was also

reassuring to receive confirmation that the GM Mayor and Deputy Mayor were in frequent communication with the Chief Constable to address the ongoing issues.

RESOLVED/-

1. That the report and update provided on the progress made with the continuing development of GMP's Integrated Operational Policing System (iOPS) technology be received by the Panel.
2. That the Panel be provided with details of the iOPS related spend to date.
3. That the outcomes of the critical piece of work being led by ACC Nicky Porter in relation to the uploading of intelligence reports within the iOPS system be reported back to the Panel at the earliest opportunity.

PFCP/26/21 HMIC - VICTIM SERVICES ASSESSMENT AND ENGAGEMENT ACTION PLAN

A report was provided which informed the Panel of the activity taking place under the banner of the Victim Services Assessment and Engagement Action Plan. The item was led by Chief Supt. Rick Jackson – who highlighted the following points:

- The Victim Services Assessment Report had been published in December 2020 and was highly critical across a number of areas due to multiple remaining issues raised during prior inspections.
- Enduring causes of concern were considered three-fold. These were the ability to record crime and assess risk; the quality of investigations particularly with members of society considered to be at risk; and the failure to provide annual data returns to a number of stakeholders, including the Home Office since the introduction of iOPS. It was also considered implicit throughout the report that GMP was not delivering substantive and sustainable change.
- The VSA findings had required immediate action and change. Some of the key actions taken were highlighted. These included a gold command and control structure having been immediately put into place, the implementation of district-based quality assurance teams to ensure assessment of every incident coming into GMP, and the introduction of a central Crime and Resolution Unit.
- It was considered that some of the previous failings had been a result of the strategies adopted at that time. This included a plan to upskill across the workforce that had proved insurmountable and had been replaced by the introduction of specialist teams. These included desk-based Crime Investigation Teams that investigated calls coming into GMP that had often previously, for numerous reasons, been 'filtered out'.
- Given that every incident was now being assessed, this had led to a significant increase in the number of open crimes. The number of these had previously stood at around 32,000 and now stood at circa 75,000 to investigate. Therefore, it was critical to put into place the medium to long-term initiatives that had been committed to in helping to manage demand.

- Stabilisation was required, and investment had already been made in over 50 extra staff in the operational resources branch. The Chief Constable had committed to one of the most ambitious recruitment campaigns in GMP's history. This included reintroducing Chief Superintendents within local districts to boost leadership at the local level and help in building links to the strategic partnership.
- Chief Supt. Jackson referenced his role within GMP. It was considered that previously, the level of accountability needed within the organisation was not in place to ensure that qualitative processes were in place. Therefore, Chief Supt. Jackson had formed a Performance and Improvement Oversight Team to conduct quantitative and qualitative audit and quality assurances, to ensure that GMP was delivering as it has promised.

Comments and Questions

- The Deputy Mayor welcomed the full and frank picture presented of the expedited and complex streams of work taking place – and that this approach should safeguard against any surprises in future. A key part of ensuring a positive culture change was to understand the root causes, and it was apparent that the actions being taken would begin to uncover these.
- Members welcomed the renewed focus on localities and the intentions around strong communications with said localities. Given the recent HMICFRS findings, it was vital to restore confidence in local communities that their reporting of crimes would be addressed and responded to appropriately.
- Members enquired as to how sustainable this work would be over time. Chief Supt. Jackson highlighted the criticality of this point – much of the surge activity taking place now would not be sustainable in the longer term and therefore it was vital to get all of the initiative work up and running in parallel to this to maintain the progress through more efficient and effective processes.
- A query was raised asking if the experiences of victims were being recorded through qualitative data, and whether this would continue to be recorded to ensure that improvements were monitored over time. It was agreed that the voice of the victim was key – and a lot of work in relation to this had been undertaken by the Mayor's Office and Peter Langmead-Jones at GMP on the Victims Survey. The Victims Survey would go straight back into the Quarterly Performance Review to ensure tangible activity.
- Members reflected on ten years of cuts to services, which had resulted in the loss of a wealth of experience across the force. What was being built into the training for new officers to ensure that they acquired the necessary skill sets early in their careers? And how was ever increasing demand upon officers/services being managed? It was advised that the performance framework fed directly into the organisational training framework and specifically highlighted areas of threat and weakness that needed specific training emphasis. The strengthening of the 'middle office' was key to ensuring that the assistance to victims was not impacted by any cuts to services.
- Concerns were raised about the potential burnout of staff. It was advised that support for staff and understanding when there was a need for senior management to step in was being embedded within the organisation.

- Members enquired about learning taken from the body worn video audit – following some concerns raised by the Domestic Abuse Steering Group. It was advised that over 100 body worn videos had been reviewed in order to help inform the performance framework, victims support assessment command meeting structure, the crime standards board, the vulnerability board and a number of other key related boards.
- Members referenced the lack of public confidence in the 101 telephone service. It was advised that GMP were aware of the public perception of the 101 service. Addressing this perception would be very high on the agenda of the incoming new Head of Communications at GMP.
- Members enquired about the Mayors Independent Report and when this would be available. The Deputy Mayor advised that the Chief Constable was using the outcomes to build and inform his Forward Plan with the intention to publish imminently.

The Chair drew the item to a close, welcoming the open and honest conversation that took place round the table. The Chief Constable's commitment to all crimes being investigated; further recruitment campaigns and better accountability were welcomed.

RESOLVED/-

1. That the Victim Services Assessment and Engagement Action Plan be received and welcomed by the Panel.

PFCP/27/21 GM POLICE FIRE AND CRIME PANEL – RULES OF PROCEDURE

The Deputy Monitoring Officer introduced the rules of procedure for the Committee to note.

RESOLVED/-

1. That Members note the GMPFCP Rules of Procedure.

PFCP/28/21 GENDER BASED VIOLENCE

The Deputy Mayor for Policing and Crime, together with Neil Evans (GMCA) introduced a report that informed on the development of the Greater Manchester Gender Based Violence Strategy, and its progress towards approval from the Combined Authority and final publication. The following points were highlighted:

- The government had just published a refresh of their own strategy yesterday – which talked about how in parallel to the COVID pandemic there was a worldwide pandemic of violence taking place against women and girls.
- GM had seen over 73,000 cases of domestic abuse reported in the year up to March 2021, as well as 35,000 cases of stalking and harassment and many other gender-based violence related issues.

- Following work that had taken place alongside the University of Manchester, it was fully understood that this needed to be committed to for the long-haul. Fundamentally the strategy was about changing overall attitudes and culture, as well as all of the multi-agency services that victims and their families needed.
- The current draft of the strategy had gone out to formal public consultation on 22nd June 2021 and would continue until 1st August 2021.
- Approximately 70 responses had been received to date.
- A key part of the consultation was seeking to establish whether the right priorities had been identified. Responses to date indicated that 86% agreed that these were the right priorities, and 72% agreed with the definition and title of the strategy.
- The importance of the victim's voice would form a key part of the strategy and part of the consultation had been about how this could be best approached. One of the agreed approaches was the establishment of a Victims and Survivors Panel.
- Focus groups had provided valuable insight. Particularly the Older People's; Disabilities; and Young People's Groups, providing details of issues specific to these demographics.

Comments and Questions

- Members raised a query in relation to restorative justice and concerns about this being used as a post-sentencing intervention against the wishes of the victim. Assurance was provided that restorative justice would not take place unless the victim unambiguously sought it.
- Members sought a guarantee that victims would receive independent advice on whether they may want to pursue restorative justice. Assurance was provided that this would be considered in detail, and that if it was not already built in then work would take place to ensure that it was.
- Issues around accessibility and ensuring that the strategy was easy to understand for all were raised. It was advised that whilst the Committee had received the full strategy – there were slimmed down and 'easy read' versions available. Some of the commitments in the strategy were broad but falling under these would be a number of delivery plans that would concisely set out the intended actions for tackling these challenges.
- Members felt that a fundamental issue requiring change was the attitude of men and boys towards females – and believed that the report needed to have a strong emphasis upon this. It was advised that feedback from the consultation had also indicated the need for a strengthening of the language, and that this was being worked on.
- Members enquired about work taking place with schools and youth organisations to ensure that appropriate attitudes were embedded from a young age. It was advised that a summit had been held with 80 headteachers from GM primary schools around these and other violence related issues. Feedback from young people themselves had indicated a need to embed this work from primary school age onwards.

The Chair closed the item, thanking Neil Evans for his substantial work bringing the strategy together with Dr Carolyn Wilkins.

RESOLVED/-

1. That the Panel notes the contents of the report and agrees to receive further reports on progress of delivery.

PFCP/29/21 CAPITAL BUDGET 2021/22

Steve Wilson (Treasurer, GMCA) advised that the paper was being shared in advance of plans to bring more financial detail to the Panel than had been the case previously, to improve on in-year financial performance sharing.

This would include bringing back information on the capital and revenue implications arising from the ongoing police improvement works.

Members welcomed the doubling of Safer Streets Funds.

Members expressed concern about funding for Wigan and requested a refreshment of the figures.

RESOLVED/-

1. That the Panel notes the Greater Manchester Police Fund Revenue and Capital Budget 2021/22 report.

**PFCP/30/21 ANNUAL RECORD OF COMPLAINTS RECORDED ON BEHALF
OF THE GREATER MANCHESTER POLICE, FIRE AND CRIME
PANEL**

RESOLVED/-

1. That the report be noted by the Panel.

PFCP/31/21 DECISIONS AND ACTIONS TAKEN BY THE GM DEPUTY MAYOR

RESOLVED/-

1. That the report be noted by the Panel.

This page is intentionally left blank



MINUTES

Meeting: **National Park Authority**

Date: Friday 3 September 2021 at 10.00 am

Venue: Palace Hotel, Buxton, SK17 6AG

Chair: Cllr A McCloy

Present: Mr J W Berresford, Cllr W Armitage, Cllr D Chapman, Cllr C Farrell, Cllr C Furness, Cllr A Gregory, Prof J Haddock-Fraser, Mr Z Hamid, Cllr A Hart, Cllr Mrs G Heath, Mr R Helliwell, Cllr I Huddleston, Cllr C McLaren, Cllr D Murphy, Cllr Mrs K Potter, Cllr V Priestley, Mr K Smith, Cllr P Tapping, Cllr D Taylor, Ms Y Witter and Cllr B Woods

Apologies for absence: Cllr C Greaves, Ms A Harling, Miss L Slack and Cllr J Wharmby.

59/21 ROLL CALL OF MEMBERS PRESENT, APOLOGIES FOR ABSENCE AND MEMBERS' DECLARATIONS OF INTEREST

Item 7

Cllr Chapman and Cllr Priestley declared that they were Chair and Vice Chair of the Moors for the Future Partnership Group.

60/21 MINUTES OF PREVIOUS MEETING OF 2ND JULY 2021

The minutes of the last meeting of the Authority held on the 2nd July 2021 which were tabled and included the referenced Appendix 1 were approved as a correct record.

61/21 URGENT BUSINESS

There was no urgent business.

62/21 PUBLIC PARTICIPATION

No members of the public had given notice to address the meeting under the Public Participation at Meetings Scheme.

63/21 AUTHORITY CHAIR'S REPORT

The Chair confirmed that there had not yet been a full response from the government regarding the Glover review of Protected Landscapes but that it would be shared with Members as soon as it was published.

64/21 CHIEF EXECUTIVE'S REPORT (SLF)

Members noted the Chief Executive's Report that included updates on key items since the previous Authority meeting including:

- Performance Management – Quarter 1 exceptions
- Planning Service Update
- Deputy Chief Executive Role
- Peak District National Park Foundation
- Sustainable Travel

The CEO confirmed that there was nothing significant to report to the Authority meeting regarding the financial position of the Authority at present, however a budget update will be taken to the November Authority meeting.

RESOLVED:

To note the report.

65/21 AMP7 2020-24 WORKS (MH)

The report was presented by the Head of the Moors for the Future Partnership and the Project Manager, who outlined the proposal to extend peatland restoration works, working with Water Company partners, in the Dark Peak and South Pennines through Asset Management Period 7 (AMP7) between 2020-24. The Programmes & Resources Committee had previously approved a project value ceiling of £3million. It is now anticipated that the maximum value of the project could rise to £7.5 million and therefore authority to extend the ceiling was being sought.

It was confirmed that the MFF Partnership are confident that they have the capacity to deliver this work. A further report will be taken to the next meeting of the Programmes and Resources Committee regarding the Nature for Climate Fund.

The recommendation as set out in the report was moved, seconded, voted on and carried.

RESOLVED

To note the existing partnering agreements and associated contracts and support the proposed partnering agreements and associated contracts between PDNPA and Water Company partners for MFFP to deliver AMP 7 habitat restoration aspirations (capital works) and associated research and communications outcomes.

Specifically:

1. **Authority to engage in new projects up to a maximum value of £7.5 million between 2020-2024 (increased from the existing limit of £3 million), and**

delegating authority to approve the acceptance of new partnering agreements with the Water Company partners under this authority, to the PDNPA Chief Financial Officer, in consultation with the Head of Moors for the Future Partnership and the Head of Legal Services.

- 2. That the Authority may, subject to compliance with its procurement standing orders, enter into contracts for the delivery of the AMP 7 projects and AMP 8 projects where they have been brought into the AMP 7 period.**

66/21 INTERNAL AUDIT 2021/22 ANNUAL PLAN (A1362/7/AMCC)

Ian Morton from our Internal Auditors, Veritau, was welcomed to the meeting and presented the report, which asked Members to approve the proposed Internal Audit Plan for 2021/2.

The recommendation as set out in the report was moved, seconded, voted on and carried.

RESOLVED:

To approve the 2021/22 Internal Audit Plan.

67/21 UPDATE ON REVIEWING THE NATIONAL PARK MANAGEMENT PLAN AND CORPORATE STRATEGY (EF)

The report was presented by the Head of Information and Performance Management, who updated the Authority on the review of the National Park Management Plan and Corporate Strategy and sought approval for the key milestones for the review, and the Member Task and Finish Group's amended terms of reference which were tabled.

The recommendation as set out in the report was moved, seconded, voted on and carried.

RESOLVED:

- 1. To note the update on the review of the National Park Management Plan and Corporate Strategy since the May 2021 Authority meeting.**
- 2. To approve the final Terms of Reference for the Member Task and Finish Group at Appendix 1, attached to the report.**
- 3. To approve the key milestones for the review of the National Park Management Plan and Corporate Strategy.**

68/21 REQUEST FOR APPROVAL OF REASONS FOR MEMBER NON-ATTENDANCE AT MEETINGS(A.111/RC)

The report, which presented a request to approve medical reasons for being unable to attend face to face meetings for two Members, was presented by the Democratic Services Manager, who advised that Cllr Huddleston could be omitted from considerations as he was present at the meeting.

Officers clarified that the report was not a reflection on the contribution of any Members, who had continued to contribute in other ways (in particularly via virtual meetings of Forums and Task Groups) while they were unable to attend face to face Standing Committee and Authority meetings. Rather it was a procedural item, to enable said Members to remain part of the Authority.

The recommendation as set out in the report was moved, seconded, voted on and carried.

RESOLVED:

To approve, in accordance with section 85(1) of the Local Government Act 1972, medical reasons for being unable to attend meetings of the Authority for Ms Harling until the first meeting of the Authority in 2022, currently to be held on 18 February 2022.

69/21 LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN ANNUAL REVIEW LETTER (RC)

The report, which provided details of the Local Government and Social Care Ombudsman Annual Review Letter 2020/21, was presented by the Democratic Services Manager, who confirmed that there were no concerns about the Authority's performance and that no complaints had been upheld during the 2020/21 period.

The recommendation as set out in the report was moved, seconded, voted on and carried.

RESOLVED:

To note the Local Government and Social Care Ombudsman Annual Review Letter 2021 at Appendix 1 attached to the report.

70/21 EXEMPT INFORMATION S100(A) LOCAL GOVERNMENT ACT 1972

RESOLVED:

That the public be excluded from the meeting during consideration of agenda item 13 to avoid the disclosure of Exempt Information under S100 (A) (4) Local Government Act 1972, Schedule 12A, paragraph 3 'information relating to the financial or business affairs of any particular person (including the Authority holding that information).

71/16 Bike Fleet Procurement (HB)

The meeting ended at 11.01 am

HEALTH AND WELL BEING BOARD
14/09/2021 at 3.00 pm



Present: Councillor M Bashforth (Chair)
Councillors Chauhan and Moores

Harry Catherall	Chief Executive OMBC
Donna Cezair	CEO, FCHO
Gerard Jones	Managing Director Children and Young People
Stuart Lockwood	OCLL
Dr. John Patterson	Clinical Commissioning Group
Katrina Stephens	Director of Public Health
Tamoor Tariq	Oldham Healthwatch
Mark Warren	Director, Adult Social Care

Also in Attendance:

Sarah Whittle	Neighbourhoods
Christine Wood	Constitutional Services

1 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Birch, Leach and Sykes, Superintendent Rachael Harrison, Dr Keith Jeffery, Claire Smith, Laura Windsor-Welch.

The Chair introduced Harry Catherall, recently appointed Chief Executive of Oldham Council, and advised of a new member to the Board, Superintendent, Rachael Harrison who would be replacing Chief Superintendent, Chris Allsop.

2 DECLARATIONS OF INTEREST

Tamoor Tariq declared an interest by virtue of being an Elected Member of Bury Council and Bury Health and Wellbeing Board.

Councillor Chauhan declare an interest by virtue of his employment as a Local General Practitioner in Oldham.

3 URGENT BUSINESS

There were no items of urgent business received.

4 PUBLIC QUESTION TIME

There were no public questions received.

5 MINUTES OF PREVIOUS MEETING HELD ON 22ND JUNE 2021

RESOLVED that the minutes of the meeting held on 22nd June 2021 be approved as a correct record.

In relation to item 7 of the minutes of 22nd June 2021, the Board was advised that national guidance regarding Pharmaceutical Needs Assessments (PNA) had still not been published and that it would not be possible to bring forward the timeline for completing the PNA.

In relation to item 8 of the minutes of 22nd June 2021, it was suggested that an action plan would be appropriate to address issues that had been raised within the report. It was agreed that the issues raised within the report would form part of an action plan to be addressed by the Health and Social Care Portfolio Holder.

6

OLDHAM SAFEGUARDING ADULTS BOARD: 2020/21 ANNUAL REPORT AND STRATEGIC PLAN 2021-2024

Consideration was given to the Oldham Safeguarding Annual Report 2020/21 and the 2021-24 Strategic Plan. The Board was reminded that the Oldham Adult Safeguarding Board (OSAB) was a statutory partnership set up to safeguarding adults at risk of experiencing abuse, neglect, or exploitation. As part of the statutory duties, the Board was required to produce an Annual Report setting out future ambitions and actions to help keep people safe in Oldham.

The Board was advised that, during the previous eighteen months, the OSAB had introduced a series of measures designed to remodel adult safeguarding arrangements across Oldham. The new arrangements were designed to strengthen and improve multi-agency working through a combination of new safeguarding structures, greater alignment with the Children's Safeguarding Partnership and integrated safeguarding structures across Community Health and Social Care.

The Board was reminded that the role of the OSAB was to assure itself that organisations and agencies across Oldham were working together to protect and enable adults to live safely. This meant helping people to make decisions about the risks they faced in their own lives as well as protecting those who lacked the capacity to make these decisions.

The Board was advised that the three main statutory duties of the OSAB were to:

- Produce a Strategic Plan setting out the changes the Board wanted to achieve and how organisations would work together.
- Publish an Annual Report setting out safeguarding concerns it had dealt with in the last year as well as plans to keep people safe in the future.
- Undertake a Safeguarding Adult Review in line with Section 44 of the Care Act where it believed someone had experienced harm as a result of abuse, neglect or exploitation.

The Annual Report provided information on the number and type of safeguarding concerns reported in Oldham, along with actions taken to adopt learning from the Safeguarding Adult Reviews. Central to this had been the collection and sharing of first-hand experiences by adults 'at risk' and family members who had experience of safeguarding issues and services in Oldham.

It was reported that a total of 2038 safeguarding referrals had been made in 2020/21. Of these, 408 had become the subject

of a formal safeguarding enquiry. Data had shown that the number of referrals had doubled in the previous two years. The report acknowledged that this may be due to a combination of improvements in the recording data, Covid-19 campaigns designed to encourage people to report safeguarding concerns and lockdown restrictions which had seen an increase in reports of domestic and financial abuse. Whilst the number of overall referrals had increased, the number of serious safeguarding enquires remained relatively consistent during the previous four years.

It was further reported that nine Safeguarding Adult Reviews had been completed in 2020/21, which was consistent with the previous year. The main types of abuse had been self-neglect, acts of omission and domestic abuse which could include psychological abuse, violence, physical abuse and financial abuse.

The Board was advised that the OSAB Strategic Plan had been shaped by the Government's new legislative programme, learning from Covid-19 and the correlation between Oldham's demographic profile and local safeguarding trends. Factors such as levels of poverty, the numbers of people living with mental health issues, homelessness and alcohol related deaths disproportionately impacted on adults with care and support needs and were key factors within Oldham's Safeguarding Adults Reviews.

As a result of the above, the Strategy had set out a challenging programme of work, designed to prevent and reduce future safeguarding incidents and implement an effective 'all age' safeguarding offer. This work would take place within far-reaching changes proposed in the Health and Care Bill, including the creation of Integrated Care Systems (ICSs), new legislative requirements within the Mental Health Act White Paper and the introduction of the Liberty Protection Safeguards. The strategy recognised that changes of this scale and complexity needed integration that looked beyond the NHS and social care, to fully involve the wider statutory, voluntary and community sectors as equal contributors.

It was reported that the strategy was designed to focus on action and the 2021/22 Annual Plan on a Page set out the Board's work programme for the current year. The one-page summary was being actively promoted and shared across agencies to highlight the aims of the Board and promote the wide range of resources and information available through the Board's website and fortnightly joint Children's and Adults Safeguarding bulletins.

In terms of the evaluation of the strategy, it was noted that assurance relied on insight gained from Oldham's multi-agency safeguarding data and quality assurance processes. However, during 2020/21, OSAB recognised that data sets used for the reporting of adult safeguarding incidents by partners, required improvement.

As such it was highlighted that prevalence data needed to consider wider data sets and for example to consider activity across primary care and GP practice. The Board was advised that the above comments would be conveyed to the Safeguarding Board with a suggestion that the report be updated to reflect the above comments.

RESOLVED that the Safeguarding Adults Board 2019/20 Annual Report and 2021-24 Strategic Plan be approved, subject to the amendments in relation to prevalence data and benchmarking.

7

GREATER MANCHESTER INTEGRATED COMMISSIONING SYSTEM

The Board considered a report providing an update on the NHS White Paper entitled 'Integration and Innovation: Working Together to Improve Health and Social Care for All' and the associated plans being put in place in Oldham and Greater Manchester.

The Board was reminded that, since the publication in February 2021 of the White Paper, colleagues across Greater Manchester (GM) and Oldham had been planning the transition of a Greater Manchester Integrated Care System (GM ICS) on 1st April 2022.

The Board was advised that an ICS Design Framework had been published by NHSE in June 2021, which had provided further information about the changes. On 6th July 2021, the Health and Care Bill for this White Paper had been introduced to Parliament and received its second reading in Parliament on the 14th July 2021. This had outlined that ICS's would be included in the creation of a statutory Integrated Care Partnership (ICP), which would be a joint committee, and an Integrated Care Board (ICB) (previously referred to as the ICS NHS body/board). The NHS Confederation had produced its own briefing note on the Health and Care Bill here.

It was reported that in GM, under the Devolution Agreement, we had been working as "more than an ICS" for the last five years – with strong working partnerships between health and social care and the voluntary sector, and that the creation of a statutory Integrated Care Partnership and Integrated Care Board would formalise these arrangements. The new statutory nature of an ICS would allow for building on the ambitious and ground-breaking ways we had been working over the last five years and continue to evolve to deliver even better health and care for the people of Greater Manchester.

It was further reported that the GM ICS would operate on three levels to deliver a new five-year vision and plan:

- Neighbourhood
- Locality
- Greater Manchester

The Board was advised that, whilst duties would transfer to ICS's, it was anticipated that the GM ICS would deliver its functions partly via locality place-based boards and teams within each GM locality, including through neighbourhood structures.

The Board was further advised that a GM Statutory ICS Transition Programme had been established, led by a Board meeting fortnightly, to oversee the transition to the new ICS arrangements. The Board was made up of representatives from all organisations which would become part of the new NHS body, as well as NHS providers and Local Authorities. There were fourteen workstreams, each with a GM system lead. Work was underway to agree the critical path for the next nine months. There was a recognition that GM staff were still managing the COVID-19 response and recovery.

It was reported that the recruitment process of the Chair of the GM ICS had commenced and was due to conclude around the first two weeks of September and the ICS Chief Executive role would commence recruitment early September and conclude at the end of September. The GM Executive Team would take place over the next two to three months. The intention was for the GM ICS, including localities to operate with shadow arrangements ahead of the statutory change on 1st April 2022.

It was further reported that the Oldham transition arrangements would be managed by a Transition Programme Board on behalf of the CCG Governing Body and would therefore oversee the time-limited ICS change programme. Its core purpose would be to oversee at least four key work areas that would work in tandem with the GM approach:

- System/Place-based Governance Accountability and Strategic Planning Functions
- People and Culture
- Finance and Use of Resources
- Provider Collaborative

The Board was advised that, during August, national guidance had been released in respect of the Employment Commitment for those NHS staff impacted by the ICS change. This meant that the majority of Oldham CCG would be covered by an employment commitment to continuity of terms and conditions. This commitment was designed to provide stability and remove uncertainty during this transition. For those not covered by this commitment, the guidance also detailed the support that these individuals would receive during the HR process to be followed. There was an expectation that all CCG employees would 'lift and shift' into the GM ICS on 1st April 2022, with any remaining/ongoing work to determine exact roles and structures continuing after this date.

A discussion took place in which the challenge and massive impact on Oldham was recognised. The importance of the voluntary sector and partnership arrangement being in place was also recognised.

The accountability to residents of Oldham and the need to recruit talented young people to work in the Borough was also highlighted. The Board was reminded that Oldham was the greenest Borough in Greater Manchester and the importance of integrated working was also recognised.

RESOLVED that the report be noted.

8

DATES OF NEXT MEETINGS

16th November 2021
14th December 2021 (Development Session)
25th January 2022
22nd March 2022

All meetings commence at 2pm.

The meeting started at 3pm and ended at 4.45pm.

Present: Majid Hussain (Chair)
Councillors Chauhan, Fielding, Moores and Shah
Ben Galbraith, Chief Finance Officer and Dr. Ian Milnes, Deputy Chief Clinical Officer

Also in Attendance:

Mike Barker	Strategic Director of Commissioning/Chief Operating Officer
Liz Drogan	Head of Democratic Services
Dr. Shelley Grumbridge	GP Governing Body Member - East Cluster
Gerard Jones	Managing Director Children and Young People
Anne Ryans	Senior Management Team
Dr. Andrew Vance	GP Governing Body Member - North Cluster
Sian Walter-Browne	Principal Constitutional Services Officer
Mark Warren	Managing Director Community Health and Adult Social Care

1 **ELECTION OF CHAIR**

RESOLVED – that Majid Hussain be elected Chair for the duration of this meeting.

2 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Dr Patterson, Graham Foulkes, Dr Gopi Mudiur, Claire Smith, Rebekah Sutcliffe, Nicola Hepburn and Dr Carolyn Wilkins.

3 **URGENT BUSINESS**

There were no items of urgent business received.

4 **DECLARATIONS OF INTEREST**

There were no declarations of interest received.

5 **MINUTES OF PREVIOUS MEETING**

RESOLVED that the minutes of the meeting of the Commissioning Partnership Board held on 25th March 2021 be approved as a correct record.

6 **PUBLIC QUESTION TIME**

There were no public questions received.

7 **CONTRACT EXTENSION - PROVISION OF STAIRLIFTS, CEILING TRACK HOISTS, VERTICAL AND STEP LIFTS AND GANTRY HOISTS**

Consideration was given to a report of the Managing Director Community Health and Adults Social Care (DASS), which sought approval to extend a contract for the provision of stairlifts, ceiling track hoists, vertical and step lifts and gantry hoists. The initial term of the contract ended on 31st May 2021: the report requested approval to extend the contract by a further year, from 1st June 2021 to 31st May 2022.

The Board noted that the commercially sensitive information would be considered at Item 11 of the agenda

Options/alternatives
Considered at Item 11 of the agenda.

RESOLVED that the Board would consider the commercially sensitive information contained at Item 11 of the agenda before making a decision.

8

WHITE PAPER BRIEFING

Consideration was given to a report of the Strategic Director of Health and Resources which provided a briefing on the recently-published NHS White Paper entitled Integration and Innovation: Working Together to Improve Health & Social Care for All.

Members were informed that the proposals in the white paper were considered in the following themes:

- Working together to integrate care – statutory Integrated Care Systems (ICSs) with “dual structure” governance arrangements (the main focus of the policy briefing).
- Reducing bureaucracy – removing requirements on competition and procurement in the NHS.
- Improving accountability and enhancing public confidence – the formal merger of NHS England and NHS Improvement and new powers for the Secretary of State (SoS).
- Additional proposals – many related to public health and adult social care.

Proposals would be set out in a Health and Care Bill, with legislation in place for implementation in 2022.

The white paper had been influenced by the extensive collaboration and innovation that partners from all sectors had demonstrated in tackling the pandemic. It showed a good understanding of how health, social care and public health fitted together, while stakeholders’ concerns, such as ICSs potentially undermining effective place-based arrangements, had been listened to.

Members noted that overall, this white paper was a positive development. The lack of information on social care reform remained a gap, and the proposals would need to be carefully worked on.

Members expressed disappointment that the issues around health inequalities had not been addressed.

RESOLVED that the report be noted.

9

NHS OPERATIONAL PLANNING PROCESS

The Board gave consideration was given to a report of the Strategic Director of Health and Resources which provided a briefing on the NHS operational planning process.

Members noted that all NHS organisations needed to participate in a mandatory operational planning process. The paper outlined the process for the 2021/22 financial and planning year, which NHS Oldham CCG was currently undertaking.

- A. Supporting the health and wellbeing of staff and taking action on recruitment and retention:
 - 1. Looking after our people and helping them to recover
 - 2. Belonging in the NHS and addressing inequalities
 - 3. Embed new ways of working and delivering care
 - 4. Grow for the future
- B. Delivering the NHS COVID vaccination programme and continuing to meet the needs of patients with COVID-19:
- C. Building on what we have learned during the pandemic to transform the delivery of services, accelerate the restoration of elective and cancer care and manage the increasing demand on mental health services:
 - 1. Maximise elective activity, taking full advantage of the opportunities to transform the delivery of services
 - 2. Restore full operation of all cancer services
 - 3. Expand and improve mental health services and services for people with a learning disability and/or autism
 - 4. Deliver improvements in maternity care, including responding to the recommendations of the Ockenden review
- D. Expanding primary care capacity to improve access, local health outcomes and address health inequalities:
 - 1. Restoring and increasing access to primary care services
 - 2. Implementing population health management and personalised care approaches to improve health outcomes and address health inequalities
- E. Transforming community and urgent and emergency care to prevent inappropriate attendance at emergency departments, improve timely admission to hospital for ED patients and reduce length of stay:
 - 1. Transforming community services and improve discharge
 - 2. Ensuring the use of NHS111 as the primary route to access urgent care and the timely admission of patients to hospital who require it from emergency departments
- F. Working collaboratively across systems to deliver on these priorities:
 - 1. Effective collaboration and partnership working across systems

2. Develop local priorities that reflect local circumstances and health inequalities
3. Develop the underpinning digital and data capability to support population-based approaches
4. Develop ICSs as organisations to meet the expectations set out in Integrating Care
5. Implement ICS-level financial arrangements

Members noted that NHS providers had already submitted their draft capital and cash plans to NHS England and NHS Improvement, and localities had submitted a first draft of their financial plans, and the remainder of the submission timelines.

RESOLVED that the report be noted.

10 **EXCLUSION OF PRESS AND PUBLIC**

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

11 **CONTRACT EXTENSION - PROVISION OF STAIRLIFTS, CEILING TRACK HOISTS, VERTICAL AND STEP LIFTS AND GANTRY HOISTS**

The Board gave consideration to the commercially sensitive information in relation to Item 7 – Contract extension request - provision of stairlifts, ceiling track hoists, vertical and step lifts and gantry hoists in domestic properties where residents have disabilities.

RESOLVED that the recommendations as detailed within the report be agreed.

12 **OLDHAM HEALTH AND CARE SYSTEM GOVERNANCE AND DEVELOPMENT**

The Board gave consideration to a report of the Strategic Director of Health and Resources, which contained commercially sensitive information in relation to Oldham's Health and Care System Governance and Development

RESOLVED that the recommendations as detailed within the report be agreed.

13 **OLDHAM CCG DRAFT FINANCIAL PLAN 2021/22**

The Board gave consideration to a report of the Chief Finance Officer, Oldham CCG, which contained commercially sensitive information in relation to Oldham CCG Draft Financial Plan H1 2021/22.

RESOLVED that the recommendations as detailed within the report be agreed.



The meeting started at 1.00 pm and ended at 2.11 pm

This page is intentionally left blank



COUNCIL

Update on Actions from Council

Portfolio Holder: Various

Officer Contact: Director of Legal Services

Report Author: Elizabeth Droган, Head of Democratic Services
Ext. 4705

15th December 2021

Reason for Decision

The decision is for Elected Members to note the updates to the actions from previous Council meetings.

Executive Summary

1. This report provides feedback to the Council on actions taken at the Council meeting on 3rd November 2020.
2. This report also provides feedback on other issues raised at that meeting and previous meetings.

Recommendations

Council are asked to agree the action taken and correspondence received regarding motions and actions agreed at previous Council meetings.

Update on Actions from Council**1 Background**

- 1.1 The report sets out the actions officers have taken on motions of outstanding business and notice of motions approved at the Council meeting held on 9th September 2020.

2 Current Position

- 2.1 The current position from actions as a result of motions is set out in the table at Appendix One. Letters are attached at Appendix Two in response to the actions approved at Council.

3 Options/Alternatives

- 3.1 N/A

4 Preferred Option

- 4.1 N/A

5 Consultation

- 5.1 N/A

6 Financial Implications

- 6.1 N/A

7 Legal Services Comments

- 7.1 N/A

8. Co-operative Agenda

- 8.1 N/A

9 Human Resources Comments

- 9.1 N/A

10 Risk Assessments

- 10.1 N/A

11 IT Implications

- 11.1 N/A

12 Property Implications

- 12.1 N/A

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	None
16	Equality Impact Assessment Completed?
16.1	No
17	Key Decision
17.1	No
18	Key Decision Reference
18.1	N/A
19	Background Papers
19.1	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: • Agenda and minutes of the Council meeting held 3rd November 2021 are available online at: http://committees.oldham.gov.uk/mgCommitteeDetails
20	Appendices
20.1	Appendix 1 – actions taken following the Council meeting held on 3 rd November 2021.
20.2	Appendix 2 – Letters and other information received in response to actions approved at previous Council meetings.

This page is intentionally left blank

Actions from Council 3rd November 2021

ACTION	ISSUE/RESPONSE	WHO RESPONSIBLE	DATE COMPLETED
Administration Motion 1: Violence Against Women and Girls	Letter to be sent to Chief Constable Stephen Watson	Chief Executive	4 th November 2021
	The Council to work cross-party to promote the consultation on Oldham's Domestic Abuse Strategy, which was published this week.	All Councillors	Ongoing
Administration Motion 2: COP26	Letter to be sent to Secretary of State for Business, Energy and Industrial Strategy, and the Secretary of State for Levelling Up, Housing and Communities	Chief Executive	4 th November 2021
Opposition Motion 1: Save Our Rivers	Letter to be sent to the Environment Minister	Chief Executive	4 th November 2021
	Letter to be sent to the Chief Executive of United Utilities	Chief Executive	4 th November 2021
	Letter to be sent to the Regional Director of the National Farmers' Union	Chief Executive	4 th November 2021
	Letter to be sent to River Action	Chief Executive	4 th November 2021
	Letter to be sent to Oldham's three MPs	Chief Executive	4 th November 2021
Opposition Motion 2: South Pennines National Park	The Council to work with the Local Authorities, any other key	Council	Ongoing

	stakeholders and those with relevant expertise within the South Pennines geographic remit to build a case for and promote the South Pennines National Park concept The Council to proactively engage with, and present a case for National Park designation to, the upcoming Natural England assessment into England's landscapes in the 21st Century, and progress any further opportunities which may arise to advance this designation	Council	Ongoing
Opposition Motion 3: Future proofing our properties from flooding	Letter to be sent to the Parliamentary Under Secretary of State at the Department for Environment, Food and Rural Affairs Letter to be sent to the three local MPs, the Greater Manchester Mayor and the Clerks of the Saddleworth and Shaw and Crompton Parish Councils Relevant Cabinet Member and Chief Officer to ensure that information about the offer to residents and small business owners of the campaign group 'Know Your Flood Risk' is posted, with links, on the Council's website, and make a request to the	Chief Executive Chief Executive Cabinet Member for Neighbourhoods and Director of Economy	4th November 2021 4th November 2021 Ongoing

	Saddleworth and Shaw and Crompton Parish Councils to do the same.		
Covid-19 Response Update	RESOLVED that: 1. The content of the report be noted. 2. Questions be submitted and responded to in writing.	Council	Council approved the report on 3 rd November 2021.
Update on the Actions from Council	RESOLVED that the actions taken regarding motions and actions from previous Council meetings be agreed and correspondence and updates received be noted.	Council	Council approved the report on 3 rd November 2021.
District Leads 2021-22	RESOLVED that: 1. The appointment of a District Lead for each District Area and a Deputy District Lead in the North District and East District be agreed. 2. The allowance for the District Leads of £6,286, following a recommendation of the Independent Remuneration Panel and the adjustment to the basic allowance as outlined in the report, be agreed. 3. The following Members be appointed as District Leads and Deputy District Leads: Central District Lead – Councillor Salamat	Council	Council approved the report on 3 rd November 2021.

	North District Lead – Councillor S Bashforth North District Deputy – Councillor Williamson East District Lead – Councillor Cosgrove East District Deputy – Councillor Byrne South District Lead – Councillor Davis West District Lead – Councillor Brownridge		
Overview and Scrutiny Annual Report 2020/21	RESOLVED that: 1. The Overview and Scrutiny Annual Report for 2020/21 be noted. 2. The thanks of the Chairs expressed to Cabinet Members, Council Officers and representatives from partner organisations for their support and contributions in the delivery of as full a scrutiny function as was achievable during the difficult times in 2020/21 be supported.	Council	Council approved the report on 3rd November 2021.
Organisational Framework	RESOLVED that the recommendations as detailed in the report be agreed.	Council	Council approved the report on 3rd November 2021.

Harry Catherall
Chief Executive
Oldham MBC
Level 3 Civic Centre
West Street, Oldham OL1 1UG

Your ref:

Our ref: AM/BW

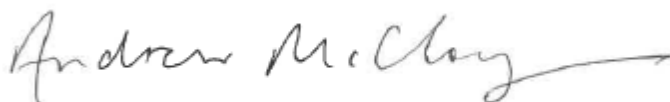
Date: 22 October 2021

Dear Mr Catherall

I have received a copy of your letter to Rt. Hon. George Eustice MP with details of the Oldham Council Resolution – Peak District National Park and I just wanted to contact you to thank you for your support. It is good to see that the National Park Authority has the support of the local authorities that cover areas of the National Park, and to see this support being sent directly to government is a great help.

Thank you once again to Oldham MBC Council members and staff for your support.

Yours sincerely,



Andrew McCloy
Chair

Andrew.mccloy@peakdistrict.gov.uk



This page is intentionally left blank



Mr Harry Catherall
Chief Executive
Oldham MBC
Level 3, Civic Centre
West Street
Oldham
OL1 1UG

03/12/21

DECS Reference: MIN/0181725/21
Your Reference: Safer communities 20210908

Joe Mr Catherall,

Thank you for your letter of 9 September to the Prime Minister and the Home Secretary regarding crime, anti-social behaviour and serious violence. Your letter has been passed to me to respond as the Minister for Crime and Policing. I am sorry for the delay in responding to your letter.

The Government is committed to doing whatever it takes to prevent and reduce crime. We have been clear that cutting crime is central to the Government's mission of levelling up the country. That is why we recently published the Beating Crime Plan, which sets out our strategic approach to cutting crime: cutting homicide, serious violence and neighbourhood crime; exposing and ending hidden harms; and building capability and capacity to deal with fraud and online crime. Moreover, we have taken action to make sure we give the police the funding and resources they need. We are well underway in our work to recruit an additional 20,000 new police officers in England and Wales, for which Greater Manchester has benefitted from an additional 455 officers. Moreover, we have increased funding for Greater Manchester Police this year (2021/22) by up to £30 million. This follows the biggest national funding increase for the police in a decade last year (2020/21).

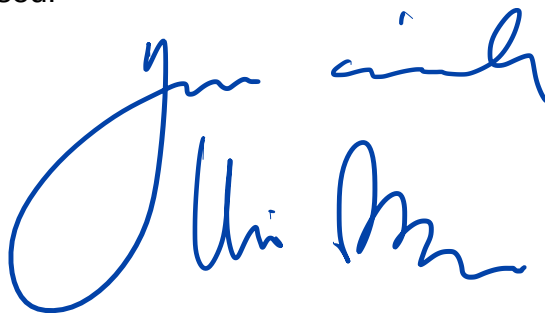
We have provided police, local authorities and other local agencies with a range of flexible tools and powers that they can use to respond quickly and effectively to anti-social behaviour through the Anti-social Behaviour, Crime and Policing Act 2014. The Home Office has also published [statutory guidance](#) to support local areas to make effective use of these powers, which we strengthened earlier this year. I would also draw your attention to the Government's £45 million Safer Streets Fund, which is designed to reduce neighbourhood and acquisitive crime. Many of the measures which this Fund supports will also help tackle anti-social behaviour through crime prevention measures such as improved street lighting and CCTV. Greater Manchester was successful in all of the previous funding rounds for the Safer Streets Fund and has secured a total funding package of over £2.1 million, shared between Greater Manchester Police and Manchester City Council across different funding rounds.

In relation to tackling serious violence, I remain steadfast in my commitment to working with you and others to tackle this. Through the Serious Violence Fund (SVF), the Home Office has invested c.£246 million over three years in the 18 police force areas most affected by serious violence. During those three years, £140.1 million of SVF funding has been allocated to the 18 police forces areas to help deliver a targeted and data driven response to violence via high visibility police patrols in violence hotspots. Greater Manchester Police has been allocated £10.121 million of this funding. The remaining £105.5 million remaining from the SVF not used for this purpose has been invested in multi-agency Violence Reduction Units (VRUs) in the same 18 areas, with £10.11 million allocated to Greater Manchester Police to develop the Manchester VRU.

We are also investing c.£17 million into early intervention and prevention programmes, delivered via VRUs. I know that Greater Manchester VRU has been awarded £226,000 for their Trauma Informed Training Programme for frontline professionals to help them develop a greater understanding of the prevalence and pervasive impact of different types of trauma, such as abuse, that may have been faced by the children and young people they work with. Furthermore, £332,000 has been allocated for the 'Teachable Moments programme', an intervention for young people involved in serious violence which focuses on key moments in their life where there is maximum chance of learning and impact being made, for example admission to A&E or police custody, to connect them to a package of support to help them to a more positive life course. These are just two examples demonstrating our commitment to tackling serious violence and which Greater Manchester has benefitted from. Moreover, we have invested £200 million in early intervention and prevention support initiatives over ten years to support children and young people at risk of exploitation and involvement in serious violence, through the Youth Endowment Fund (YEF). In total, eight grantees in Greater Manchester are in receipt of funding from all grant rounds. We know there is more to do in combating serious violence, which is why we have included measures in the Police, Crime, Sentencing and Courts Bill.

Finally, I would like to address your concerns in relation to domestic abuse. This is an appalling crime and we are committed to ensuring that all victims of domestic abuse receive the support they need, when they need it. We introduced the landmark Domestic Abuse Act last year alongside a comprehensive action plan of non-legislative measures. The Act received Royal Assent earlier this year and is now law. It will provide further protections to those who experience domestic abuse, as well as strengthen measures to tackle perpetrators. Later this year, the Government will publish an ambitious Domestic Abuse Strategy which will go further. The strategy will help transform the whole of society's response to domestic abuse in order to prevent it happening, support victims and pursue perpetrators. The pandemic has brought new challenges to tackling this crime as more people have stayed at home and it is right that our response has adapted to ensure we respond effectively. That is why the Department for Levelling Up, Housing and Communities have introduced a new legal duty within the Domestic Abuse Act on Tier 1 local authorities to provide support for victims of domestic abuse and their children within safe accommodation including refuges, backed by £125 million of Government funding (in 2021/22) to ensure that these vital services are available to anyone who needs them, wherever they live. Furthermore, in January of this year we launched the 'Ask for ANI' codeword scheme in over 4,000 pharmacies across the UK, to ensure victims of domestic abuse can access much needed support in a safe and discreet way in a setting local to them.

I hope we can continue to work closely with you and other partners to tackle the pressing issues which you have raised.

A handwritten signature in blue ink, appearing to read 'Kit Malthouse', written in a cursive style.

Rt Hon Kit Malthouse MP

This page is intentionally left blank

24 November 2021

Mr Harry Catherall
Chief Executive
Oldham Metropolitan Borough Council
Level 3, Civic Centre
West Street
Oldham
OL1 1UG

Dear Mr Catherall

Thank you for your letter which I received on 10 November 2021.

Please let me reassure you that United Utilities takes its environmental responsibilities very seriously and we agree that further investment in sewerage infrastructure is required to modernise the system and improve river water quality.

I would like to provide you with some context to the issue of sewer overflows. During storm conditions, when sewers and treatment plants are operating at full capacity, we are permitted to spill excess storm water from Combined Sewer Overflows (CSOs) to help prevent the flooding of streets, homes and businesses. Over the past twenty years, United Utilities has invested £1.2bn improving CSOs to reduce the amount and impact of spills.

Sewer networks have been designed this way for decades however, in recent times, more people have told us that they do not like the idea of untreated sewage going into our rivers and seas, no matter how diluted. We agree. However, it will take many years to change how excess rainfall is managed, especially in our region. We are fully committed to taking what steps we can to reduce harm, investing in our own assets and working in partnership with others.

In our business plan, between 2020 and 2025 we will be investing in improvements to a number of combined sewer overflows across the region and we will investigate 195 high-spilling overflows to inform spill reduction schemes for future investment. In addition, through the sector's Green Recovery programme, we have committed to investigate 300 more high-spilling overflows. These detailed assessments will help us understand the environmental impact of these overflows and identify the costs and benefits of proposed solutions to inform future investment plans.

It is important to appreciate that sewer overflows are just one factor with an impact on river water quality in the UK. The Environment Agency estimates that wastewater leads to around 30% of river and sea pollution in the North West, with the remaining 70% due to other causes, such as rain running off highways and farm land, and private drainage being incorrectly connected. The water industry has recently published a report which sets out ten key steps necessary to achieve the radical changes we all want for our rivers and waterways which you can read here: www.water.org.uk/rivers

We signed a partnership with The Rivers Trust in July 2021 which will help improve the collaboration between everyone who has an impact on the health of our rivers – United Utilities, local authorities, farmers, industry, government, regulators and others. Only by working together can we find cost-effective sustainable solutions to improve water quality.

Thank you for your interest in United Utilities and I hope my response assures you that we are committed to playing our part in improving the environment in the North West.

Yours sincerely



Steve Mogford
Chief Executive



Report to COUNCIL

PUBLIC SPEAKING AT TRAFFIC REGULATION ORDER PANEL MEETINGS

Portfolio Holder:

Councillor A Chadderton, Cabinet Member for Neighbourhoods

Officer Contact: Director of Legal Services

Report Author: Alan Evans, Group Solicitor
Ext. 3019

15 December 2021

Reason for Decision

The purpose of the report is to seek the introduction of a formal procedure for public speaking at meetings of the Traffic Regulation Order Panel.

Recommendations

It is recommended that Council be requested to adopt the procedure for public speaking at meetings of the Traffic Regulation Order Panel detailed in Appendix 1 and include the procedure in Part 8 Appendix 3 of the Constitution.

Public Speaking at Traffic Regulation Order Panel Meetings

1 Background

- 1.1 Whenever the Council proposes to make a traffic regulation order it is required to give public notice of the proposals and consider any representations it receives before deciding whether to make the order. Under the Council's Constitution the Traffic Regulation Order Panel is responsible for considering any representations made in respect of a proposed traffic regulation order and deciding whether or not to make the order. Unlike the position with planning applications being considered by the Planning Committee, there is currently no formal procedure for permitting public speaking at meetings of the Traffic Regulation Order Panel.
- 1.2 In recent years persons making representations on proposed traffic regulation orders have often asked to speak at the meeting of the Panel considering the proposals they have made representations about and in the absence of a formal procedure it has been left to the discretion of the Chair of the Panel whether to allow those persons to speak. The public are familiar with their right to speak at meetings of the Planning Committee and are often surprised that they have no similar right to speak at meetings of the Traffic Regulation Order Panel.
- 1.3 To ensure consistency with the Planning Committee procedures and to enhance public participation in decision making it is recommended that a formal procedure to allow public speaking at meetings of the Traffic Regulation Order Panel be introduced. The proposed procedure is included at Appendix 1 and is based on the protocol for public speaking at meetings of the Planning Committee. The procedure will allow speaking by one supporter and one objector who have made representations in respect of a proposed traffic regulation order. As with the procedure at Planning Committee, the public will be restricted to 3 minutes to make representations. Ward Members will also be permitted to speak on traffic regulation order proposals and will be allowed to speak for up to 5 minutes.
- 1.4 The Traffic Regulation Order Panel is also responsible for considering written representations made in respect of proposed public spaces protection orders and it is recommended that the same procedure of public speaking be introduced for dealing with them.
- 1.5 The Traffic Regulation Order Panel considered the proposed procedure for public speaking at their meeting on 25 November 2021 and agreed to support its adoption by the Council.

2 Options/Alternatives

- 2.1 Option 1: to approve the recommendation and introduce a procedure for public speaking at Traffic Regulation Order Panel meetings
- 2.2 Option 2: Not to approve the recommendation

3 Preferred Option

- 3.1 The preferred option is to adopt the procedure for public speaking detailed in Appendix 1 as it will provide clarity and enhance the involvement of the public in the traffic regulation

order process. If adopted, the procedure will be included in Part 8 (Appendices) of the Constitution at Appendix 3 – Protocols.

4 Financial Implications

- 4.1 This proposal is procedural in nature and, if approved, would give members of the public the right to speak at meetings of the Traffic Regulation Order Panel. As a consequence, there are no specific financial implications arising from this report. (Nigel Howard)

5 Legal Services Comments

- 5.1 The proposals will need to be approved by full Council as they involve an amendment to the Constitution. (A Evans)

6. Co-operative Agenda

- 6.1 There are no co-operative issues or opportunities arising from the report.

7 Human Resources Comments

- 7.1 Not applicable

8 Risk Assessments

- 8.1 Not applicable

9 IT Implications

- 9.1 None

10 Property Implications

- 10.1 None

11 Procurement Implications

- 11.1 None

12 Environmental and Health & Safety Implications

- 12.1 None

13 Equality, community cohesion and crime implications

- 13.1 None

14 Implications for Children and Young People

- 14.1 None

15 Equality Impact Assessment Completed?

- 15.1 No

16 Key Decision

-
- 16.1 No
- 17 **Key Decision Reference**
- 17.1 N/A
- 18 **Background Papers**
- 18.1 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.
- None
- 19 **Appendices**
- 19.1 Appendix 1 - Consideration of proposed traffic regulation orders by the Traffic Regulation Order Panel– public participation

APPENDIX 1

Consideration of proposed traffic regulation orders by the Traffic Regulation Order Panel– public participation

Anyone who makes representations in respect of a proposed traffic regulation order will be notified in advance by Unity Highways, Traffic Section of the date of the Traffic Regulation Order Panel at which those representations will be considered. Persons who made representations which are to be considered by the Traffic Order Panel, either for or against a proposed traffic regulation order, may speak in support of their representations at the Panel. Persons who have not made representations in respect of a proposed traffic regulation order will not be permitted to speak at the Panel meeting considering that proposed order.

The agenda for consideration by the Panel will be published on the Council's website five working days before the meeting. Please contact Constitutional Services using the email address or phone number on the agenda if you wish to speak, stating whether your representation is in support of or objection to the proposal. Requests to speak must be received no later than 12:00 noon on the day of the meeting.

The procedure will also be followed in respect of written representations made in respect of proposed public spaces protection orders which are considered by the Traffic Regulation Order Panel.

Procedure Notes to all Speakers

1. The number of speakers will be limited to two, namely a person who made representations against the proposed traffic regulation order or a representative of those who made representations against the proposed order and a person (if any) who made representations in favour of the proposed order or a representative of those who made representations in favour of the proposed order. Ward Councillors may also speak on a proposed traffic regulation order in their ward.

-
2. It is important to inform Constitutional Services as soon as possible if you wish to speak to the Traffic Regulation Order Panel meeting since only the first person to do so will normally be invited to speak.
 3. Speakers will be allowed to speak for up to 3 minutes to state their case. This time period will be strictly enforced. Speakers should make comments only in support of the representations they have previously made, and not ask questions of officers or Panel Members.
 4. Where there are a number of objectors to the proposed traffic regulation order, a representative should be nominated to speak, failing which the first person to have informed Constitutional Services of a wish to speak, will be invited to speak to the Panel.
 5. The public speaking procedure does not allow electronic video presentations or distribution of letters/statements/photographs, etc. to Members of the Traffic Regulation Order Panel immediately before or during the meeting.
 6. Ward Members will be allowed to speak for up to 5 minutes and should make comments only and not ask questions of officers or Panel Members

This page is intentionally left blank



Report to Council

2020/21 Annual Statement of Accounts

Portfolio Holder: Councillor Abdul Jabbar MBE – Deputy Leader and Cabinet Member - Finance and Low Carbon

Officer Contact: Anne Ryans – Director of Finance

Report Author: Lee Walsh – Finance Manager (Capital and Treasury)
Ext. 6608

15 December 2021

Reason for Decision

To advise Council of the approved 2020/21 audited Statement of Accounts and External Auditor (Mazars LLP) Audit Completion Report (ACR).

Executive Summary

The report presents the Council's Statement of Accounts for the financial year 2020/21 as considered by the Audit Committee on 29 July 2020. Delegated authority was given to the Vice Chair of the Audit Committee after consultation with Director of Finance to approve the accounts, pending the completion of the outstanding work on the Council's group accounts, IT audit and the receipt, by the External Auditor, of assurances with regard to the audit of the Greater Manchester Pension Fund (GMPF).

The accounts were subsequently approved on 30 September 2021 within the statutory deadline. There were no changes to the Statement of Accounts presented and accepted at the Audit Committee on 29 July 2020.

The report highlights:

- The overall revenue outturn position for 2020/21 was a surplus of £2.153m;
- The year-end variances that were attributable to each Portfolio;
- The level of grants received in relation to the COVID-19 Pandemic;
- Schools balances at 31 March 2021 were £9.306m
- The Dedicated Schools Grant (DSG) deficit was £3.560m which is now held in an unusable reserve rather than being netted off the Schools balances (as presented in the accounts in previous years);
- The final Housing Revenue Account (HRA) balance was £21.370m;
- The balance on the Collection Fund was a deficit of £27.213m;

-
- The revenue account earmarked reserves at £113.512m, other earmarked reserves at £29.452m (Revenue Grant Reserves of £20.145m plus School Balances as above) and an increase in the General Fund balance of £2.153m to £17.263m, reflective of the revenue outturn position;
 - Expenditure on the Council's Capital Programme for 2020/21 was £73.227m which is an increase on the month 9 forecast expenditure of £71.012m. The increase in expenditure required funding allocated to future years to be re-profiled to fully finance the Capital Programme in 2020/21;
 - The significant items in each of the primary financial statements;
 - The preparation of Group Accounts incorporating the Councils two wholly owned companies – the Unity Partnership Ltd. and MioCare Community Interest Company;
 - The Annual Governance Statement;
 - The performance of the Finance Team in closing the accounts.

The presentation of the audited Statement of Accounts provides Council Members with the opportunity to review the Council's year-end financial position (following completion of the audit by the Council's External Auditors, Mazars LLP).

Recommendations

That Council:

- 1) Notes the Council's final accounts position for 2020/21, the audited Statement of Accounts, the draft Audit Completion Report and subsequent letter entitled Completion of Pending Matters – Audit Completion Report.
- 2) Notes that the audit of the accounts for 2020/21 by the External Auditors Mazars LLP can only be finalised once the Value for Money (VFM) opinion is provided and Whole of Government Accounts (WGA) audit is completed and that a further report outlining the VFM and WGA final positions will be presented.

1 Background

- 1.1 The Council is required to prepare a Statement of Accounts for each financial year. The accounts must be prepared in accordance with statutory timelines and accounting practices. Since 2010/11 those accounting practices have been based on International Financial Reporting Standards (IFRS) which attempt to facilitate the production of accounts in a standardised and consistent format across the public and private sectors giving greater transparency for stakeholders.
- 1.2 These accounting practices are set out in the Chartered Institute of Public Finance and Accountancy (CIPFA) 2020/21 Code of Practice on Local Authority Accounting in the UK and any additional CIPFA guidance such as the year end Final Accounts Bulletins. Members can be assured that the accounts were prepared so that all the requirements of the Code have been complied with.
- 1.3 The deadline for the preparation of the 2019/20 Accounts was extended due to the pandemic and it was again revised for 2020/21, recognising the multi-year impact of COVID-19. The Ministry of Housing, Communities and Local Government (MHCLG) introduced the Accounts and Audit (Amendment) Regulations 2021, which changed the statutory audit deadlines for all Local Authorities.
- 1.4 The impact on deadlines and timescales was as follows:
- The publication date for the final, audited, accounts for 2020/21 moved from 31 July to 30 September 2021 (30 September 2022 for the 2021/22 accounts)
 - To give Local Authorities more flexibility, the requirement for the public inspection period to include the first 10 working days of June was removed. Instead, Local Authorities had to commence the public inspection period on or before the first working day of August 2021, which required the draft accounts to be presented for audit by 31 July or earlier wherever possible.
- 1.5 For the year 2020/21, Authorities had to publish the dates of their public inspection period, providing a public notice on their websites when the public inspection period would usually commence, explaining why they departed from normal practice for 2021. The Council published such a notice. This advised that the public inspection period ran from 17 June 2021 to 28 July 2021. The Council received no objections to the Statement of Accounts within the inspection period.
- 1.6 The legislation requires that following the conclusion of a 30 working day period of public inspection, the Council had to submit the Statement of Accounts for consideration and approval to Committee or by Members meeting as a whole. For Oldham, the body designated to receive the accounts is the Audit Committee.

2 Current Position

- 2.1 The Council submitted its draft financial statements to the External Auditors, Mazars LLP, on 6 June 2021 which was a little later than expected due to the impact of the pandemic. In order to facilitate the audit process, the Council made working papers available to the auditors prior to the handover of the Statement of Accounts.
- 2.2 In line with good practice, the draft Statement of Accounts was issued to Audit Committee members. The Statement of Accounts was presented, with a covering report outlining key issues, to the Audit Committee at its meeting of 29 June 2021. This

gave members of the Audit Committee the opportunity to consider the key issues and ask officers and the External Auditor any relevant questions. All matters raised were addressed at the meeting to the satisfaction of the Committee. The Statement of Accounts was subsequently considered at the Audit Committee on 29 July 2021.

- 2.3 At the Audit Committee meeting on 29 July 2021, the audit of the Accounts was substantially complete, but there were a few outstanding items:
- a) Audit work on the consolidation of the Council's Group Accounts
 - b) The completion of work on the IT audit
 - c) The requirement for Mazars LLP to receive on assurance with regard to the audit of the Greater Manchester Pension Fund (GMPF).
- 2.4 As the outstanding matters were still not resolved by the meeting of 29 July, the Audit Committee approved the delegation of the final approval of the Council's Statement of Accounts (once there had been a resolution of the outstanding items) to the Vice Chair of the Audit Committee having regard to the advice of the Director of Finance and the External Auditor. It had been anticipated that it would only take the External Auditor a short period of time to conclude the outstanding matters, however this did not prove the case and an update on progress of the audit was provided to the Audit Committee at its meeting on 9 September 2021, advising Members that the audit was still not complete.
- 2.5 The Statement of Accounts had been updated during the audit process. The changes can be found at Appendix 2 and all were included in the version considered at the 29 July Audit Committee. The accounts were subsequently approved on 30 September 2021 within the statutory deadline. The full amended Statements are shown in Appendix 1.
- 2.6 Due to a change in the external audit requirement with regard to the Value for Money review, Mazars LLP is yet to complete work on the Value for Money (VFM) opinion in respect of the Council's arrangements for the year ended 31 March 2021. This work is still ongoing at the time of preparing this report. To date the auditors have not identified any significant weaknesses in arrangements that require a recommendation to be made.
- 2.7 The final element of the 2020/21 audit is the Whole of Government Accounts (WGA) return. The audit of the WGA is always undertaken after the Statement of Accounts has been approved. It is important to note that the audit process cannot be fully finalised until WGA audit is complete. This is not expected to be problematic, and the WGA audit is likely to be commence early in 2022.
- 2.8 At the Audit Committee meeting on 29 July 2021, Mazars LLP provided the Council with a draft Annual Audit Completion Report (ACR). The draft ACR gave an unqualified opinion on the financial statements and provided assurance that no material errors had been identified for the twelfth successive year. The draft ACR is presented at Appendix 3.
- 2.9 The draft ACR resulted in only one low priority ranking recommendation with regards to Housing Benefit reconciliations and progress has been made to fully address the issue highlighted.
- 2.10 Following the completion of the final elements of audit work, a letter entitled 'Conclusion of Pending Matters – Audit Completion Report' was issued. This is presented at Appendix 4. This highlighted three further low priority recommendations as follows:
- a) A revision to the consolidation of the Council's Group Accounts with regard to the Group's Debtors and Creditors. Whilst accepting the recommendation, it was

considered that the impact on the 2020/21 Statement of Accounts was not material therefore the accounts were not adjusted. However, the Council will incorporate the recommended action into the 2021/22 close down process.

- b) The IT element of the audit was completed with two low priority recommendations for improvement, one relating to single sign on to IT systems and one relating to IT system recovery. Again, action has been taken to address the issues.

2.11 Reports outlining the contents of the letter entitled 'Conclusion of Pending Matters - Audit Completion Report' and the full response of the Council to the four low priority recommendations were presented to the Audit Committee on 2 November 2021.

2.12 It is important to note that this was the third year that the Council's audit has been undertaken by Mazars LLP, and due to the COVID-19 pandemic as would be expected, extensive testing was conducted, including the examination of samples and more in-depth review of processes. In view of the limited comments and recommendations, the overall audit process was very positive.

3 General Fund Revenue Outturn

3.1 The Council's 2020/21 revenue outturn position has been presented in the Portfolio structure, with a comparison to the revenue budget set out in Table 1 below. The forecast outturn position was presented to Cabinet on a monthly basis from month 3 to month 9 during 2020/21. This reporting was more frequent than normal given the financial challenges the Council faced, certainly in the early part of the financial year.

Table 1 – 2020/21 Revenue Outturn Compared to Revised Budget

Portfolio	Budget £000	Actual £000	Variance £000
People and Place	87,923	92,379	4,456
Community Health & Adult Social Care	69,232	67,575	(1,657)
Children's Services	81,706	89,765	8,059
Communities and Reform	42,259	42,626	367
Commissioning	15,795	16,287	492
Chief Executive	3,771	3,515	(256)
Capital, Treasury and Technical Accounting	(2,441)	12,803	15,244
Corporate and Democratic Core	6,731	6,731	-
Parish Precepts and Grants	310	310	-
COVID-19 Funding	18,010	(7,641)	(25,651)
Resources Returned from GMCA	-	(3,248)	(3,248)
Net Service Expenditure	323,295	321,102	(2,193)
Collection Fund	-	(29,692)	(29,692)
Total Net Service Expenditure	323,295	291,410	(31,885)
Financing	(321,895)	(321,852)	43
Collection Fund (Surplus)/Deficit	(1,400)	28,291	29,691
Total Financing	(323,295)	(293,561)	29,734
Net Underspend	-	(2,153)	(2,153)

3.2 As mentioned elsewhere in this report and throughout the Statement of Accounts, the financial year 2020/21 was unlike any other due to the impact of the COVID-19 pandemic which made expenditure trends and income losses more volatile. Unsurprisingly there were a number of variances from the month 9 projected position (based on forecasts as at 31 December 2021) for a number of reasons including:

- A year end exercise to maximise the use of time limited revenue grants received;
- The use of £16.823m of Oldham Clinical Commissioning Group (CCG) resources to underpin the provision of adult social care using the facility of the S75 Agreement (of which only £5.9m had been anticipated);
- Income being received late in the financial year from partner organisations including investment income, funding in relation to after care services provided under Section 117 of the Mental Health Act 1983 and other adult social care related payments from Oldham CCG and increased refunds from the Greater Manchester Combined Authority (GMCA) to top up resources already anticipated;
- Notifications from Central Government of grant allocations late in the financial year;
- Displaced activity which will be undertaken and completed in 2021/22 resulting in anticipated expenditure and reserve usage not taking place in 2020/21.

3.3 The overall outturn position for the Council was a surplus of £2.153m which has increased the Council's General Fund Balance as discussed at section 4.15. More detailed information on the Council's outturn position can be found in the Narrative Report from page 27 in the Statement of Accounts. Further details on the variances are provided in the following paragraphs.

3.4 It is important to note that the forecast outturn presented in financial monitoring reports all year (and in the table above) showed the COVID-19 funding in the form of unringfenced grant received from Central Government offsetting overspending in Council Portfolio areas. This approach was chosen so the actual service impact could be seen compared to the original budget. Three tranches of unringfenced grant totalling £15.055m was received and three tranches of unringfenced Sales, Fees and Charges compensation grant totalling £2.955m. In addition, £7.641m of unringfenced grant was received in 2019/20 and this was transferred from earmarked reserves to support the overall financial position. A total of £25.651m of unringfenced general grant supported the outturn.

People and Place

3.5 The year-end position for the People and Place Portfolio was a deficit of £4.456m, against a revised budget of £87.923m. The adverse variance was mostly within the Economic Development service and primarily relates to the loss of income as a result of the COVID-19 pandemic in the following services:

- the Catering and Cleaning Service as a result of limited opening of schools during lockdowns and the impacts of self-isolation when schools reopened;
- the Corporate Landlord/Investment Estate and Markets Service relating to the recoverability of rental income from tenants impacted by lockdowns and the pandemic;
- the Parking Service as a result of a drop in demand for Town Centre Parking.

3.6 The final outturn of £4.456m was an improvement of £0.472m compared to the projected deficit of £4.928m at month 9 (31 December 2020). The reduced variance was due to the economic impact of the third lockdown being less severe than had been anticipated.

Community Health and Adult Social Care

3.7 The favourable outturn of £1.657m represents an improvement of £3.245m compared to the forecast pressure of £1.588m reported at month 9 and includes income received from Oldham Clinical Commissioning Group (CCG), both to support the COVID-19

related Hospital Discharge Scheme and to underpin the provision of adult social care (£16.823m in total and £10.923m more than had been envisaged when the month 9 report was prepared). Leaving aside the CCG income (£10.923m), the movement in the variance is attributable to;

- the cost of care provision in the last quarter being below expectations, partly as more financial support was received via the NHS funded Hospital Discharge Scheme;
- Additional contributions by the CCG to the cost of care, being mainly Section117 contributions for after-care services;
- Delayed recruitment to vacant posts and grant income to support staffing costs.

Children's Services

- 3.8 The Portfolio as a whole recorded an overspend of £8.059m against a revised budget of £81.706m. This is £0.348m less than the forecast at month 9. The majority of the adverse variance (£7.784m) was within Children's Social Care, primarily due to the cost of placements; out of borough in particular, and also additional staffing costs, mainly agency to address demand pressures arising from the pandemic. The adverse variance within Education, Skills and Early Years was £0.345m; the main drivers being the cost of SEND provision (including out of borough placements) and staffing costs. Preventative services recorded an underspend of £0.070m.

Communities and Reform

- 3.9 The revenue outturn was an adverse variance of £0.367m, an improvement of £1.663m compared to the forecast adverse variance of £2.030m estimated at month 9. The overall adverse variance for Communities and Reform Portfolio was due to a number of COVID-19 pressures, the reduction of income for the Music Service, Outdoor Education, Sports Development, and pressures within the Leisure services contract. These pressures were partially mitigated by the reduction in service provision by the Heritage, Libraries and Arts and Public Health teams for expenditure such delivery of services in primary care and also by vacancies across the Portfolio.
- 3.10 The main reason for improved performance at the year-end was in relation to the final COVID-19 related compensation payments to the Leisure Services provider, further service underspends and the maximum utilisation of Government Grants to fund COVID-19 related expenditure.

Commissioning

- 3.11 The adverse variance was a result of the use of external contractors by the Procurement Service and the reduction of income generated against the Council's early payment discount scheme which in part is due to Government guidance (Procurement Policy Notice 2) in response to COVID-19 which encouraged immediate payment terms for all contracted services thus removing any benefit from an early payment scheme. There was also a reduction in summons cost recovery compared to expected levels, again due to the Government guidance on limiting debt recovery activity during the first half of 2020/21. The pressures were partially offset by vacancies within the Finance Division and reductions in non-pay costs.

Chief Executive

- 3.12 The favourable outturn position of £0.256m represents a £0.030m reduction compared with the forecast favourable variance at month 9 of £0.286m. The Chief Executive directorate was impacted by COVID-19 in respect of income generation for the

Registrars Service, land charges and the recovery of court costs in 2020/21. However, these pressures were mitigated by a reduction in costs such as the postponement of the local election in May 2020, fewer civic functions, reduced costs for the Coroners Services and vacancies within Legal Services.

Capital, Treasury and Technical Accounting

- 3.13 The outturn for Capital, Treasury and Technical Accounting was a deficit of £15.244m in the main due the impact of the pandemic on anticipated interest, dividend income and capital financing transactions.

Corporate and Democratic Core

- 3.14 This represents the revenue budgets concerned with the executive management of the Council and Elected Member related activities including policy making, representing local interests and democratic representation. Total expenditure was £6.731m with no variance to budget.

Parish Precepts

- 3.15 This consists of the payments totalling £0.310m made to the two Parish Councils, Saddleworth Parish Council and Shaw and Crompton Parish Council. There was no variance to the 2020/21 budget.

4 Other Revenue Outturn Issues

COVID-19 Grants

- 4.1 The Council received a range of unringfenced and ringfenced grants from Central Government in 2020/21 to support the overall response to the COVID-19 pandemic. The financial impact of these grants is included within the outturn and Statement of Accounts. These grants together with Business Rates reliefs were administered by the Council in line within the guidance received from Central Government.
- 4.2 Following the receipt of a Government grant the Council had to determine whether in administering the grant it was acting as an agent of Government or a principal as follows:
- a) As an agent the Council acted as an intermediary between the recipient and the Government and had no control of the grant conditions – with no flexibility in determining the level of grant payable
 - b) Where the Council acted as a principal, it was able to use its own discretion when allocating the amount of grant payable.
- 4.3 A full and detailed breakdown of the grants received in year is provided in the Narrative Report to the Statement of Accounts from page 32. A summary grant position is provided below with table 2 highlighting a total of £107.727m of grant received for business grant funding and COVID specific initiatives.

Table 2 – COVID-19 Grant Summary

	Total Grant Allocation £000	The Council acting as Agent £000	The Council acting as Principal £000	Expenditure as at 31 March 2021 £000	Grant Remaining as at 31 March 2021 £000
Total COVID-19 Grants	107,727	78,859	28,868	86,865	20,862

-
- 4.4 In addition to the business grant funding and eighteen COVID-19 specific grants summarised in table 2, the Council also received unringfenced general grants to support its COVID-19 response totalling £28.106m (with £25.651m being used in year as a general offset for the additional expenditure incurred as a result of COVID). These were:
- Three tranches of general grant totalling £15.055m;
 - One tranche of general grant funding received in 2019/20 but carried forward in reserves to support the 2020/21 financial position at £7.641m;
 - Three tranches of Sales, Fees and Charges grant compensation at £2.955m;
 - Local Tax Income Guarantee grant of £2.169m which has been carried forward to support the 2021/22 budget;
 - New Burdens funding of £0.286m which was used to support the introduction of business grants payment arrangements, and the management of Council Tax and Business Rate reliefs.
- 4.5 The Council also received grant compensation for Business Rate reliefs awarded at £25.182m.
- 4.6 When taking into account the grants and additional funding discussed in this section, the Council received £161.015m of additional COVID related grant in 2020/21. This shows the extent of Government COVID financial support for the Council and Oldham from a wide range of grant initiatives. The accounting treatment of the grants is varied. Some are included within Notes 4, 5 and 15 to the Statement of Accounts and others are included in the Balance Sheet. Where possible, grants not used in full in 2020/21 were carried forward for use in 2021/22.

Schools and the Dedicated Schools Grant (DSG)

- 4.7 The total school balances for 2020/21 were £9.306m which was an increase of £3.819m compared to the 2019/20 total of £5.487m.
- 4.8 As advised at Note 6 to the Statement of Accounts, the DSG remains in deficit, a trend that first started in 2016/17. The Council has made efforts to reduce the DSG deficit and it has fallen from £4.916m in 2019/20 to £3.560m at the end of 2020/21. There is a clear Recovery Plan in place, agreed with Schools Forum, to bring the DSG to a surplus by the end of 2023/24.
- 4.9 For the first time, the DSG deficit is presented on the Movement in Reserves Statement as an unusable reserve. This is the result of the introduction on 29 November 2020 of a new Statutory Instrument to amend the Local Authorities (Capital Finance and Accounting) Regulations 2003 by establishing new accounting practices in relation to the treatment of schools' budget deficits. The aim is to ensure that DSG deficits are ringfenced and held separately from General Fund resources so that specific measures can be put in place to address the deficits without placing pressure on resources required for other essential services.

Housing Revenue Account (HRA)

- 4.10 By 31 March 2021, the HRA had generated an in-year surplus of £2.263m, after the required technical accounting adjustments, this resulted in a decrease of £0.425m to the level of balances. This compared favourably with the original budgeted deficit of £3.520m which was approved at the Budget Council meeting of 26 February 2020. Overall balances have decreased from £21.795m to £21.370m but this still shows a healthy level of resources to support future spending initiatives. There are plans in place to utilise HRA resources to support the delivery of the Council's Housing Strategy

up to 2024/25. Details of the HRA are provided in the Statement of Accounts at Section 4.1.

Collection Fund

- 4.11 The year-end Collection Fund position shown below includes a release of the Collection Fund Surplus totalling £1.470m. Of that amount, £1.400m was allocated to Oldham Council to support the 2020/21 budget and the remaining amount was distributed to the preceptors.
- 4.12 The year-end deficit balance of £27.213m is largely due to the additional reliefs which were awarded to business ratepayers in 2020/21 due to the COVID-19 pandemic, primarily the Extended Retail Discount and Nursery Relief. The Council received a compensating grant of £25.182m to offset in full the business rates which it could not collect given the awarding of the business rates reliefs to businesses. This grant received in 2020/21 was carried forward as a reserve and used to offset the Collection Fund deficit reflected in the budget for 2021/22
- 4.13 The table below summarises the movements in the Collection Fund during 2020/21:

Table 3 – Collection Fund Position

Collection Fund	Council Tax £000	Business Rates £000	Total £000
Balance brought forward (surplus)	(184)	(3,111)	(3,295)
Prior year estimated surplus released in year	410	1,060	1,470
Deficit for the year	3,220	25,818	29,038
Deficit Balance carried forward	3,446	23,767	27,213

- 4.14 Due to the impact on the Council's ability to collect both Council Tax and Business Rates, an important change to Collection Fund accounting was introduced for 2020/21, which (with the exception of the £25.182m Government grant funded Business Rate reliefs) gives the ability to smooth the impact of COVID-19 related deficits over three financial years, thus reducing the impact on the revenue budget. The Council's 2021/22 budget and future years budget estimates have been prepared using this new facility.

Reserves and Balances – Financial Resilience

- 4.15 The level of General Fund reserves included in the Balance Sheet at £142.964m underpin the financial resilience of the organisation. These reserves are held to manage future risks and expenditure priorities. These are split into Revenue Account Earmarked Reserves of £113.512m and Other Earmarked Reserves of £29.452m. The latter are comprised of Revenue Grant Reserves of £20.145m and Schools Reserves at a sum of £9.306m. As previously explained, in 2019/20 Schools Reserves were netted down due to the deficit on the DSG, however, in 2020/21 the accounting treatment for this deficit changed and the deficit is now held separately as an unusable reserve. The Revenue Grants reserve increased by £11.929m due to the impact of COVID-19 grants being held in reserve at year end.
- 4.16 The most significant movement in earmarked reserves was due to the receipt of compensation for lost Collection Fund income at a value of £25.182m. As outlined previously, these funds are to be used in 2021/22 to offset the loss of Collection Fund revenue due to the Government introducing Business Rate reliefs after the 2020/21 budget had been set.

- 4.17 Given how difficult it was to manage the financial position of the Council in 2020/21, given all the unprecedented events, it was encouraging that there was the flexibility to replenish some existing earmarked reserves and also to create additional reserves to improve financial resilience. Information on the reserves is presented at Note 15 in the Statement of Accounts.
- 4.18 The Statement of Accounts shows balances at the end of 2020/21 of £17.263m. This is an increase of £2.153m which is broadly in line with the originally calculated risk assessment for the following two financial years approved at the Council meeting of 4 March 2021. This movement has enhanced the Council's financial resilience going into 2021/22 and over the period of the Medium Term Financial Strategy.
- 4.19 The level of reserves and balances are a key element in the CIPFA Financial Resilience Index that was published for the first time in December 2019 with a new Index based on 2019/20 data released in February 2021. Reserves sustainability and change in reserves when compared to other Authorities was around the mid-point on the risk scale with a positive movement in the overall financial stress of the Council when compared with the previous year. The Index provided some useful information and confirmed the position that, leading into 2020/21, the Council was financially resilient. The Index will be issued again during 2021/22 to reflect the position at the end of 2020/21.

5 Capital Expenditure

- 5.1 The Council incurs expenditure on capital projects in accordance with the Local Authorities (Capital Finance and Accounting) Regulations 2003 definition of capital expenditure. Essentially this defines capital expenditure as spend on assets that have a life of more than one year.
- 5.2 The Council spent £73.227m on its Capital Programme in 2020/21 compared to the forecast spending of £71.012m projected at Month 9 (a variance of £2.215m). The Capital Programme was financed using Government Grants, Capital Receipts and Prudential Borrowing (although there was no long term borrowing in 2020/21, the Council maintained the use of its cash balances to finance expenditure). The capital expenditure incurred during the year is shown in the table below by Portfolio area. The marginal increase in actual spend when compared to budget required funding allocated to future years to be re-profiled to fully finance the capital programme in 2020/21. There were no adverse variances to project spending merely the acceleration of expenditure compared to forecasts.

Table 4 – Capital Programme Outturn Compared to the Forecast Outturn

Portfolio	2020/21 Forecast £000	2020/21 Actuals £000	Variance £000
Corporate Services	16,302	16,806	504
Children's Services	9,099	11,176	2,077
Communities and Reform	121	57	(64)
Community Health & Adult Social Care	2,059	2,433	374
Housing Revenue Account	4,767	4,397	(370)
People and Place	38,664	38,358	(306)
Total Expenditure	71,012	73,227	2,215

6 Treasury Management

Investments

- 6.1 The Council managed all of its short-term investments (surplus cash investments) in house with the institutions listed in the Council's approved lending list. At the end of the financial year the Council had £68.540m of investments.
- 6.2 The Council's investment strategy was to maintain sufficient cash reserves to give it necessary liquidity, whilst trying to attain a benchmark average rate of return compared to the London Interbank Bid Rate (LIBID) on the relevant time deposit, multiplied by 5%, whilst ensuring funds were invested in institutions which were the most secure. The table below shows the returns by the relevant time period:

Table 5 – Actual Performance Against Benchmark

	Benchmark LIBID Return %	Actual Return %
7 Day	(0.07%)	0.13%
1 Month	(0.06%)	0.27%
3 Month	0.02%	0.46%
6 Month	0.08%	0.63%
Average Return		0.30%
Target Rate		(0.01%)

- 6.3 As can be seen, the Council's overall performance on its cash investments exceeded its LIBID benchmark in all periods.

7 Overview of Core Statements

- 7.1 The four core Statements to the Accounts are the:
- i) Comprehensive Income and Expenditure Statement (CIES)
 - ii) Movement in Reserves Statement (MiRS)
 - iii) Balance Sheet
 - iv) Cash Flow Statement
- 7.2 They are included in the Statement of Accounts on pages 52 to 56. A commentary of the key issues arising in each Statement is set out as follows:

Comprehensive Income and Expenditure Statement (CIES)

- 7.3 The CIES is required under IFRS. It shows the accounting cost of providing services rather than the amount to be funded from taxation or rents. This means that it includes accounting transactions such as depreciation and revaluation gains/losses.

Table 6 – Comprehensive Income and Expenditure Statement (CIES)

	2020/21		
	Gross Expenditure £000	Gross Income £000	Net Expenditure £000
Chief Executive	4,776	(1,423)	3,353
Commissioning	21,123	(7,572)	13,551
People and Place	77,688	(26,034)	51,654
Children's Services	267,569	(192,255)	75,314
Community Health & Adult Social Care	118,885	(63,627)	55,258
Reform	52,714	(18,150)	34,564
Capital, Treasury and Technical Accounting	46,149	(50,956)	(4,807)
Corporate and Democratic Core	6,731	-	6,731
Housing Revenue Account	15,637	(28,636)	(12,999)
Cost of Services	611,272	(388,653)	222,619
Other Operating Expenditure			
Parish Council precepts			291
Levies			33,591
(Gains)/losses on the disposal of non-current assets			(1,352)
Total Other Operating Expenditure			32,530
Financing and Investment Income and Expenditure (a)			32,941
Taxation and Non-Specific Grant Income (b)			(286,567)
Deficit on Provision of Services (c)			1,523
Other Comprehensive Income and Expenditure			
Revaluation (gains)/losses non-current assets			(21,818)
Impairment losses on non-current assets			190
Surplus or deficit on revaluation of available for sale financial assets			(1,893)
Remeasurement of net defined benefit liability			134,528
Total Other Comprehensive Income and Expenditure (d)			111,007
Total Comprehensive Income and Expenditure			112,530

Key points to note from the CIES are:

(a) Financing and Investment Income and Expenditure

- 7.4 Financing and Investment Income and Expenditure of £32.941m (detailed at Note 3) contains transactions relating interest payable and receivable and dividend income.

(b) Taxation and Non Specific Grant Income

- 7.5 The sum of £286.567m (detailed at Note 4) contains Council Tax, Business Rates and grants received from Central Government to finance revenue expenditure throughout the year. This income is not attributable to a specific service. There has been a rise in Grant income in 2020/21 of £26.382m, this is largely attributable to COVID-19 support grants received in year.

(c) Deficit on the Provision of Services

- 7.6 The Deficit on the Provision of Services of £1.523m represents the Council's accounting deficit position for the year as required under IFRS which allows comparison to be made with other organisations in both the public and private sectors. This deficit includes charges for accounting entries such as depreciation, impairment and pension adjustments which are reversed under statute as they should not impact on the Council's General Fund position and the Council Tax Payer when calculating the Council Tax requirement. These reversals are shown in the MiRS.
- 7.7 As previously highlighted, the Council's outturn position for the year is a £2.153m underspend, which has been credited to the Council's General Fund Balance as shown in the Movement in Reserves Statement presented below.

(d) Other Comprehensive Income and Expenditure

- 7.8 There are a number of elements to Other Comprehensive Income and Expenditure, the sum of which totals a surplus £111.007m mainly due to the remeasurement of the net defined benefit liability movement of £134.528m as mentioned in 7.10 below.
- 7.9 The Council's non-current assets are revalued on a rolling 5 year programme. Any movement on the value of these are assets which is not chargeable to the cost of service is instead reflected in other comprehensive income and expenditure and the revaluation reserve.
- 7.10 In addition, the remeasurement of the 'net defined benefit liability' represents the Pension Actuary's movement of the Council's pension liability as at the 31 March 2021. This remeasurement is based on the financial assumptions made by the Actuary based on market conditions at the 31 March 2021 in order to calculate the movement on the liability in the year. Further detail of the assumptions used are presented in Note 30 of the Statement of Accounts. This adjustment is required by the accounting standards covering pensions.

Movement in Reserves Statement (MiRS)

- 7.11 The MiRS reverses the accounting transactions included within the Deficit on the Provision of Services shown above in the CIES. Once these transactions have been reversed the amount which is statutorily chargeable to taxpayers or rents is arrived at. A summary reconciliation showing the movement between the CIES position and the statutory position is shown below. The General Fund and HRA balances are adjusted by the net Surplus or Deficit shown above. The subsequent balance will then be available to support expenditure in 2021/22.
- 7.12 A reconciliation of the financial outturn position to both the CIES and MiRS is provided in Note 1 Expenditure and Funding Analysis in the Statement of Accounts and is summarised below.

Table 7 – Movement in Reserves Statement Summary

	General Fund £000	HRA £000	Total £000
(Surplus) /Deficit on the Provision of Services	3,785	(2,263)	1,522
Total Technical Accounting Adjustments	(56,121)	2,688	(53,433)
Transfer to Earmarked General Fund Reserves	50,183	-	50,183
Net (Surplus)/Deficit	(2,153)	425	(1,728)

Balance Sheet

- 7.13 The Balance Sheet below shows the Council's net assets have decreased by £112.530m in 2020/21 from £167.061m to £54.531m.

Table 8 – Balance Sheet

31 March 2020 £000		Note	31 March 2021 £000
734,215	Property Plant & Equipment	17	754,458
19,770	Heritage Assets	18	19,770
20,077	Investment Property	19	18,817
4,060	Intangible Assets		4,271
50,095	Long Term Investments	21	55,615
22,508	Long Term Debtors	22	35,034
850,725	Long Term Assets		887,965
40,775	Short Term Investments	21	40,671
621	Inventories		517
43,225	Short Term Debtors	22	49,662
59,898	Cash & Cash Equivalents	23	21,597
310	Assets Held For Sale (less than 1 year)		568
144,829	Current Assets		113,015
(1,716)	Short Term Borrowing	21	(6,697)
(68,456)	Short Term Creditors	24	(76,164)
(12,567)	Short Term Provisions	25	(9,761)
	Short Term Liabilities		
(10,216)	- Private Finance Initiatives	21,28	(9,746)
(314)	- Finance Leases		(302)
(1,108)	- Transferred Debt		(1,180)
(94,377)	Current Liabilities		(103,850)
(15,800)	Long Term Provisions	25	(15,666)
(168,364)	Long Term Borrowing	21	(168,355)
	Other Long Term Liabilities		
(324,871)	- Pension Liabilities	30	(444,288)
(222,531)	- Private Finance Initiatives	21,28	(212,785)
(474)	- Finance Leases		(349)
(1,224)	- Transferred Debt		(44)
(17)	- Deferred Credits		(17)
(835)	Capital Grants Receipts In Advance		(1,095)
(734,116)	Long Term Liabilities		(842,599)
167,061	Net Assets		54,531
(146,515)	Usable Reserves	MiRS	(203,055)
(20,546)	Unusable Reserves	MiRS,16	148,524
(167,061)	Total Reserves		(54,531)

- 7.14 The decrease in net assets is mainly attributable to the following movements:

- An increase in the Pension Liability of £119.417m the majority of which relates to a change in the assumptions used by the Council's actuaries (Hymans-Robertson) as part of the Council's actuarial valuation, as described at 7.10.

The assumptions are determined by the actuary and represent market conditions at the reporting date.

- An increase in the value of Property, Plant and Equipment (PPE) of £20.243m mainly due to Non-Current Assets additions in year.
- Long Term Debtors have increased by £12.526m in year. This primarily relates to Shareholder loans to a strategic investment partner in year.
- A decrease in Cash and Cash Equivalents of £38.301m which is discussed further at paragraph 7.15.

Cash Flow Statement

- 7.15 Cash and cash equivalents have decreased by £38.301m, this is largely due to a decrease in short term cash equivalent investment balances following the upfront pension payment to the Greater Manchester Pension Fund (GMPF) in 2020/21.

Table 9 – Cash Flow Statement

	2019/20 £000	2020/21 £000
Net deficit on the provision of services	(72,942)	(1,522)
Adjustment to surplus or deficit on the provision of services for non-cash movements	130,091	32,125
Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities	(29,948)	(23,533)
Net cash flows from operating activities	27,201	7,070
Net Cash flows from Investing Activities	(9,835)	(35,274)
Net Cash flows from Financing Activities	9,303	(10,097)
Net increase or (decrease) in cash and cash equivalents	26,669	(38,301)
Cash and cash equivalents at the beginning of the reporting period	33,229	59,898
Cash and cash equivalents at the end of the reporting period	59,898	21,597

8 Group Accounts/ Annual Governance Statement (AGS)

- 8.1 The Council carries out a complex range of activities, often in conjunction with external organisations. Where those organisations are in partnership with or under the ultimate control of the Council a judgement is made by management as to whether they are within the Council's group boundary. This judgement is made in line with the provisions set out in the Code and relevant accounting standards.
- 8.2 The CIPFA Code of Practice requires that where an Authority has material financial interests and a significant level of control over one or more entities, it should prepare group accounts.
- 8.3 The assessment of materiality also influences the Council's decision to produce Group Accounts. Each year the Council assesses the entities it exerts control or significant influence over to identify which fall into the group boundary. If the value of transactions for the group as a whole is material, Group Accounts are produced. The aim is that the statements therefore give an overall picture of all of the Council's financial activities and the resources employed in carrying out those activities.
- 8.4 The Council has assessed its group boundary for 2020/21 and has identified two subsidiaries that are considered to be material and have therefore been consolidated

into its group accounts. They are the two wholly owned companies, the MioCare Group Community Interest Company (CIC) and the Unity Partnership Limited.

8.5 As subsidiary entities, MioCare Group CIC and the Unity Partnership Limited have been consolidated on a line by line basis with all intra-group transactions and balances removed. The Group Accounts therefore consist of a CIES, MiRS, Balance Sheet and Cash Flow Statement and explanatory notes and are presented in Section 5 of the 2020/21 Statement of Accounts.

8.6 The Annual Governance Statement (AGS) is incorporated within the Statement of Accounts. There were no changes between the draft and final version of the AGS.

9 The Performance of the Finance Service

9.1 The preparation of the accounts represents just one outcome of the range of achievements of the Finance Team during 2020/21 as it continues to enhance and develop its performance. The work of the Finance Team underpins the work of the Council as well as ensuring compliance with statutory requirements, budget management and excellent financial practice.

9.2 The early closure of accounts has been a significant driver of efficiency allowing work to be undertaken more effectively. This means members of the Finance Team are able to work on other tasks and projects once the accelerated accounts closedown process is complete.

9.3 The continuing challenges and restrictions facing the Council and the Finance Team as a result of the ongoing pandemic has made the completion of the final accounts a more demanding exercise. However, the Council handed over its accounts to the External Auditors on 6 June, well within the revised timelines and the audited set of accounts was completed within the statutory deadline.

9.4 It is important to note that the delivery of the accounts to this timescale has been achieved by the hard work, commitment and dedication of the Finance Team who can all be proud of their contributions. This year-end was made more difficult due to the challenges of the COVID-19 pandemic. However, as in previous years, this has been a real team effort.

10 Options/Alternatives

10.1 No alternatives are presented other than Council notes the final accounts position for 2020/21.

11 Preferred Option

11.1 The preferred option is that Council notes the final accounts position for 2020/21.

12 Consultation

12.1 Consultation has taken place with the Council's External Auditors, Mazars LLP and the Council's Audit Committee at the meetings on 29 June, 29 July, 9 September and 2 November 2021. In addition, members of the public had the opportunity to inspect the Council's Statement of Accounts and supporting documents during the 30-day public inspection period which concluded on 28 July 2021.

12.2 The 2020/21 accounts were presented to and noted by Cabinet at its meeting on 15 November. Cabinet was content to commend the Statement of Accounts to Council.

13	Financial Implications
13.1	Dealt with in the body of the report.
14	Legal Services Comments
14.1	There are no Legal implications.
15	Co-operative Agenda
15.1	Improving the quality and timeliness of the financial information available to citizens of Oldham supports the cooperative ethos of the Council.
16	Human Resources Comments
16.1	There are no Human Resource implications.
17	Risk Assessments
17.1	There are no risk implications as a result of this report.
18	IT Implications
18.1	There are no IT implications as a result of this report.
19	Property Implications
19.1	There are no Property implications.
20	Procurement Implications
20.1	There are no Procurement implications.
21	Environmental and Health and Safety Implications
21.1	There are no Environmental and Health & Safety implications as a result of this report.
22	Equality, Community Cohesion and Crime implications
22.1	There are no Equality, community cohesion and crime implications.
23	Equality Impact Assessment Completed?
23.1	Not Applicable
24	Key Decision
24.1	No
25	Key Decision Reference
25.1	Not Applicable.
26	Background Papers
26.1	The following is a list of background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not

include documents which would disclose exempt or confidential information as defined by the Act:

File Ref: Background Papers are provided at Appendices 1 to 4.
Officer Name: Lee Walsh
Contact No: 0161 770 6608

27 **Appendices**

- 27.1 Appendix 1 – Statement of Accounts 2020/21
- Appendix 2 – Changes to the draft Statement of Accounts
- Appendix 3 - Draft Annual Audit Completion Report
- Appendix 4 – Letter entitled 'Conclusion of Pending Matters – Audit Completion Report'

This page is intentionally left blank

Oldham Council.

**Statement of Accounts
2020/21**

Contents

1.0	Preface	3
1.1	Introduction to the 2020/21 Statement of Accounts by Councillor Abdul Jabbar MBE, Deputy Leader and Cabinet Member for Finance and Green.....	3
1.2	Narrative Report	5
2.0	Statements to the Accounts	48
2.1	Statement of Responsibilities for the Statement of Accounts	48
2.2	Auditors Report	49
3.0	Financial Statements and Explanatory Notes.....	58
3.1	Comprehensive Income and Expenditure Statement.....	59
3.2	Movement in Reserves Statement.....	60
3.3	Balance Sheet.....	62
3.4	Cash Flow Statement	63
3.5	Index of Explanatory Notes to the Accounts	64
3.6	Explanatory Notes to the Financial Statements	65
4.1	Housing Revenue Account (HRA)	153
4.2	Collection Fund.....	157
5.0	Group Accounts	160
6.0	Annual Governance Statement 2020/21	172
7.0	Glossary of Terms	203

1.0 Preface

1.1 Introduction to the 2020/21 Statement of Accounts by Councillor Abdul Jabbar MBE, Deputy Leader and Cabinet Member for Finance and Green



Councillor Abdul Jabbar MBE

As Cabinet Member for Finance and Green in 2020/21 I would like to welcome you to the Oldham Council 2020/21 Statement of Accounts. The preparation of the Statement of Accounts provides the opportunity to reflect on the past financial year and report on the current financial and non-financial position of the Council.

The year beginning 1 April 2020 was unlike any other. The challenges caused by the COVID-19 pandemic are unprecedented, both in terms of magnitude and the sheer breadth of the disruption to everyday life in the Borough. Those challenges remain, although I am pleased to say, that many of the initial pressures are now easing.

Just a year ago none of us could ever have imagined how different our lives would be today. Although restrictions have now eased, COVID-19 is still with us. We may not have to be social distancing, but many of us are still working from home, and for over a year we could not spend time with our loved ones, attend weddings or other family events as we usually would. We saw our businesses face ever changing restrictions or in some instances were unable to operate at all. Yet we have persevered. The entrepreneurial spirit that is very alive in Oldham has seen business owners completely change operating models, sometimes overnight. Parents and families adapted to homeworking and home schooling. The Council has initiated change to support Oldhamers and ensure essential services continue to be provided.

My political portfolio, with responsibility for green issues in Oldham means that I recognise that there have been some environmental benefits from the forced change which should be sustained in the future to support a cleaner and greener Oldham. Flora and fauna have returned to towns, cities and waterways. The amount of traffic on our roads was reduced to near 1950's levels at the start of lockdown, giving a very much needed boost to air quality. New initiatives will be taken forward during the COVID recovery phase and beyond so that we do not revert to many of the environmentally damaging practices.

As ever the Council continues to be at the heart of the community, distributing emergency funding to businesses, performing over 135,000 COVID-19 tests at facilities across the Borough in 2020/21 as well as providing food parcels and operating emergency helplines. As the vaccination roll out began, the Council again took a prominent stance coordinating the process with other public sector bodies, eventually supporting the delivery of over 78,000 vaccinations by the end of March 2021. I am personally very proud of the Council's response and the subsequent reduction in the prevalence of COVID-19 across the Borough.

Events of the last year have had a significant impact on the Council itself most of which could not have been anticipated at the start of the pandemic. What is certain is that the impact has not been limited to the 2020/21 financial year, but instead will continue to influence our lives for many years to come. The impact on the Council and its financial position will be discussed in detail through the Statement of Accounts, but it must be noted that managing significant sums of additional grant funding, including administering grants to support businesses provided challenges at times.

It is important to appreciate that many of the Council's underlying financial pressures have not reduced. Many of the services with significant adverse variances in 2020/21 continue the trend from previous years including the People and Place and the Children's Services portfolios, the latter reflecting increasing demand for Children's Social Care, which has been a factor in previous years.

Despite this, I am pleased that we have ended the year in a more robust financial position than was initially anticipated. However, as mentioned above, the short and long term effects of the pandemic are unknown. Therefore, we need to be prudent and ensure this financial position continues to be managed effectively.

As always, I would like to conclude by recognising the hard work and dedication shown by the Finance and Internal Audit teams throughout the year. Along with colleagues across the Council they have adapted to home working and maintained continuity of service throughout the toughest of times. This includes the production of this set of accounts, the work undertaken to set the 2021/22 budget along with the support provided in delivering key Council objectives.



Councillor Abdul Jabbar MBE
Deputy Leader and Cabinet Member for Finance and Green

1.2 Narrative Report

Message from the Director of Finance – Anne Ryans



Anne Ryans

My role as the Director of Finance and Section 151 Officer is to ensure that the Council's financial affairs are properly administered, and its financial position remains stable and robust. This is essential to ensure that the Council is able to provide quality services to all the residents of Oldham and to continue to take forward the development and regeneration of the Borough. Given the events of 2020/21, this role is even more vital and exponentially more difficult.

The effects of the COVID-19 pandemic have been felt to varying degrees by every household, every business, every school, every public sector and charitable organisation. Many people have suffered the devastating effects of illness, others have lost income or their livelihoods. Charities have lost the opportunity to raise funds and are therefore unable to continue their work to support the most needy in our society.

During 2020/21, Oldham Council rose to the challenge and took forward its leadership role and supported Oldham and Oldhamers as the Borough spent the majority of the year either under national lockdown or Tier 3 restrictions. The Council had distributed almost £73m in grant funding to businesses throughout the Borough by 31 March 2021, administered over £25m in COVID related Business Rates relief and over £3m of hardship relief to Council Tax Reduction recipients, managed almost £19m of other COVID specific grants as well as over £28m of general unringfenced grants.

The Council has worked successfully with the voluntary sector and provided help and support to those Oldhamers who had to shield. It introduced a wide range of initiatives to keep citizens safe as well as coordinating the testing and vaccination programmes across the Borough.

The Statement of Accounts gives an overview of the Council's finances for 2020/21, a financial year that has been unprecedented. The business as usual activities that were provided as well as COVID specific actions are reflected in the accounts. However, despite all the disruption, I am pleased to report that we have improved upon our strong financial position, which demonstrates once again the excellent standard of financial management and stewardship of the Council's resources and will help to safeguard against the continuing effects of the COVID-19 pandemic.

The Oldham Council Finance Team aims to prepare the Statement of Accounts to the highest standards and in accordance with the guidance for Local Authorities in the UK. The Statement of Accounts provides information so that members of the public, including electors and residents of Oldham, Council Members, partners, stakeholders and other interested parties can have:

- A full and understandable explanation of the overarching financial position of the Council and the outturn for 2020/21;
- Confidence that the public money with which the Council has been entrusted has been used and accounted for in an appropriate manner;

- Assurance that the financial position of the Council is sound and secure.

The deadline for the preparation of the 2019/20 Accounts was extended due to the pandemic and it has again been revised for 2020/21. Recognising the multi-year impact of COVID, the deadline for the 2021/22 financial year has also been changed. The Ministry of Housing, Communities and Local Government (MHCLG) introduced the Accounts and Audit (Amendment) Regulations 2021, which changed the statutory audit deadlines for all Local Authorities. Therefore, the draft accounts for Authorities like Oldham, had to be issued by 31 July 2021 and the publication deadline for audited accounts moved from 31 July to 30 September 2021.

The requirement for the public inspection period to include the first 10 working days of June was also removed. Instead, the Council had to commence the public inspection period for its Statement of Accounts on or before the first working day of August 2021.

The Accounts were submitted to the External Auditor on 6 June 2021 in accordance with internal timelines, and significantly ahead of the revised statutory deadline.

The Council continued to follow best practice principles and submitted the draft accounts to the Audit Committee to allow Members the opportunity to review them before they are asked to formally approve the Statement of Accounts. The review of the draft accounts took place at the Audit Committee meeting on 29 June 2021.

I am proud to say that the Finance Team provides a high quality financial management service for the Council giving financial advice and support on all major projects and initiatives in which the Council is engaged. In addition to the preparation of the Statement of Accounts, a key task is financial planning. Alongside budget preparation, performance management and reporting, the ability to look strategically beyond the current budget period is essential to supporting the Council's financial resilience and long-term financial sustainability. Given the current uncertainty arising from the COVID-19 pandemic and the short term nature of Government funding, it is more important than ever that we have a thorough understanding of our financial outlook and are planning effectively for the future.

The Finance Service produces on an annual basis, a Medium Term Financial Strategy (MTFS) which helps to bring together all known factors affecting the Council's financial position and its financial sustainability. The MTFS is as wide ranging as possible and includes estimates of future income and expenditure, anticipated pressures and new developments. It allows the Finance Team to balance the financial implications of the Council's Corporate Plan, service objectives and policies with the constraints in resources. This in turn forms the basis for decision making and the production of the revenue budget.

Work to revise the MTFS took place through most of 2020/21. The updated MTFS, along with the balanced 2021/22 budget were presented for approval at the Full Council meeting on 4 March 2021. The report advised Members of the key financial challenges and issues which will be faced by the Council over the forecast period and set out the Administration's revenue budget proposals for 2021/22 together with updated budget gap estimates for the period 2022/23 to 2023/24. This was a shorter timeframe than usual due to the challenges of estimating:

- how COVID will influence spending and income patterns in the future; and
- the impact of the anticipated Comprehensive Spending Review and the potentially significant changes to the Local Government funding regime, including Adult Social Care funding and the Business Rates system.

The Oldham Finance Team has worked to accelerated final accounts deadlines for many years, consistently delivering the Council's Statement of Accounts to a high standard, as acknowledged by our External Auditor in previous years. This is only possible because of the hard work and dedication of the Finance staff. This year has been especially challenging as most Finance Team

colleagues have worked from home for the majority of the year as a result of the continuing restrictions imposed by Central Government in response to the levels of COVID-19 experienced within Oldham and the Greater Manchester region. However, the team ethos has remained strong, and the excellent processes that are embedded within our working practices have provided a good basis to continue to produce the high quality accounts included here.

The following Narrative Report is an important part of the accounts and provides information about Oldham, including the key issues affecting the Council and its accounts. It also provides a summary of the financial position at 31 March 2021.

Introduction to the Narrative Statement

As has been outlined in the Preface to the Accounts and the Message from the Director of Finance, the financial year 2020/21 has been like no other. Along with the rest of the country and indeed the world, Oldham Council has had to manage the unprecedented challenges that COVID-19 has posed. From the start of the first national lockdown on 24 March 2020, and also in the weeks immediately leading up to the lockdown, COVID-19 has influenced every aspect of the work of the Council. Challenging though it has been, the Council has responded well, delivering a wider range of new initiatives as well as continuing to deliver business as usual services, adapting provision to align to the circumstances.

The accounts for 2020/21 reflect the nature of the activity that has been undertaken to respond to the pandemic but also to continue to provide essential services. The financial pressures of the increased and new activity were supported by substantial extra Government grant funding and this has had an impact on the outturn for the year. The administration of the grants presented new challenges for the Finance Service and the extent of the resources received is highlighted later in this document.

This Narrative Statement will cover the impact of COVID in more detail in the following sections but will firstly outline key information about the Council to provide background context.

An Introduction to Oldham

Oldham Council is one of ten Local Authorities in Greater Manchester. It lies in the North East of the region and covers an area of approximately 55 square miles (142.4km sq.). The Borough shares its borders with the City of Manchester, the Metropolitan Boroughs of Tameside and Rochdale and to the east, Kirklees and Calderdale. Oldham occupies a key position between Greater Manchester and the Leeds City Region and provides a gateway to the North West and to Yorkshire and Humberside. It is located within the foothills of the Pennines and stretches from the Northern edge of the Peak District National Park to the outskirts of the City of Manchester. No residential location in the Borough is more than two miles away from open countryside.

The Borough of Oldham has a proud industrial heritage but, along with many towns and cities, the industries on which the wealth of the area was built have now declined. Regeneration, both in terms of employment opportunities and physical redevelopment, is recognised as being very important to the future prosperity of the Borough and is a key priority of the Administration.

Oldham is a unique place with a mix of the challenges, changes and opportunities which exemplify the changing face of modern Britain. Some wards within the Council are amongst the most deprived in the country. By contrast, there are some areas of great affluence. The Council therefore provides services designed to meet the needs of its citizens, serving both an urban and rural environment influenced by the makeup of the population, education, economy, health and housing.

Oldham is the seventh largest Local Authority in Greater Manchester (GM) with a population of circa 237,100 (Office for National Statistics (ONS) Mid-Year Estimates 2019). Its population is projected to reach 261,018 by 2041 (ONS 2018-based projection). The population is very diverse with around 100 languages spoken and many different cultures coming together in one Borough. Council service provision will need to anticipate and adapt to both the projected growth and the changing age profile of the population of the Borough and this will be reflected within the financial planning process.

Key Information about Oldham Council Governance

Oldham Council is a multifunctional and complex organisation. Its policies are directed by the Political Leadership and implemented by the Executive Management Team (EMT) and officers of the Council. The political and management structures of the Council are described below together with the political ethos driving the policy agenda and the means by which these are implemented and managed.

Political Structure in the 2020/21 Municipal Year

The Council is made up of 60 Councillors from 20 wards across the Borough. A local election was planned for 7 May 2020 but due to the COVID-19 pandemic it was postponed. As a consequence the political make-up of the Council in 2020/21 remained as it had been since the previous election on 2 May 2019, albeit that 2 Labour Councillors subsequently resigned from office resulting in the following representation:

Labour Party	44 Councillors
Liberal Democrat Party	8 Councillors
Conservative Party	4 Councillors
Failsworth Independent Party	1 Councillor
Independent	1 Councillor
Vacant Seats	2

The Labour Party had control of the Council during 2020/21, continuing with the driving ethos of a Co-operative Council.

Following the Local Elections on 6 May 2021, the Labour Party retained control of the Council but with a reduced majority (now holding 40 seats). This was followed, on 19 May 2021 by a change of Leader with Councillor Arooj Shah assuming the role previously occupied by Councillor Sean Fielding. The change in Leader will result in some reprioritisation of the Administration's aims and objectives with the emphasis being on cleanliness, regeneration of the Borough and of course COVID-19 recovery.

The Council has adopted the 'Strong' Leader and Cabinet model as its political management structure arising from the Local Government and Public Involvement in Health Act 2007. During 2020/21, the then Leader of the Council (Councillor Sean Fielding) had responsibility for the appointment of Members of the Cabinet, the allocation of Portfolios and the delegation of executive functions.

During 2020/21, the Cabinet was comprised of nine Councillors. It exercised its responsibility for strategic decision making, implementing agreed policies, providing political leadership and recommending proposals for approval by full Council on the budget, Council Tax levels and the Council's policy framework.

The Cabinet portfolio areas were broadly aligned to the Council's key service directorates, enabling the joint sharing of priorities. There continues to be a good working relationship between officers and elected Members with Cabinet members regularly meeting with their respective senior officer leads to monitor the progress of business plans, consider key service developments and improvements, and address any areas of concern.

Cabinet members are held to account by a system of scrutiny which is set out in the Constitution. Scrutiny of executive decisions for 2020/21 was undertaken by either the:

- Overview and Scrutiny Board;
- Overview and Scrutiny Performance and Value for Money Select Committee; or the
- Health Scrutiny Overview and Scrutiny Committee.

The setting of a balanced budget was subject to detailed review by the Overview and Scrutiny Performance and Value for Money Select Committee.

The Oldham Council 2020/21 Cabinet structure is shown on the following diagram:

Economy and Skills

City region and devolution
External Relations
Policy and Performance
Communications and media
Regeneration and Infrastructure
Enterprise and Business Support
Corporate property and assets
Oldham Town Centre and Markets
Get Oldham Working
Employability
Work and Skills Strategy

HR and Corporate Reform

HR and Organisational Development
Council Workforce and Work Progression
First Response
District Working
Early Help
Public Service Reform
Community Safety and Policing
Youth Justice
Community Justice
Probation Services

Finance and Green

Finance
Capital Projects and Investment
ICT and Transactional Services
Internal Business Support Unit
Revenues and Benefits
Customer Services (Including Contact Oldham)
Energy
Green New Deal
Unity Partnership

Education

Education and skills commission
Education Alliance
School place planning
Looked after children – educational performance

Neighbourhoods and Culture

Transport
Highways
Trading Standards
Registrars and Cemeteries
Car Parking and Enforcement
Street Lighting
Environmental Services
Libraries, Heritage and Local Studies
Culture and Arts
Waste and Recycling
Licensing

Children and Young People

GM Childrens' Partnership
GM Childrens' Services Review
Adoption and Fostering
Children in care
Child safeguarding
Children's Health and Wellbeing
Youth Service
Early Years

Health and Social Care

Adult Social Services
Adult Safeguarding
Provider Services
Disability Services and adaptations
Family Support
GM Adult Services Review
Health Devolution
Oldham Locality Plan
Health Improvement
Mental Health

Housing

Strategic Housing
Housing Quality Enforcement
Planning and Building Control
Homelessness

Covid-19 Response

Community Cohesion
Community and Wealth Building
Unemployment
Isolation
Community Engagement

Management Structure of the Council

Supporting the work of Councillors is the organisational structure of the Council headed by the Executive Management Team (EMT) led by the Chief Executive Dr Carolyn Wilkins OBE, who is also Accountable Officer for NHS Oldham Clinical Commissioning Group (CCG).

The management structure of the Council was revised with effect from 22 May 2019 with Portfolio responsibilities realigned and reporting arrangements changed. There was no change in 2020/21. EMT was comprised of the Chief Executive and Accountable Officer, the Deputy Chief Executive, the Strategic Director Communities and Reform, the Strategic Director Commissioning/Chief Operating Officer Oldham CCG, the Managing Director Community Health and Adult Social Care (DASS)* and the Managing Director Children and Young People (DCS)**. The structure is shown in the table below.

* DASS is a statutory role, the Director of Adult Social Services

** DCS is a statutory role, the Director of Children's Services

The Chief Executive and other members of the EMT provide managerial leadership of the Council and support Elected Members of the Council in:

- Developing strategies
- Identifying and planning resources
- Delivering plans
- Reviewing the Authority's effectiveness with the overall objective of delivering a Co-operative future where everyone does their bit to create a confident and ambitious Borough

This leadership team works together to deliver effective services for the Borough's diverse communities. It also ensures that Oldham plays a full part in national, regional and sub-regional activities.

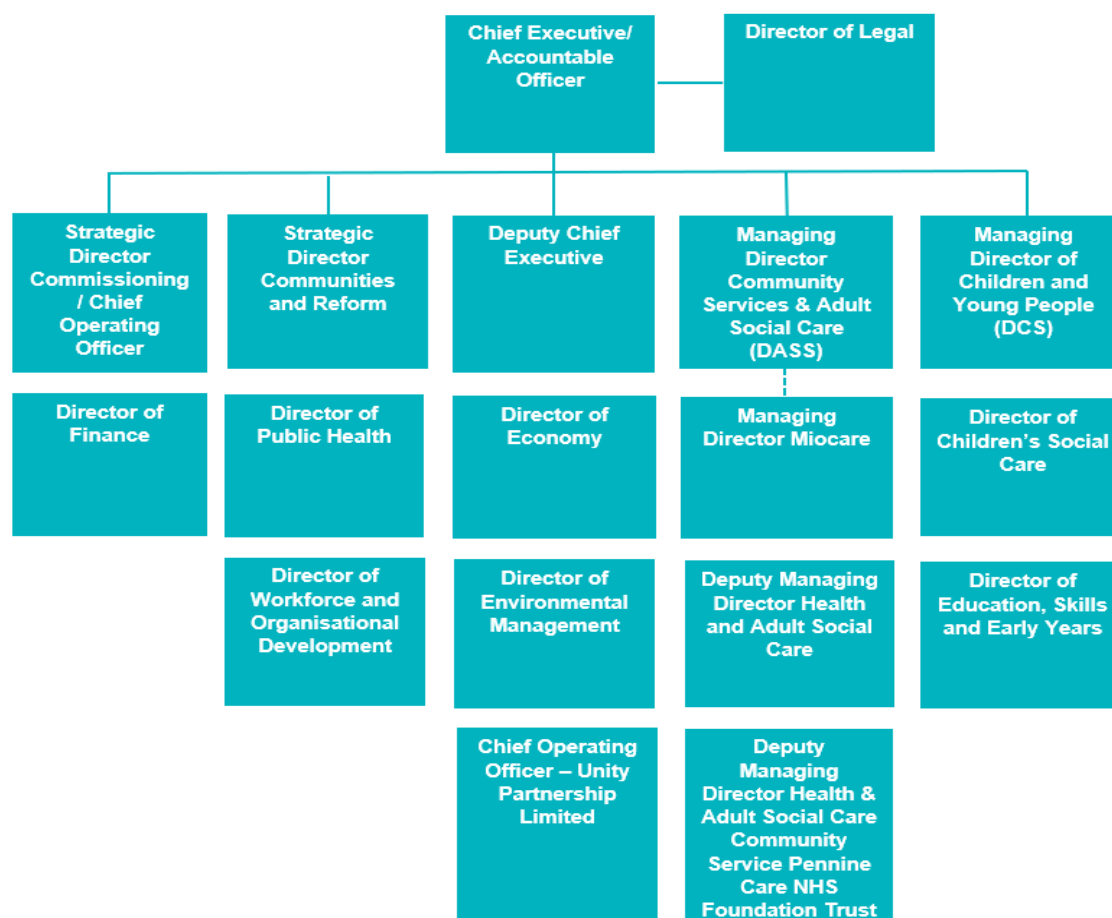
From an operational perspective, EMT and the Senior Management Team (SMT), which is comprised of Service Directors, is integrated into a single management meeting and is chaired by the Chief Executive. The Director of Finance attends SMT meetings in her role as the Council's Chief Finance Officer, the officer responsible under statute for the administration of the Council's financial affairs. Similarly, other statutory officers, the Director of Public Health and the Director of Legal Services (Monitoring Officer) also attend SMT.

As advised above, in addition to undertaking the role of Chief Executive for Oldham Council, Dr Carolyn Wilkins OBE is also the Accountable Officer for NHS Oldham CCG. For most of 2020/21, the Chief Executive was seconded on a part time basis to the Department of Health and Social Care in the newly created role of Contain Divisional Director for Test and Trace.

Operating as Oldham Cares, the management and reporting structure of both the Council and the CCG have been integrated to create a Joint Leadership Team (JLT) which meets on a weekly basis. JLT is comprised of members of EMT plus the Director of Finance and senior officers and officials of the CCG. JLT reports through to the Commissioning Partnership Board (CPB).

In addition to the Chief Executive, aligned to the Oldham Cares model, the senior team also has other joint appointments across health partners. The Chief Officers of both the Council's wholly owned companies, the Unity Partnership Ltd. and MioCare Community Interest Company (CIC) are also part of SMT.

Senior Management Team – Council Structure



Council Employees

At the start of April 2020, the Council employed 2,636 people (excluding school-based employees). By March 2021 this had decreased by 3.22% to 2,551. The Council continues to deliver its recently refreshed Workforce Strategy and its quest to be the employer of choice and an anchor institution in Oldham; through a robust infrastructure, both within the Council and in collaboration with partners; through the development and redesign of the Council's operating model to best meet the needs of Oldham residents and through building organisational capability through real co-operative partnerships with other employers and community members alike.

Co-operative Council in a Co-operative Borough

Oldham Council became a Co-operative Council in 2011. The Council is committed to developing a Co-operative future; one where citizens, partners and staff work together to improve the borough. The Council encourages all members of the community to play an active part in building a co-operative borough. This means everyone doing their bit.

To help realise this ambition, the Council has developed co-operative values and behaviours. All staff, citizens and partners are encouraged to adopt these values.

Co-operative Values and Behaviours



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

The ethos of the Co-operative Council and the principles of both the Oldham Plan and the Corporate Plan set the operating framework for the Council.

The Oldham Plan

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

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

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

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



The Corporate Plan

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

Oldham Council and the Impact of COVID-19

The financial year 2020/21 has been unlike any other year. The Council had to adapt to evolving events as the country moved in and out of lockdown and various tiered restrictions. It required flexibility and adaptability to respond to an ever changing national and local scene.

For the first part of the year, following on from procedures initiated in March 2020, enhanced management arrangements were put in place with a structure based on Gold (strategic), Silver (tactical) and Bronze (operational) groups including key system partners, to facilitate rapid responses to the evolving position, support appropriate decision making (including the use of emergency powers as allowed for in the Councils Constitution), clear communication and inter-agency cooperation. Although this structure remains in place, from December 2020, the frequency of meeting reduced and some of the individual groups were amalgamated as the intensity of the response lessened and practices had become well established.

The response required from each of the Council's service areas was different but nonetheless important. At the frontline initially was the Community Health and Adult Social Care team which right from the start of the COVID emergency had to implement new working arrangements. In April 2020, under the Councils emergency decision making powers, a range of short-term initiatives (initially for up to 12 weeks) were agreed for either immediate or phased implementation. These were aimed at assisting the system wide efforts to ensure as far as possible, there was sufficient capacity in the local hospital to provide hospital based care to those in greatest need and to ensure that care providers operating in neighbourhoods were able to

continue to support often vulnerable people, facilitate discharge and prevent presentation to hospital.

The intensity of this work reduced during the year as systems and processes became embedded. However, the scale of the challenge did not diminish. The response to COVID was to the forefront of Adult Social Care services for the whole of the financial year and continues to be so in 2021/22.

Utilising additional unringfenced funding made available to the Council by Government, new measures were introduced including the suspension of the Adult Social Care annual fee increase consultation process and replacing it with an immediate 5% uplift in fees for care providers. There was also the central bulk purchasing and distribution of Personal Protective Equipment (PPE), purchasing of surplus capacity in care homes to facilitate hospital discharge and paying providers based on commissioned rather than actual activity. This support for the care homes and those in receipt of care was paramount and continues to be so.

In addition, Government announced specific grant funding to support the care sector in the form of two round of Infection Control Grant, most of which was paid via the Council, directly to care providers and then later the Workforce Capacity Grant and Rapid Testing Fund.

All these measures were supported by the NHS via Oldham CCG accessing a national fund set up to support accelerated discharges from hospital including the full or enhanced cost of care packages agreed at the point of discharge and delivered in the community. Whilst during the year the NHS funding to support hospital discharges reduced, with the introduction of 'Scheme 2' support it remained in place all year and provided essential financing to offset the expenditure the Council was incurring. By the year end, £9.728m had been received from this source.

The Council worked closely with Head Teachers to firstly manage school closures for all except the children of key workers and then to work through the practical issues of re-opening schools to the wider schools family. As there were several closures and re-opening events, the practical issues became clearer although no less challenging, but good working relationships were maintained. Of key importance was the balancing of the health and wellbeing of the children, school staff and the wider community.

COVID has had a widespread impact on the workforce of the Council and the way in which the Council delivered services. The Council utilised technology to allow office based staff to work seamlessly from home to minimise disruption to services. For those officers who could not work from home, such as those engaged in refuse collection, working practices were adapted to ensure their safety, health and wellbeing. Some Council facilities closed and then reopened and closed again as various restrictions were eased and then re-introduced. Where appropriate, staff were redeployed to services such as the Community Support Hubs, community swabbing and vaccination support functions. As restrictions have now been lifted, the Council is now opening up services and phasing a return to more normal operating arrangements.

However, it is clear that there will not be a return to a traditional office based service provision. The new opportunities provided by technology show how home working can be successful and a blended approach to home/office working is likely to be introduced post pandemic. This is likely to be a feature of the new Council office facilities that will be developed through the Council's major regeneration programme encompassed within the Creating a Better Place strategy. This programme has gained even greater significance as it will drive the post COVID recovery in the Borough.

Increased customer engagement using technology has also proved successful, and whilst there will continue to be some face to face or telephone contact, much more can be done online and this will be the way forward for Council service delivery, having regard to equality and fair access to services for all.

Adopting the measures set out in the Government's Procurement Policy Note 2 (PPN2), the Council introduced revised payment procedures to ensure suppliers at risk were able to resume

normal contract delivery once the pandemic eased. The impact on suppliers has varied and changed over time. In April 2020, immediate payment terms were introduced for suppliers and where appropriate, the Council paid in advance of normal contractual terms, made interim payments and paid on order rather than on receipt of goods. During the year, this process was relaxed as the immediate impact on businesses lessened and more usual contractual arrangements were resumed.

COVID led to pressures in relation to the collection of both Council Tax and Business Rates as residents livelihoods were affected and businesses struggled under lockdown arrangements. The Council relaxed compliance measures in relation to Council Tax and Business Rates collection and allowed Council Taxpayers and businesses to defer payments for the first three months of 2020/21 with revised payment plans over July 2020 to March 2021. It is clear that Collection Fund (Council Tax and Business Rates) debt has increased and the limited opportunities to pursue recovery at the Magistrates Court proved problematic. The Council received £3.015m from the Government in the form of a Hardship Fund to provide £150 Council Tax relief for Council Taxpayers of working age in receipt of Council Tax Reduction. The grant was applied in full and helped support both the individuals and the financial position of the Collection Fund as it guaranteed £3.015m of revenue in lieu of Council Tax income.

Other income streams, such as car parking, school catering, registrars services, licencing, planning and building control were all disrupted. The support provided by the Governments Sales, Fees and Charges grant compensation scheme was essential. The on-going challenge will be for the Council to restore the lost or deferred income streams to avoid placing an additional burden on the people and businesses of Oldham whilst at the same time attempting to manage its finances effectively. The success in restoring income streams will not become evident for some time.

During 2020/21, the Council had to manage a significant amount of grant received from Central Government. This meant that the Council did not face any cash flow challenges but at times this stretched the treasury management function in managing all of the cash movements.

In order to support local businesses, the Council administered business rate reliefs and the range of business grants that the Government announced. This required a speedy mobilisation right at the start of the pandemic in order to apply reliefs and pay eligible businesses their grants as quickly as possible. More detail is provided on grants managed by the Council later in this Narrative Statement.

Given the financial challenges facing the country and the Local Government sector, the Ministry of Housing Communities and Local Government (MHCLG) requested Local Authorities provide monthly updates on their financial position via a single questionnaire which was later expanded with a separate return being submitted in relation to lost Sales, Fees and Charges income. This gave the MHCLG an understanding of the overall financial pressures and the position of individual Local Authorities. This information in turn was useful in supporting the Councils budget monitoring process.

During 2019, the Council invited the Local Government Association (LGA) to Oldham to undertake a sector led approach to improvement, a Peer Review. This took place from 21 to 24 January 2020 and focussed on five core components comprising vision and priorities, leadership of place, organisational leadership and governance, financial planning and resilience and capacity to deliver. This review took place as the pandemic was emerging but before its significance was fully appreciated.

By the time the review findings were formally received in March 2020 the pandemic had taken hold. The findings were generally positive, recognising the many strengths of the Council, the response to the (pre COVID) challenges being faced and the way that the Council was working to take forward the Borough. Although the Council welcomed the review and embraced the recommendations made as a means to strengthen many of the activities already in train, the

pandemic and the Council's COVID response took a higher priority and as such it has delayed the full adoption of the Action Plan that was prepared to drive forward the recommendations, although this will be resumed during 2021/22.

The Chartered Institute of Public Finance and Accountancy (CIPFA) Financial Management Code was first issued in 2019/20 with full guidance following in 2020. The objectives of this code are "to support good practice in financial management and to assist Local Authorities in demonstrating their financial sustainability". The Code is based upon a series of principles which are supported by specific standards of practice which CIPFA considers necessary for a strong foundation and builds upon the success of the CIPFA Prudential Code. The initial implementation date of 1 April 2020 was revised to 1 April 2021.

Work was initially undertaken to review the Council's compliance with this Code and this exercise was revisited during 2020 and 2021. Compliance in most areas can be demonstrated, however given the impact of the pandemic on the priorities of the Finance Service and the Council as a whole, progress towards full compliance has been delayed. An Action Plan has been prepared which will be progressed in 2021/22 to ensure that the identified improvements are introduced and that the wider organisation embraces the recommendations of the Code.

Key Service Issues and Developments

Whilst COVID has impacted on all areas of the Council's activity, there are other important matters which also have a bearing when considering the operating environment and the financial position of the Council. These are set out in the following sections and, as would be expected, also highlight a COVID impact.

Health and Social Care Integration

Since April 2016, Greater Manchester has been working to deliver its own sustainable Health and Social Care system. In order to take this forward, Oldham Council and Oldham Clinical Commissioning Group (CCG) jointly developed a Locality Plan for Health and Social Care Transformation covering the period 2016/17 to 2020/21. In successfully delivering this Locality Plan both organisations worked together to redesign the way that Health and Social Care services are delivered in the Borough to improve services and outcomes for residents and patients, all within a system that is built upon a sustainable financial model.

Health and social care teams are now more closely integrated with five cluster teams across the borough where staff are co-located. The Locality Plan developed jointly between Oldham Council and Oldham CCG was refreshed during Autumn 2019 and now covers the period 2019 to 2024. The plan sets out:

- A new model for health and care, which is focussed on what people can do;
- Place-based integration;
- A population health management approach, using data to pro-actively manage people's health;
- A focus on outcomes, rather than outputs;
- The development of an Integrated Commissioning Function, which brings together and aligns various commissioning activities; and
- The development of an Integrated Care Partnership, which will integrate provision.

The Oldham Locality Plan forms part of the wider Health and Social Care Delivery Plan across Greater Manchester.

Throughout 2020/21, as the Community Health and Adult Social Care Directorate worked to deal with COVID in the community and care homes, it drove ever closer working arrangements with

the NHS and an acceleration of integrated working. In November 2020, the Government released new guidance in respect of the next steps in integrating care. This will work on the basis of Place, Provider Collaboratives, Integrated Care Systems (ICS) and national and regional bodies. It will also mean that Clinical Commissioning Groups (CCG's) will no longer exist after April 2022.

The Council's relationship with the Oldham CCG will therefore change as the system evolves and localities come together under a Greater Manchester Integrated Care System which will have a focus on population health. At a locality level an Oldham Integrated Health and Care System is being established, building on progress already made to deliver efficiencies, more effective services and to contribute to budget savings through collaboration, networks and alliances. On 11 February 2021, the Secretary of State for Health and Social Care presented to Parliament, Integration and Innovation: Working Together to Improve Health and Social Care for all, setting out legislative proposals for a Health and Care Bill likely to be enacted in 2022. The implications of this White Paper will also influence the future direction of working arrangements between the Council and NHS partners. However, the ambition remains to work closely in partnership, with the NHS and Local Government as equals in the Integrated Care system.

An earlier section described the current management and reporting arrangements of Oldham Council and Oldham CCG comprised of the Joint Leadership Team (JLT) and Commissioning Partnership Board (CPB). The CPB has delegated authority from Cabinet to make decisions in respect of the Section 75 (S.75) pooled funds agreement. This S.75 agreement (made under the provisions of S.75 of the National Health Service Act 2006) allows a more flexible approach to service commissioning by the pooling of resources to enable the delegation of certain NHS and Local Authority functions to the other partner, thereby allowing joint decision making that will benefit the Oldham health economy as a whole.

During 2020/21, as Oldham Council and Oldham CCG continued working together to deliver the response to COVID, the Council was able to seek support from the CCG under the S.75 agreement, expanding the pool value to £176.632m. This was made up of £62.633m of Council resources and £113.999m of CCG resources. Within the overall pooled resource total there was £21.875m to support the timely discharge from hospital and the wider care market as a consequence of the COVID-19 pandemic. See Note 11 for more detail on S.75 expenditure.

Education and Early Years

In October 2019, Cabinet approved an Education Provision Strategy to ensure there are enough school places available to local children and young people. Despite the challenges caused by the pandemic, this was taken forward during 2020/21. The Council has the statutory duty to secure sufficient primary and secondary schools, although to provide this the Council collaborates with schools and other partners to deliver the places needed. Although there were some delays to the planned programme, capital expenditure was incurred on several school expansion projects during the year and further activity is taking place across the Borough to both enhance current provision and provide new places for young people with good and outstanding providers.

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

In September 2020, the Special Educational Needs and Disabilities (SEND) Partnership Board requested that the SEND Strategy and Development Plan was reviewed to consider the impact of the COVID pandemic on services, children, young people and families and the impact on the strategy. Following the review, the revised Development Plan and outcomes to be achieved by the end of year one were shared with the SEND Partnership Board on 26 November 2020. Further

work on the Plan is being progressed in 2021 and an updated strategy and Development Plan will be presented to Cabinet for approval.

A number of key initiatives have been introduced around ensuring sufficient provision is available across the mainstream and special schools estate in Oldham for children and young people with SEND. This also connects with the:

- Approved 2021/22 budget reduction which aims to make savings by bringing back to Oldham schools, a number of children and young people currently educated outside of the borough, following statutory review processes;
- Recovery Plan that the Council and Schools Forum are taking forward to move the Dedicated Schools Grant (DSG) back to a surplus position.

The DSG first fell into deficit 2016/17. It is an important element of the financial management of the Council that the DSG is not in a deficit position and there has been action to address this. However, this action has been more than offset by the increasing numbers of children with special needs entering the education system in previous years.

Such deficits have come under increasing scrutiny from the Department for Education (DfE) and during 2019, the Council was required to submit a Recovery Plan to the DfE as its DSG deficit was more than 1% of the total value of the DSG as at March 2019. As a consequence, since then, the Council's DSG deficit has remained under review.

On 25 June 2020, the Education & Skills Funding Agency (ESFA) issued the DSG: Conditions of Grant 2020/21 which changed the Government's approach to DSG balances. This was reinforced by the DSG: Conditions of Grant 2021/22 which stated that a Local Authority that has an overall deficit on its DSG account at the end of the 2020/21 financial year, or whose DSG surplus has substantially reduced during the year, must co-operate with the Department for Education to address the situation.

The Council has been working hard to reduce the DSG deficit and as can be seen at Note 6, the deficit has reduced from £4.916m in 2019/20 to £3.560m at the end of 2020/21. There is a clear Recovery Plan in place, agreed with Schools Forum, to bring the DSG to a surplus in 2023/24 and the Council is continuing to liaise with the DfE regarding progress in addressing the DSG financial position.

Children's Social Care

From 13 to 15 October 2020, Ofsted conducted a focused visit in Oldham based on how England's social care system has delivered child-centred practice and care within the context of the restrictions placed on society during the COVID pandemic. The majority of findings were overwhelmingly positive, and no immediate priority actions were identified. Inspectors recognised that a sharp focus was maintained on improvement priorities during the period from April to October 2020 and that this has increased the pace of improvement that was already planned and had a positive impact on workforce culture. Further work has been taken forward during the latter part of 2020/21 to transform service delivery and help support greater efficiency and budget reductions. As is evident from the outturn highlighted later, that in 2020/21 and also in previous years, despite investment in Children's Services and Children's Social Care in particular, expenditure has exceeded budget. In addition to the increased cost as a result of higher demand, reprioritisation as a result of COVID has slowed planned transformational work. However, having stabilised the position with some additional resources for 2021/22, there is the opportunity to continue the transformation process.

Employment and Skills

Oldham is home to over 6,880 businesses (a 10% increase since 2019/20) employing roughly 81,000 people. As is consistent with the North West economy, this is dominated by micro, small or medium-size enterprises (fewer than 10, 10 to 50 and fewer than 250 employees respectively) with Oldham having a slightly higher proportion of small companies (11% compared to the 9.2% North West average).

The employment rate in Oldham has increased from 67.5% (2018) to 70.9% (December 2020) and whilst having fluctuated over time has shown an upwards trend since 2015 but remains lower than both the GM (72.5%) and national averages (75.4%). The Borough has high rates of residents with long term illness or disability and large numbers of residents not in work. Skills represent an additional challenge, particularly in adults. Despite improvements, there are a higher proportion of residents with no qualifications and fewer residents holding degree level qualifications compared to GM and national averages. In 2020, 7.1% of residents had no qualifications (GM: 5.1% UK: 4.9%) which is a significant improvement since 2010 when 16.5% of Oldham citizens had no qualifications (GM 12.8% and UK 11.3%).

The Council is dedicated to improving skills and employment opportunities and key to sustaining progress is the Creating a Better Place strategy which will create over 1,000 jobs and 100 apprenticeships.

The Oldham Lifelong Learning Service (OLLS) was negatively impacted by COVID-19 but continued to enrol around 2,865 learners (a 31% reduction compared to the previous year). The Service has sustained high overall achievement (formerly success) rates for classroom learning over the past three years. The Service's pass rate remained high at 98.5% but the retention rate dropped from 95.8% (2018/19) to 86.5% as a consequence of COVID-19 and subsequent national lockdowns. OLLS was graded as Outstanding in its last Ofsted report.

The Get Oldham Working initiative has once again succeeded in winning new contracts (Job Entry Targeted Support) and National Careers Service extension. It has continued to help create work-related opportunities, more than 12,840 since its inception in May 2013. This includes over 9,224 jobs, 1,696 apprenticeships, 363 traineeships and more than 1,556 work experience placements, of which over 10,067 opportunities have been filled by Oldham citizens.

Housing

The Housing Strategy was introduced in 2019 to help address increased demand for all types of housing, including supported accommodation, town centre living and larger affordable family housing, due to the ongoing growth trends in Oldham's population. It is a strategic document to help promote future service models and seeks to place housing and place shaping at the heart of the Oldham Partnerships collective vision for the borough.

The Housing Strategy amongst other things:

- Enables the Council to determine priorities in each district or local housing market area as defined by the Local Housing Needs Assessment evidence base;
- Informs bids for both public and private funding to support the development of new homes in Oldham;
- Supports the Council and its partners to make more informed People and Place making decisions about the targeting and future integrated commissioning priorities and underpins external funding bids to support investment in existing housing services and stock in Oldham.

The delivery of the Housing Strategy objectives has undoubtedly been disrupted by the COVID pandemic. However, in line with the refreshed Creating a Better Place Strategy, work is underway to develop and deliver a programme of town centre housing development currently focused on the identification and assembly of suitable residential development sites. Work is also underway to determine a suitable delivery model for such development.

The Housing Service in Oldham has, in line with Government and Greater Manchester Combined Authority (GMCA) initiatives, provided support to the homeless during the pandemic. The Council received £0.149m of specific housing grants in 2020/21 which it utilised during the year in line with Government guidance and a further £0.046m of grant for housing services will be used in 2021/22.

Creating a Better Place

The Council's Creating a Better Place Strategy was established in 2019/20 and is focused on building more homes for the borough's residents, creating new jobs through town centre regeneration and ensuring Oldham is a great place to visit with lots of family friendly and accessible places to go. The strategy sets out the potential to deliver 2,400 new homes, and as advised above, 1,000 new jobs and 100 new opportunities for apprenticeships.

In August 2020, a revised vision and strategic framework for 'Creating a Better Place' was approved which placed more emphasis on economic recovery, given the impact of the pandemic, and sought to accelerate the potential for generating revenue budget savings. The strategy complements the Oldham Green New Deal Strategy which aims to deliver carbon neutrality for the Borough by 2030 and is also aligned with current priorities that are set out in the Council's COVID recovery plan.

Following the introduction by Government of revised Public Works Loan Board (PWLB) lending criteria which were designed to strongly discourage Local Authority commercial investment activity, some £90m of schemes which were primarily associated with corporate property investment activities or which would not make a sufficient contribution to strategic objectives were removed from the Creating a Better Place strategy.

In October 2020, the Council acquired the Spindles and Town Square Shopping Centre which is located in the heart of Oldham Town Centre. The asset includes 450,000 sq. ft. of space (primarily retail) which, with redevelopment and more effective use, will support the regeneration of Oldham Town Centre and the delivery of the wider Creating a Better Place Strategy. The acquisition allows the Council to relocate Tommyfield Market into the shopping centre to ensure it has a sustainable future. Repurposing space within the centre will also unlock other sites across the Borough to facilitate the provision of brand new housing; especially within the town centre.

Shortly after the approval of the revised Creating a Better Place strategy, the Council commenced a fundamental review of property assets. The objective is to ensure the Council's assets are cost-effective and support modernised working arrangements and service delivery models.

The Creating a Better Place Strategy encompasses almost £288m of capital investment over a five year period. Alongside the property asset review, the aim is to deliver revenue savings of £8.2m per annum which are reflected in the Council's latest approved Revenue Budget and Medium Term Financial Strategy. These savings largely rely on asset disposals and the completion of capital schemes which can take time to deliver meaning their realisation will occur in 2022/23 and 2023/24. The key programmes which form part of the Creating a Better Place strategy are:

- Schools - A range of new build and school expansion schemes to ensure there are sufficient school places for the Borough's children. Schemes include the provision of a new secondary school at Saddleworth and the expansion of North Chadderton school.

- New Homes – As highlighted above, the aim of the Housing Strategy is to provide a diverse housing offer that is attractive and meets the needs of different sections of the population at different points in their lives and focusses on the dynamics between people, homes and the wider economy.
- Town Centre Regeneration - The Council continues to deliver considerable investment in the town centre as evidenced by the recent acquisition of the Spindles and Town Square Shopping Centre. The centre's redevelopment will release other town centre sites for the provision of housing and additional green space
- Borough-Wide Regeneration - The Council is investing in borough-wide regeneration initially via initiatives through housing and employment sites at Broadway Green and Hollinwood but will take advantage of suitable development opportunities throughout Oldham in order to advance its regeneration objectives.

Leading the Oldham Recovery from COVID

Having highlighted all the challenges that COVID has presented, it is important to have regard to the work that has taken place during 2020/21 and continues in 2021/22 to support the recovery from COVID. The Council has developed a COVID Recovery Strategy with all Directorates and service areas are being engaged to identify key priorities for the organisation in moving towards a post COVID environment, as well as how those priorities align to the wider Oldham model.

Building on the learning so far and the anticipated events to come, the Strategy is pivotal in shaping the Council's approach and vision for Oldham over the next eighteen months. This work is being taken forward whilst the Council continues to respond to the COVID pandemic.

The objectives and approach to the Councils' Recovery Strategy are rooted in the Oldham Model, ensuring as the Council adapts to a changing world that it builds Thriving Communities, an Inclusive Economy and works Co-operatively with partners and stakeholders.

During 2020/21, the emphasis was on taking forward the principles linked to the immediate response to COVID whilst preparing for a post-COVID environment. As 2021/22 develops, the initiatives that the Council has put in place during 2020/21 should see Oldham moving forward and where possible being in a better place than it was pre-COVID.

The Finances of the Council in 2020/21

The 2020/21 Revenue Budget Process

The 2020/21 revenue budget was approved on 26 February 2020, however the process behind setting the balanced budget effectively started at the 2019/20 Budget Council which considered the Medium Term Financial Strategy (MTFS) for 2019/20 to 2023/24. This set out provisional spending plans taking account of anticipated Government funding, income from Council Tax and Business Rates payers as well as demographic, legislative and other pressures. This highlighted that the initial budget reduction requirement to deliver a balanced budget for 2020/21 was £22.871m.

As would be expected, this target was subject to constant review with the budget reduction requirement eventually decreasing to £18.169m. Work took place throughout 2019/20 to address the budget reduction requirement. Using the well-established Member review forum, chaired by the Leader of the Council and comprising of the other members of the Cabinet and SMT, there was a review of the financial pressures facing the Council alongside available funding and resources, with a number of revenue budget reduction proposals considered to help address the budget reduction requirement. This allowed Members to undertake a detailed review and

examination of proposals and to consider acceptability in the context of the ethos of the Council. Although no consultation was required with the public or staff, the budget reduction proposals were subject to Member scrutiny at the Overview and Scrutiny Performance and Value for Money (PVFM) Select Committee on 23 January 2020.

The 2020/21 budget was balanced by new budget reductions of £3.011m and £1.776m approved with the 2019/20 budget. It also relied on the use of one-off measures; £3.750m from the flexible use of capital receipts to fund transformational projects, £1.400m Collection Fund surplus, and £10.008m of reserves.

The initial net revenue budget of £233.524m was approved at the Budget Council meeting of 26 February 2020, with the budget report also including the MTFS setting out anticipated budget reduction requirements for 2021/22 to 2024/25. Also approved at the same meeting were the budget for the Housing Revenue Account (HRA), Council Tax Reduction Scheme, Capital Programme and Strategy, Treasury Management Strategy for 2020/21 and the Statement of the Chief Finance Officer on the Reserves, Robustness of Estimates and Affordability and Prudence of Capital Investments.

Council Tax

Council Tax is the largest single revenue stream that is used to support the Council's revenue budget. The Government allows Councils to raise an Adult Social Care Precept (ASCP) as well as charge Council Tax for general purposes. The revenue raised from the ASCP must be ring-fenced to support the increased costs of Adult Social Care, in part caused by Government sanctioned increases in the National Living Wage and the consequent impact on the cost for provision of care.

Within the Local Government Finance Settlement (LGFS) for 2020/21, the Government confirmed the referendum limit for general Council Tax at a maximum increase of 2% for 2020/21. This was 1% lower than for 2019/20. However, mindful of the financial position of the Council but also the impact of a further increase in Council Tax on the citizens of Oldham, Members agreed to limit the increase of Council Tax for general purposes to 0.99%. The threshold for ASCP increases was a maximum of 2% for 2020/21 and Members agreed to the maximum increase. The Council used the funds generated from this precept to finance Adult Social Care expenditure in accordance with Government requirements. When combining the general Council Tax increase with the ASCP, this resulted in a total increase of 2.99%. As in previous years, Parish Councils were excluded from the referendum limits.

The comparison of Council Tax Band D levels from 2019/20 to 2020/21 for Oldham Council is shown in the following table. This also shows the major precepts payable at Band D level for both years, which for 2020/21 were the Mayoral Police and Crime Commissioner Precept and the Mayoral General Precept (including Fire Services). Precepts payable in relation to the two Parish Councils, payable only by residents who live in those Parish areas, are also shown.

Council Tax Raising Body	2019/20 £	2020/21 £	Increase £	Change %
Oldham Council (Includes Adult Social Care Precept)	1,624.36	1,672.92	48.56	2.99%
Mayoral Police & Crime Commissioner Precept	198.30	208.30	10.00	5.04%
Mayoral General Precept (incl. Fire Services)	76.95	90.95	14.00	18.19%
TOTAL BAND D COUNCIL TAX	1,899.61	1,972.17	72.56	3.82%
Saddleworth Parish Council Precept	21.76	22.76	1.00	4.60%
Shaw & Crompton Parish Council Precept	16.53	16.86	0.33	2.00%

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

On 1 April 2017, the GMCA, Oldham Council and the nine other GM districts commenced a pilot scheme for the 100% local retention of Business Rates. The participants agreed to pilot full Business Rates retention on the basis that no district would be worse off than they would have been under the original '50/50' arrangements whereby Business Rates revenues are shared between Central Government and the Local Authority sector. This has become known as the 'no detriment' principle. Under the pilot scheme, additional business rates income is offset by reductions in other funding streams such as the Revenue Support Grant (RSG) and Public Health Grant. The pilot scheme has enabled additional Business Rates revenues to be retained within the city region and Oldham's share of these benefits has been used to support the budget over several financial years. Oldham's share of these benefits supported the 2019/20 budget by £1.718m with funding made available during 2018/19 arising from the benefits of the GM 100% Business Rates Retention Pilot Scheme and £1.825m of GMCA Business Rates Retention Pilot Scheme surplus resources. For the 2020/21 budget, the equivalent figures were £1.300m of additional resources made available during 2019/20 arising from benefits of the GM 100% Business Rates Retention Pilot Scheme and £1.413m of GMCA returned surplus resources.

From the Government's perspective, the primary purpose of the pilot scheme was to develop and trial approaches to manage risk and reward in a Local Government finance system that included the full devolution of Business Rates revenues. Government plans subsequently changed with a 75% Business Rates Retention Scheme expected to be introduced.

It was initially expected that the reform of Business Rates Retention (including the adoption of a national 75% rates retention scheme) would be implemented from 2020/21. It was then delayed until 2021/22. However, confirmation was received as part of the 2020 Spending Round on 25 November 2020, that the Greater Manchester 100% Business Rates Retention pilot scheme would continue for a further year in 2021/22.

Projected Level of Balances

A significant issue, both in relation to the 2020/21 budget and the MTFS to 2024/25 was the assumption about the level of balances that the Council would require to address any unexpected spending pressures. Balances needed to reflect spending experience and risks to which the Council might be exposed. At the 26 February 2020 Council meeting the recommended balances (prepared using a risk-based analysis) were approved as £14.991m for 2020/21, £15.187m for 2021/22 and £15.241m for each of the years 2021/22 to 2023/24. The 2019/20 accounts were closed with balances of £15.110m providing financial assurance for 2020/21. As discussed later, the balances at the end of 2020/21 increased to £17.263m.

Revenue Budget Monitoring

The Council has well established and robust financial management procedures in place to monitor both revenue and capital budgets and mitigate any forecast over spending. Historically this has been very successful in monitoring budget reductions and acting as an early warning that any approved savings are at risk of not being delivered. The process for the management and monitoring of budgets and savings continues to be refined to further ensure the sustainability of the Council's financial position over the longer term.

Clearly the single biggest challenge during 2020/21 has been accounting for and monitoring the financial impact of the pandemic. At month 9 (31 December 2021) Government specific COVID-19 funding totalling £48.390m was forecast to be received (excluding compensation for the awarding of Business Rate reliefs) to provide both general support and to fund a diverse range of specific COVID related initiatives. In addition, the Council was able to reclaim social care costs, predominantly linked to hospital discharge from the NHS via Oldham CCG; £10.401m was forecast to be received in the final monitoring report. Periodic returns in relation to additional

COVID expenditure and also claims for lost Sales Fees and Charges income had to be submitted to MHCLG and the monitoring process had to be adapted to be able to accurately capture, record and report the relevant costs. A further consequence of the pandemic was the inability to fully deliver a number of the budget reductions that were included in the 2020/21 approved budget.

Revenue and capital budget monitoring information is reported to Cabinet and then to the PVFM Select Committee. Given the impact of the pandemic, the frequency of reporting was increased to monthly from periods 3 through to 9. This was important to ensure that Members were sighted on the financial challenges and the ever changing level and nature of Government support for COVID. The process also facilitated a good level of challenge, including reviewing any potential impacts on service performance. In addition to the monitoring reports, during 2020/21, the PVFM Select Committee also considered, amongst other things, wider budget updates including revisions to the 2021/22 budget reduction target, reports on the financial position within Children's Social Care, the Regional Adoption Agency and performance and financial updates on both MioCare CIC and the Unity Partnership Ltd.

For the first time in a number of years, the governance structure of the Council was unchanged; the arrangements introduced in early 2019/20 remained in place throughout the whole of 2020/21 and the budget monitoring format therefore remained comparable to 2019/20.

At the point of the first monitoring report for 2020/21 it was clear that the pandemic was going to have a significant and potentially lasting impact on the financial position of the Council. The month 3 monitoring report for the period ending 30 June 2020 presented to Cabinet on 20 August 2020 advised, that compared to a net revenue budget of £243.509m, there would be a £21.299m adverse outturn without corrective action being taken or mitigating funding being made available. Of this variance, £17.112m was attributable to COVID-19. This was after offsetting the gross expenditure with £16.638m of general COVID grant funding that had been received at that point (including £7.641m received in 2019/20 and carried forward as a reserve), leaving a residual 'business as usual' variance of £4.187m. All the major 'customer facing' portfolios together with Capital, Treasury and Corporate Accounting were reporting significant adverse COVID related pressures. This was before taking the Government's general COVID grant support into consideration. The main business as usual pressures were in Children's Services and Community Health and Adult Social Care.

The reported monitoring position fluctuated throughout the year, the constantly changing restrictions: a series of national lockdowns interspersed with local restrictions and the drip feed of funding announcements had an on-going, fluctuating positive and adverse effect on the forecast outturn position.

The Community Health and Adult Social Care Portfolio which had been consistently reporting a significant overspend (both 'COVID' and operational) throughout the year was forecast towards the end of the year, to benefit from a £5.900m contribution from Oldham CCG (via the S.75 Agreement) to support the costs of adult social care. This had a significant favourable impact on the reported outturn. Subsequently, the S.75. Agreement was increased by a further £10.923m of resources from the CCG which was also used to support the costs of adult social care.

Both Children's Services and People and Place consistently reported high levels of overspending, the majority of which was COVID related. Within Children's Services the main area of concern was Children's Social Care; the overspend being generated through COVID related costs, an unachievable savings option and operational expenditure mainly in relation to out of borough placements and agency staffing costs.

The final monitoring report was prepared to month 9 (December 2020) and was presented to Cabinet on 22 March 2020, at which point, against a net revenue budget of £296.762m there was an estimated underspend of £0.522m. The estimated COVID pressure was £5.188m after offsetting general COVID funding, including actual and estimated MHCLG reimbursements for

lost Sales, Fees and Charges which, in total, had increased to an estimated £25.802m (including £7.641m of Government resource paid to the Council in 2019/20). The pressure was offset by a forecast 'business as usual' underspend of £5.710m, generated in part by the anticipated receipt of a total of an additional £3.133m from the GMCA.

Revenue Outturn 2020/21

As part of Central Government's response to the COVID-19 pandemic, the Council received additional grants and payments in advance, over and above budgeted receipts, to aid with cashflow and to allow the Council to help the residents and businesses of Oldham. This impacted on the outturn as some grants were not used in full in the 2020/21 financial year (thus held in reserves) and others were intended to be held in reserve for use in 2021/22.

The outturn and indeed the monitoring reports all year were presented with the unringfenced grant received from Central Government offsetting overspending in Council Portfolio areas. This approach was chosen so the actual service impact could be seen compared to the original budget. In total three tranches of unringfenced grant totalling £15.055m was received and three tranches of Sales, Fees and Charges compensation grant totalling £2.955m. In addition, £7.641m of grant was received in 2019/20 and this was transferred from earmarked reserves to support the overall financial position (a total of £25.561m). There was also grant funding of £2.169m for the Local Tax Income Guarantee (LTIG). This funding, although received in 2020/21 as an unringfenced grant, is being carried forward in reserves to support the 2021/22 budget as the Council's 2021/22 budget had been prepared in the expectation of LTIG funding.

The Council's 2020/21 revenue outturn position, as shown in the following table, is presented in the Portfolio structure. Total budgeted expenditure was £323.295m whilst actual spending was £291.410m (due to a Collection Fund adjustment of £29.692m), leaving a surplus of £31.885m. After adjusting for the Collection Fund deficit of £29.691m and a financing variance of £0.043m, the Council reported a surplus of £2.153m for the financial year. This surplus has been credited to the General Fund balance contributing to the Council's financial resilience in future years.

It must be noted that most of the Collection Fund adjustment (£25.182m) is due to the introduction by the Government (after the 2020/21 budget had been set) of retail, leisure, hospitality and nursery business rate reliefs. Instead of collecting Business Rates, the Council received compensating Government grant of £25.182m. The Collection Fund (which manages Council Tax and Business Rates income) is a technical account and as a consequence a series of adjustments are required to correctly manage the funding. The £25.182m was moved to reserves in 2020/21.

The table below sets out the outturn position for 2020/21.

Revenue Outturn 2020/21	Budget £000	Actual £000	Variance £000
Net revenue expenditure			
People and Place	87,923	92,379	4,456
Community Health & Adult Social Care	69,232	67,575	(1,657)
Children's Services	81,706	89,765	8,059
Communities and Reform	42,259	42,626	367
Commissioning	15,795	16,287	492
Chief Executive	3,771	3,515	(256)
Capital, Treasury and Technical Accounting	(2,441)	12,803	15,244
Corporate and Democratic Core	6,731	6,731	-
Parish Precepts	310	310	-
COVID-19 Funding	18,010	(7,641)	(25,561)
Resources Returned from GMCA	0	(3,248)	(3,248)
Net Service Expenditure	323,295	321,102	(2,193)
Collection Fund	-	(29,692)	(29,692)
Total Net Service Expenditure	323,295	291,410	(31,885)
Financed by:			
Council Taxpayers	(88,077)	(88,077)	-
Adult Social Care Precept - Council Taxpayers	(8,679)	(8,679)	-
Retained Business Rates	(50,424)	(53,436)	(3,012)
Business Rates Top Up	(41,654)	(41,654)	-
Grants in Lieu of Business Rates	(36,416)	(36,373)	43
Local Tax Income Guarantee	(2,169)	(2,169)	-
Private Finance Initiative Grant	(8,488)	(8,488)	-
Capital Grants	(20,453)	20,453)	-
Other Non-Ringfenced Government Grants	(1,861)	(1,861)	-
Housing and Council Tax Benefit Administration Grant	(1,195)	(1,195)	-
New Homes Bonus Grant	(598)	(598)	-
Independent Living Fund Grant	(2,580)	(2,580)	-
Improved Better Care Fund	(10,859)	(10,859)	-
Social Care Support Grant	(6,955)	(6,955)	-
Opportunity Area Grant	(1,565)	(1,565)	-
School Improvement Monitoring & Brokerage Grant	(259)	(259)	-
COVID - Sales, Fees and Charges Compensation Grant	(2,955)	(2,955)	-
COVID - Additional Restrictions Grant (ARG)	(7,123)	(7,123)	-
COVID - Local Restrictions Support Grant – Discretionary	(4,522)	(4,522)	-
COVID-19 - Unringfenced grant	(15,055)	(15,055)	-
Use of Earmarked Reserves	(10,008)	(10,008)	-
Transfer to Earmarked Reserve	-	3,012	3,012
Financing	(321,895)	(321,852)	43
Collection Fund (Surplus)/Deficit	(1,400)	28,291	29,691
Total Financing	(323,295)	(293,561)	29,734
Current Net Underspend	-	(2,153)	(2,153)

A key element of the closure process is to determine the level of reserves and to align the reserves to reflect the requirements of the reserves policy. There was always an aspiration to replenish reserves at the year-end if possible.

The funds available to allocate to reserves were higher than anticipated but it must be emphasised that the pandemic made expenditure trends and income losses more volatile and some activities were much less affected by the third lockdown than projected at month 9 (as at

31 December 2020). In addition, it is evident that some projects and initiatives that were expected to proceed in 2020/21 were delayed. Such expenditure has simply been deferred into 2021/22.

In addition to the general uncertainty linked to disrupted service delivery patterns reflected in reduced expenditure trends and fluctuations in income streams for business as usual activities, there were a range of factors that had a favourable impact on the outturn position after the month 9 report was prepared. This supported the increase in Earmarked Reserves to £113.512m (this is artificially inflated due to the impact of the £25.182m grant received to support the Collection Fund deficit as highlighted above). These changes include:

- Additional capital receipts being generated which enabled the maximisation of the Flexible Use of Capital Receipts which had not been projected;
- A year end exercise to maximise the use of time limited revenue grants received;
- The use of £16.823m of Oldham CCG resources to underpin the provision of adult social care using the facility of the S75 Agreement (of which only £5.9m had been anticipated);
- Income being received from partner organisations late in the financial year including investment income, funding in relation to after care services provided under Section 117 of the Mental Health Act 1983 and other adults social care related payments from Oldham CCG and increased refunds from the GMCA to top up resources already anticipated;
- Late notification from Central Government of grant allocations;
- The review of provisions and the release of resources to the General Fund;
- Displaced activity which will be completed in 2021/22 resulting in anticipated expenditure and reserve usage not taking place.

A description of the Portfolios and the performance of each is summarised below (net of the creation of reserves).

People and Place

The People and Place Portfolio encompasses the Economic Development, Enterprise and Skills, Environmental Services and Commercial Services Divisions.

The overall objective of the People and Place Portfolio is to grow the economy of Oldham and support the Council's commitment to neighbourhood working. This is achieved by:

- delivering services that maintain and improve the public realm;
- creating the right environment for growth;
- focusing on key place making regeneration projects which will act as a catalyst for wider economic activity and investment which will create jobs.

The year-end position for the People and Place Portfolio was a deficit of £4.456m, against a revised budget of £87.923m. The adverse variance is mostly within the Economic Development service and primarily relates to the loss of income as a result of the COVID-19 pandemic in the following services:

- the Catering and Cleaning Service as a result of limited opening of schools during lockdowns and the impacts of self-isolation when schools reopened;
- the Corporate Landlord/Investment Estate and Markets Service relating to the recoverability of rental income from tenants impacted by lockdowns and the pandemic;
- the Parking Service as a result of a drop in demand for Town Centre Parking.

The final outturn of £4.456m was an improvement of £0.472m compared to the projected deficit of £4.928m at month 9 (31 December 2021). The reduced variance was due to the economic impact of the third lockdown being less severe than had been anticipated.

Community Health and Adult Social Care

The Community Health and Adult Social Care Portfolio operates around seven broad strands:

- Community health and social care;
- Clusters;
- Safeguarding;
- Learning disability;
- Mental Health;
- Community business services; and
- Commissioning.

The Adult Social Care Service (ASC) carries out statutory functions on behalf of the Council. The Portfolio therefore provides social care support to adults and carers across Oldham with the key aim of integrating and aligning work with health partners to achieve greater efficiency in service delivery and better outcomes for the resident or patient, in relation to both the commissioning and the provision of services.

In 2020/21, this co-operation with health partners was used to provide integrated services in the response to the global pandemic. A discharge hub was established to expedite discharge from hospital into the community and a Supporting Treatment in Care Homes (STICH) service was created to provide clinical support to the care sector. Regular multi-disciplinary meetings were undertaken across a range of health partners to optimise the locality response.

The favourable outturn of £1.657m represents an improvement of £3.245m compared to the forecast pressure of £1.588m reported at month 9 and includes income received from the CCG, both to support the COVID-19 related Hospital Discharge Scheme and to underpin the provision of adult social care (£16.823m in total and £10.923m more than had been envisaged when the month 9 report was prepared). Leaving aside the CCG income, the movement in the variance is attributable to;

- the cost of care provision in the last quarter being below expectations, partly as more financial support was received via the NHS funded Hospital Discharge Scheme;
- Additional contributions by the CCG to the cost of care, being mainly S.117 contributions for after-care services;
- Delayed recruitment to vacant posts and grant income to support staffing costs.

Children's Services

The Children's Services Portfolio comprises the Education, Skills and Early Years Directorate, Children's Social Care and Preventative Services.

The Education, Skills and Early Years Directorate ensures that the Council meets its statutory duties in respect of education for those aged 0 to 19 years old and for High Needs pupils aged 0 to 25 plus the Lifelong Learning Service and Get Oldham Working. These services enable Oldham residents to gain the necessary education and skills to be able to access employment opportunities both within the Borough but also across the wider Greater Manchester conurbation and beyond.

Children's Social Care provides the Council's statutory social work function for the care and protection of children in need and children and young people at risk of significant harm.

Preventative Services has strategic responsibility for services including the Early Help service, the Multi Agency Safeguarding Hub (MASH) and Targeted Youth provision.

The Portfolio as a whole recorded an overspend of £8.059m against a revised budget of £81.706m. This is £0.348m less than the forecast at month 9. The majority of the adverse variance (£7.784m) was within Children's Social Care, primarily due to the cost of placements; out of borough in particular, and also additional staffing costs, mainly agency to address demand pressures arising from the pandemic. The adverse variance within Education, Skills and Early Years was (£0.345m); the main drivers being the cost of SEND provision (including out of borough placements) and staffing costs. Preventative services recorded an underspend of £0.070m.

Communities and Reform

The Communities and Reform Portfolio covers a range of services including Public Health, Heritage, Libraries and Arts, Community Safety and Community Development, Districts, Sport, Youth and Leisure as well as corporate functions such as Human Resources and Organisational Development, Policy, Strategy, Communications, Performance and Transformation including Public Service Reform. The Portfolio also leads on key programmes such as Thriving Communities and Northern Roots.

The revenue outturn was an adverse variance of £0.367m, an improvement of £1.663m compared to the forecast adverse variance of £2.030m estimated at month 9 (31 December 2020). The overall adverse variance for Communities and Reform Portfolio is due to a number of COVID-19 pressures; the reduction of income for the Music Service, Outdoor Education, Sports Development and pressures within the Leisure services contract. These pressures have been partially mitigated by the reduction in service provision by the Heritage, Libraries and Arts and Public Health teams for expenditure such as delivery of services in primary care and also by vacancies across the Portfolio.

The main reason for improved performance at the year-end was in relation to the final COVID-19 related compensation payments to the Leisure provider, further service underspends and the maximum utilisation of Government Grants to fund COVID-19 related expenditure.

Commissioning

The Commissioning Portfolio consists of the Finance and Procurement Services. The revenue outturn was an adverse variance of £0.492m, an improvement of £0.342m compared to the forecast adverse variance of £0.834m estimated at month 9 (31 December 2020).

The adverse variance is a result of the use of external contractors by the Procurement Service, the reduction of income generated against the Councils early payment discount scheme which in part is due to Government guidance (PPN2) in response to COVID-19 which encouraged immediate payment terms for all contracted services thus removing any benefit from an early payment scheme. There was also a reduction in summons cost recovery compared to expected levels, again due to the Government guidance on limiting debt recovery activity during the first half of 2020/21. The pressures were partially offset by vacancies within the Finance Division and reductions in non-pay costs.

Chief Executive

This Portfolio includes the budgets for the Council's Chief Executive, the Executive and Senior Management Team and Legal Services. It also encompasses payments to external providers of corporate services; the Coroners service and services provided by the GMCA on behalf of the ten Districts of Greater Manchester.

The favourable outturn position of £0.256m represents a £0.030m reduction compared with the forecast favourable variance at month 9 of £0.286m. The Chief Executive directorate has been impacted by COVID-19 in respect of income generation for the Registrars Service, land charges and the recovery of court costs in 2020/21. However, these pressures were mitigated by a reduction in costs such as the postponement of the local election in May 2020, fewer civic functions, reduced costs for the Coroners Services and vacancies within Legal Services.

Capital, Treasury and Technical Accounting

The Portfolio includes the revenue budgets associated with the Council's Treasury Management activities including interest payable on loans and interest receivable on investments.

The Portfolio also includes revenue budgets relating to the technical accounting entries required by the Chartered Institute of Public Finance and Accountancy (CIPFA) and International Financial Reporting Standards such as the removal of depreciation and impairment charges from the Council's service budgets to ensure there is no impact on Council Tax and the replacement of this with a Minimum Revenue Provision, ensuring resources are set aside to repay the Council's debt.

The outturn for Capital, Treasury and Technical Accounting was a deficit of £15.244m in the main due the impact of the pandemic on anticipated interest, dividend income and capital financing transactions.

Corporate and Democratic Core

This represents the revenue budgets concerned with the executive management of the Council and Elected Member related activities including policy making, representing local interests and democratic representation. Total expenditure was £6.731m with no variance to budget.

Parish Precepts

This consists of the payments made to the two Parish Councils, Saddleworth Parish Council and Shaw and Crompton Parish Council. These payments relate to Council Tax income collected by the Council on behalf of the Parish Councils (£0.291m) plus additional grant payments made to each Parish Council to help mitigate revenue losses arising from the Council Tax Reduction Scheme (£0.019m in total).

COVID-19 Grants

The Council received a range of grants from Central Government in 2020/21 to support the overall response to the COVID-19 pandemic. The financial impact of these grants is included within the outturn and Statement of Accounts. The grants and Business Rates reliefs were administered by the Council in line within the guidance received from Central Government.

Following the receipt of a grant the Council had to determine whether in administering the grant it was acting as an agent or principal.

Where the Council was acting as agent the following conditions applied:

- It was acting as an intermediary between the recipient and the Government Department;
- It did not have "control" of the grant conditions and there was no flexibility in determining the level of grant payable.

Where the Council acted as principal, it was able to use its own discretion when allocating the amount of grant payable.

The first major grant round announced was the Small Business Grant Fund (SBGF) and Retail, Leisure and Hospitality Grant Fund (RLHGF). The grant details were issued in late March 2020 and the Council received £54.738m to pay these grants on 1 April 2020. As the grants sums payable were £0.010m or £0.025m for each eligible business with eligibility criteria specified by Government, the Council acted as an agent in administering these grants.

A further grant regime, the Discretionary Grant Fund was then introduced, within a maximum sum of £2.501m. The Council determined eligibility for these grants and therefore acted as a principal for this source of funding.

By the time the final grants were paid in October 2020, in total £47.845m had been paid in SBGF and RLHGF to 4,321 businesses and the maximum of £2.501m in discretionary grants to 267 businesses. The balance of £4.392m was returned to Central Government. The table below sets out the summary grant information.

	Final grant allocation	The Council acting as Agent	The Council acting as Principal	Expenditure as at 31 March 2021	Grant Remaining as at 31 March 2021
Grants	£000	£000	£000	£000	£000
Small Business Grants Fund /Retail, Leisure and Hospitality Grant Fund	47,845	47,845	-	47,845	-
Local Authority Discretionary Fund Grant	2,501	-	2,501	2,501	-
	50,346	47,845	2,501	50,346	-

The Government then introduced a range of grants under the general heading of Local Restrictions Support Grant (LRSG), covering the period from August 2020 to 31 March 2021. In total the Council received £28.420m in grant across eleven separate allocations. Each separate tranche of LRSG had its own eligibility criteria. All except one tranche of grant funding (the Christmas Support Payments for Wet Led Pubs) remained open for final payments beyond 31 March 2021.

Three rounds of the LRSG had a discretionary element and for these the Council determined eligibility and therefore acted as principal. Funding for these grants totalled £1.945m and at the year-end £0.037m remained and was held in a reserve to be used in 2021/22.

Eight tranches of LRSG were received to support schemes without a discretionary element and for these the Council acted as the agent of Central Government. Funding for these grants totalled £26.475m and at the year-end £8.864m remained unspent. Given the status of these grants, the funds remaining at 31 March are included in the Councils Balance Sheet (Short Term Creditors).

Once all rounds of LRSG are finally closed there will be a reconciliation and remaining funds will be repaid to Central Government.

The table below summarises the LRSG allocation and expenditure in 2020/21.

	Total grant allocation	The Council acting as Agent	The Council acting as Principal	Expenditure as at 31 March 2021	Grant Remaining as at 31 March 2021
Grants	£000	£000	£000	£000	£000
LRSB Closed Addendum	3,517	3,517	-	2,810	708
LRSB Closed Addendum Open Pre 5 November 2020	1,884	-	1,884	1,849	35
LRSB Closed Addendum Closed Pre 5 November 2020	191	191	-	128	62
LRSB Closed 2 December: 19 December 2020	289	289	-	289	-
LRSB Open 2 December: 19 December 2020	36	-	36	36	-
Christmas Support Payments (Wet Led Pubs)	131	131	-	131	-
Closed Business Lockdown One-Off Payment	10,548	10,548	-	6,918	3,630
LRSB Closed Addendum 5 January – 15 February 2021	5,276	5,276	-	3,588	1,688
LRSB Closed 20 December – 4 January 2021	996	996	-	847	149
LRSB Open 20 December – 4 January 2021	25	-	25	23	2
LRSB Closed Addendum 16 February – 31 March 2021	5,527	5,527	-	2,937	2,590
	28,420	26,475	1,945	19,556	8,864

In addition to the LRSB, the Government introduced a further discretionary grant scheme the Additional Restrictions Grant. The Council introduced specific eligibility criteria for grant support based on knowledge of the Oldham economy and the local business community. During 2020/21, two rounds of grant were received totalling £7.123m for which the Council acted as a principal. By the year end £3.076m had been spent with £4.047m being carried forward within the Council's Revenue Grant reserves.

Grants	The Council acting as Principal	Expenditure as at 31 March 2021	Grant Remaining as at 31 March 2021
	£000	£000	£000
Additional Restrictions Grant (ARG)	7,123	3,076	4,047
Total	7,123	3,076	4,047

From 1 April 2021, the Council began administering a new round of business support grants known as Restart Grants and it will continue to administer this grant regime until the closing date for final payments on 31 July 2021.

As outlined in the table below, the COVID-19 pandemic led the Government to introduce a further 18 specific grant regimes for the Council to administer. Each of these grants had its own terms, conditions and eligibility criteria and some had detailed reporting requirements.

In total £21.838m of specific grants were received, with the Council acting as an agent for £4.539m and principal for £17.299m. As can be seen, there were three grants for which the Council acted as the agent for one element and the principal for the other element of the grant. At the year-end £7.951m had yet to be spent and this is available for use in 2021/22, with £7.431m being wholly carried forward within the Revenue Grant Reserves and £0.520m, where the Council acted as both an agent and principal being split between Revenue Grant Reserves (£0.451m) and the Balance Sheet (£0.069m).

Grants	Total grant allocation £000	The Council acting as Agent £000	The Council acting as Principal £000	Expenditure as at 31 March 2021 £000	Grant Remaining as at 31 March 2021 £000
Test and Trace Support Payments	1,118	568	550	598	520
Local Authority Test and Trace Service Support Grant	1,560	-	1,560	709	851
Enhanced Response to COVID Grant	300	-	300	167	133
Funding for Local Authorities for Support to Clinically Extremely Vulnerable Individuals	923	-	923	382	541
Contain Outbreak Management Fund	6,402	-	6,402	1,061	5,341
COVID Winter Grant Scheme	975	-	975	853	122
Community Champions Fund	500	-	500	153	347
Self-isolation Practical Support Payment Grant	64	-	64	-	64
Local Authority Compliance and Enforcement Grant	155	-	155	124	31
Reopening the High Street Safely Grant	26	-	26	26	-
Hardship Fund Grant	3,015	-	3,015	3,015	-
Next Steps Accommodation Programme Grant	147	-	147	147	-
National Leisure Recovery Fund	568	-	568	568	-
Local Authority Emergency Assistance Grant for Food and Essential Supplies	361	-	361	361	-
Infection Control Grant	4,582	3,509	1,074	4,582	-
Adult Social Care Workforce Capacity Fund	561	-	561	561	-
Adult Social Care Rapid Testing Fund	577	462	115	577	-
Coronavirus (COVID-19) Rough Sleepers Contingency	2	-	2	2	-
	21,838	4,539	17,299	13,887	7,951

In addition to the business grant funding and COVID specific grants, the Council also received unringfenced general grants to support its COVID response totalling £28.106m. These were:

- Three tranches of general grant totalling £15.055m;
- One tranche of general grant funding received in 2019/20 but carried forward in reserves to support the 2020/21 financial position at £7.641m;
- Three tranches of Sales, Fees and Charges grant compensation £2.955m;
- Local Tax Income Guarantee grant of £2.169m which has been carried forward to support the 2021/22 budget;
- New Burdens funding of £0.286m to support the introduction of business grants payment arrangements, and the management of Council Tax and Business rate reliefs.

The Council also received compensation for Business Rate reliefs awarded at £25.182m

Taking all the unringfenced funding and the information in the tables above, the Council received £161.015m of COVID related additional grant in 2020/21. This shows the extent of Government financial support for the Council from a large range of initiatives. The accounting treatment of the grants is varied. Some are included within Notes 4, 5 and 15 and others are included in the Balance Sheet

Schools and the Dedicated Schools Grant (DSG)

Schools may carry forward any surplus or deficit in net expenditure from one financial year to the next. At the end of 2020/21 there were 66 schools (3 secondary, 62 primary, and 1 special) for which the year-end balances were included within the Council's Balance Sheet. Three of the Council's schools finished the financial year with a deficit.

The total school balances for 2020/21 were £9.306m which was an increase of £3.819m compared to the 2019/20 total of £5.487m.

The Oldham scheme for financing schools allows 'excess balances' that represent more than a certain percentage of a school's budget for the following year to be carried forward. The percentage for Secondary and Primary schools is 5% and 8% for Special Schools. Schools may only request excess balances to be carried forward when there is an appropriate plan in place to utilise the funds. At the end of 2020/21 there were 29 schools (primary and secondary) with excess balances. All had requested that these balances be carried forward and this was agreed at the Schools Forum meeting on 19 May 2021.

As advised at Note 6, the DSG remains in deficit, a trend that first started in 2016/17. The Council has made efforts to reduce the DSG deficit and it has fallen from £4.916m in 2019/20 to £3.560m at the end of 2020/21. There is a clear Recovery Plan in place, agreed with Schools Forum, to bring the DSG to a surplus by the end of 2023/24.

For the first time, the DSG deficit is presented on the Movement in Reserves Statement as an unusable reserve. This is the result of the introduction on 29 November 2020 of a new Statutory Instrument to amend the Local Authorities (Capital Finance and Accounting) Regulations 2003 by establishing new accounting practices in relation to the treatment of schools' budget deficits. The aim is to ensure that DSG deficits are ringfenced and held separately from General Fund resources so that specific measures can be put in place to address the deficits without placing pressure on resources required for other essential services.

Housing Revenue Account (HRA)

The HRA is a ringfenced account specifically dealing with the provision of Local Authority housing. At the end of 2020/21, the Council's housing stock comprised of 2,100 properties, most of which are managed and maintained under two Private Finance Initiative (PFI) schemes.

By 31 March 2021, the HRA generated an in-year surplus of £2.263m, after the required technical accounting adjustments, this resulted in a decrease of £0.425m to the level of balances. This compared favourably with the original budgeted deficit of £3.520m which was approved at the Budget Council meeting of 26 February 2020. Overall balances have decreased from £21.795m to £21.370m but this still shows a healthy level of resources to support future spending initiatives. There are plans in place to utilise HRA resources to support the delivery of the Councils Housing Strategy up to 2024/25. Details of the HRA are provided in Section 4.1.

Collection Fund

The Collection Fund is a ringfenced account for the management of Council Tax and Business Rates income. The year-end Collection Fund position shown below includes a release of the Collection Fund Surplus totalling £1.470m. Of that amount, £1.400m was allocated to Oldham Council to support the 2020/21 budget and the remaining amount was distributed to the preceptors.

The year-end deficit balance of £27.213m is largely due to the additional reliefs which were awarded to ratepayers in 2020/21 due to the COVID-19 pandemic, primarily the extended Retail Discount and Nursery Relief, with compensating grant of £25.182m being received as previously explained.

The table below summarises the movements in the Collection Fund during 2020/21:

Collection Fund	Council Tax £000	Business Rates £000	Total £000
Balance brought forward	(184)	(3,111)	(3,295)
Prior year estimated surplus released in year	410	1,060	1,470
Deficit for the year	3,220	25,818	29,038
Balance carried forward	3,446	23,767	27,213

Due to the impact on the Council's ability to collect both Council Tax and Business Rates, an important change to Collection Fund accounting was introduced for 2020/21, which (with the exception of the £25.182m Government grant funded Business Rate reliefs) gives the ability to smooth the impact of COVID related deficits over three financial years, thus reducing the impact on the revenue budget. The Council's 2021/21 budget and future years budget estimates have been prepared using this new facility.

The technical accounting nature of Collection Fund entries require a range of adjustments to align them to the presentation of the Council's revenue outturn statement.

Further details in relation to the Collection Fund can be found in Section 4.2.

Reserves and Balances – Financial Resilience

The level of General Fund reserves included in the Balance Sheet at £142.964m underpin the financial resilience of the organisation. These reserves are held to manage future risks and expenditure priorities. These are split into Revenue Account Earmarked Reserves of £113.512m and Other Earmarked Reserves of £29.452m. The latter are comprised of Revenue Grant Reserves of £20.145m and Schools Reserves at a net sum of £9.306m. As previously explained, in 2019/20 Schools Reserves were netted down due to the deficit on the DSG, however, in 2020/21 the accounting treatment for this deficit changed and the deficit is now held separately as an unusable reserve. The Revenue Grants reserve increased by £11.929m due to the impact of COVID grants being held in reserve at year end.

The most significant movement in earmarked reserves was due to the receipt of compensation for lost Collection Fund income at a value of £25.182m. As outlined previously, these funds are to be used to offset the loss of Collection Fund revenue due to the Government introducing Business Rate reliefs after the 2020/21 budget had been set.

As explained earlier, given how difficult it was to manage the financial position of the Council in 2020/21, given all the unprecedented events, it was encouraging that there was the opportunity to replenish some existing earmarked reserves and also to create additional reserves to improve financial resilience.

Information on the reserves is presented at Note 15 in the Statement of Accounts.

The Statement of Accounts shows balances at the end of 2020/21 of £17.263m. This is an increase of £2.153m which is broadly in line with the originally calculated risk assessment for the following two financial years approved at the Council meeting of 4 March 2021. This movement has enhanced the Council's financial resilience going into 2021/22 and over the period of the Medium Term Financial Strategy.

The level of reserves and balances are a key element in the CIPFA Financial Resilience Index that was published for the first time in December 2019 with a new Index based on 2019/20 data released in February 2021. Reserves sustainability and change in reserves when compared to

other Authorities was around the mid-point on the risk scale with a positive movement in the overall financial stress of the Council when compared with the previous year. The Index provided some useful information and confirmed the position that, leading into 2020/21, the Council was financially resilient. The Index will be issued again during 2021/22 to reflect the position at the end of 2020/21.

Treasury Management

The importance of Treasury Management cannot be understated. As a key component of the of the Council's operations, its main functions are:



Cash flow Planning – Ensuring cash is available when needed and investing surplus balances in a low risk way.



Funding Capital Plans – Capital plans often require longer term cash flow planning. This may involve arranging loans or using longer term cash flow surpluses.

Cash flows can come from a variety of sources and are split between revenue, those that can fund day to day service provision of the Council and capital which relates to non-current assets and liabilities such as buildings and vehicles.

The Council's Treasury Management Strategy contains a detailed examination of key treasury issues for the year ahead including the Investment and Borrowing strategies and Treasury indicators. For 2020/21 the Strategy was approved by Council on 26 February 2020. Treasury management performance is then reported to Cabinet and Council with further detailed reviews undertaken by the Audit Committee. When preparing the 2020/21 Strategy, the impact on cash management of the COVID-19 related grants had not been envisaged. However, the application of appropriate protocols and practices ensured treasury management was effectively performed.



Borrowing – As at 31 March 2021 the Council had total borrowings (including interest) of £175.052m.



Investing – At the end of the financial year the Council had £68.540m of cash investments.

The Council's investment strategy set out a Council target for the benchmark average rate of return on its investments. However, this pursuit of a target rate of return, is balanced with the need to maintain sufficient cash reserves for the Council to operate on a day to day basis and the requirement that funds are invested with secure institutions. The table below shows the Council's excellent performance against the benchmark analysed by the duration of the investment. The benchmark is based on the London Interbank Bid Rate (LIBID) multiplied by 5%. As can be seen in some durations, the LIBID rate was actually negative, but the Council Treasury team have managed to keep a positive investment rate for all maturity durations.

	Benchmark LIBID Return %	Actual Return %
7 Day	(0.07%)	0.13%
1 Month	(0.06%)	0.27%
3 Month	0.02%	0.46%
6 Month	0.08%	0.63%
Average Return		0.30%
Target Rate		(0.01%)

The Council's investment in the Churches, Charities and Local Authorities (CCLA) Property Fund yielded dividends in year of £0.622m with an average return of 4.44%. This was higher than expected given the pandemic, but the higher return reflects the long term nature of the investment. The outlook for investment returns for 2021/22 is that they are likely to remain very low due to the current worldwide COVID-19 situation. This could also have an impact on the returns from the CCLA investment.

The Treasury Management strategy contains the Council's Minimum Revenue Provision (MRP) Policy Statement for 2020/21. This policy requires the Council to set aside a prudent amount in order to finance the repayment of debt where the Council has borrowed to finance capital expenditure. The MRP policy is set in line with Ministry of Housing, Communities and Local Government (MHCLG) guidance.

Capital Strategy, Capital Programme, Capital Outturn and Developments in 2020/21

The Capital Strategy and Capital Programme provide the framework within which the Council's capital investment plans are to be delivered. The Capital Strategy is presented so that it provides:



A high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services.



An overview of how the associated risk is managed.



The implications for future financial sustainability.

The Capital Strategy and Capital Programme 2020/21 to 2024/25 was approved at the Council meeting of 26 February 2020 and provided the framework within which the Council's capital investments plans were to be delivered. The following table shows the approved capital spending plan for 2020/21 to 2024/25.

Capital Spending	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
Corporate Services	6,010	-	-	-	-
Children's Services	15,590	12,305	5,000	-	-
Community Health and Adult Social Care	3,400	703	400	400	400
People and Place	113,308	110,562	86,710	29,664	55,073
Housing Revenue Account	5,538	3,922	6,200	7,735	-
Reform	346	400	-	-	-
Funding for Emerging Priorities	3,440	3,575	4,200	3,200	1,500
Total Expenditure	147,632	131,467	102,510	40,999	56,973
Total Funding	(147,632)	(131,467)	(102,510)	(40,999)	(56,973)

The planned spend for the Capital Programme in 2020/21 was £147.632m matched by available capital financing. It was apparent even at the start of 2020/21 that spending plans were not going to be realised, the COVID-19 pandemic halted works on projects and delayed the start of others. Because of this, and taking accounts of re-profiled expenditure, new assumptions, approvals and scheme updates the expenditure budgets and funding plans were continually reassessed throughout in year. The final outturn position for 2020/21 of £73.227m was a significant reduction compared to the expenditure initially planned as outlined below.

Capital Outturn

The capital programme is monitored on a monthly basis and is subject to an annual review to identify reprofiling, variances and new funding opportunities. During 2020/21, capital monitoring reports were prepared for month 3 (to 30 June 2020) to month 9 (31 December 2020). The capital expenditure incurred during the year compared to the final month 9 forecast is shown in the table below:

Portfolio	2020/21 Forecast £000	2020/21 Actuals £000	Variance £000
Corporate Services	16,302	16,806	504
Children's Services	9,099	11,176	2,077
Communities and Reform	121	57	(64)
Community Health & Adult Social Care	2,059	2,433	374
Housing Revenue Account	4,767	4,397	(370)
People and Place	38,664	38,358	(306)
Total Expenditure	71,012	73,227	2,215

As highlighted above, the Council spent £73.227m against its Capital Programme in 2020/21, resulting in a variance of £2.215m compared to month 9. The variance required funding that was originally allocated to 2021/22 and future years to be brought forward into 2020/21.

The Capital expenditure for 2020/21 was financed by Government Grants and Contributions, Capital Receipts, Revenue Contributions (of which £2.532m was from the HRA and £0.146m from the General Fund) and Prudential Borrowing as detailed in the table below:

Financing	2020/21 Forecast £000	2020/21 Actuals £000	Variance £000
Government Grants & Contributions	20,388	20,820	432
Capital Receipts	2,635	3,184	549
Revenue Contributions	2,945	2,678	(266)
Prudential Borrowing	45,044	46,545	1,500
Total Financing	71,012	73,227	2,215

During 2020/21, a number of major schemes were re-phased into future years requiring the programme to be extended by a further year to 2025/26. The major investment in the Creating a Better Place strategy (updated in August 2020), saw an extensive rephasing and realignment during the financial year.

Capital Developments in 2020/21

The major development during 2020/21 that will shape the future direction of regeneration in the Oldham was the purchase of the Spindles and Town Square Shopping Centres in October 2020, safeguarding an important town centre building and paving the way for a new market, new homes and businesses as part of the ambitious vision for a thriving Oldham Town Centre. The aim of the acquisition is to be a catalyst for delivering Oldham's Creating a Better Place strategy, which

supports economic recovery and embeds regeneration at the heart of the plans. The purchase also led to a review of immediate capital spending plans.

In addition to 'Creating a Better Place' described above, other major capital developments during 2020/21 are set out below:

- In December 2020, the Council was notified of an allocation of £10.750m from the Government's Future High Street Fund (confirmed May 2021). This is supporting the delivery of key regeneration projects within the town centre as well as providing public realm and connectivity improvements.
- The Council prepared and submitted a £41m bid for Towns Fund resources with the aim of providing additional resources to support town centre regeneration as well as the ground-breaking eco-friendly Northern Roots project focussing on the 160-acre Snipe Clough site. In June 2021, the Government advised the Council of a grant award of £24.4m
- In July 2020, work commenced on the new Saddleworth Secondary School located in Uppermill, Oldham. Completion and opening of the new school is scheduled for 1 March 2022.
- At Broadway Green, Oldham, a new road connecting the A663 Broadway to Foxdenton Lane, opened to traffic. Planning permission for 160 new homes as well as the construction of 366,000 sq. ft. of employment space has also been secured. In addition, a planning application for a new 20 acre linear park has also been prepared and submitted.
- The completion of numerous highway investment schemes including the refurbishment of King Street footbridge, retaining wall reconstruction and repairs on the A62 Huddersfield Road, Scouthead and the A672 Oldham Road, Denshaw alongside over sixty separate surface dressing and resurfacing schemes as well as footway improvements.
- The Council continued to facilitate housing development at Primrose Bank, North Werneth, Lancaster Gardens, Counthill School, Broadway Green and Hollinwood which will eventually lead to the provision of up to 1,000 new dwellings.

Non-Financial Performance in 2020/21

The Narrative Report has highlighted the financial issues impacting on 2020/21, however it is important to reflect on some achievements for both COVID related and business as usual activities as follows:

- In April 2020, the Council set up a hub at Oldham Civic Centre to co-ordinate and distribute Personal Protective Equipment (PPE), with many staff being redeployed there to help. The hub supplies essential PPE to front-line workers across the borough;
- In May 2020, older people in Oldham were supported during the Coronavirus pandemic by an innovative partnership project. The Promoting Independent People (PIP Service), led by Age UK, saw nearly three times the number of older people and their families asking for help and support compared to pre-COVID times. Well over 2,000 people were helped by PIP, providing a range of services including help with daily life (medications, shopping, equipment) as well as tackling social isolation by being a friend;
- During the pandemic, Oldham's STICH teams (Supporting Treatment in Care Homes) are bringing together community nurses, allied health professionals and social workers to work directly with care homes that have residents and staff showing possible COVID symptoms. During each STICH visit, the clinical team carry out face to face assessments of each individual patient and remain on site, often for hours at a time, to work with care home staff to identify, manage and problem solve any health-related issues. The aim is to assist with recognising potential COVID patients at an early stage, to help with initial treatment and to avoid unnecessary hospital admissions by liaising with local primary care services;

- In December 2020, the Thriving Communities Programme won a major international award for their work in local communities. After facing off against 158 other nominees from around the continent, the Oldham Social Prescribing Innovation Partnership won in the Community category at the 2020 European Innovation in Politics Awards. This fantastic win comes from the work the Thriving Communities Programme has been doing to build a partnership between public services, healthcare, and the voluntary sector;
- In December 2020, Oldham's dementia team was shortlisted for a major award as it continues to go above and beyond during the pandemic. The five members of Oldham Dementia Services have been recognised for making themselves available to the people they support 24/7; and
- During Christmas 2020 and again during the February 2021 half term holiday, thousands of Oldham families received financial help for food and other emergency provisions with the £0.975m Winter Funding grant from Central Government being utilised to provide much needed support to ensure over 9,000 families on low incomes with children received £30 vouchers per child for food over the two-week Christmas break and £15 per child at the February half term holiday. These vouchers provided support for over 17,000 children and young people across the borough including those eligible for means tested Free School Meals and families on low incomes with pre-school children from 0-5 (using Free School Meal eligibility criteria).

As the Council's main strategy document, the Corporate Plan plays a key role in shaping the performance management framework for the Council. Performance against priorities within the Corporate Plan is monitored throughout the year by Cabinet.

For each objective, the Council Performance Report provides a range of detailed measures with performance presented for the previous and current month together with the direction of travel and supporting explanatory notes. Also presented is information which highlights the performance against Directorate Business Plan objectives. In order to provide effective scrutiny and challenge should there be any specific areas of under-performance, these can be called in for review by members of the PVFM Select Committee.

It is of note that a number of corporate performance indicators were impacted throughout the financial year due to the ongoing pandemic. Following a review of achievability in September, it was agreed that some measures were suspended, with a small number being reported for monitoring only; demonstrating both the impact and challenges the pandemic has had locally on achievement against performance measures.

At the time of finalising the draft Statement of Accounts, the 2020/21 full year Council Performance Report was being prepared but information has subsequently confirmed that:

- 62.9% of the corporate performance measures were achieved or were within an acceptable level of tolerance;
- 79.4% of corporate actions were on track or completed.

Further details on Quarter 4 performance results are available in the 21 June 2021 Council Performance report to Cabinet on the 'Agenda and Minutes' page of the Council's website.

Financial Planning for 2021/22 and Future Years.

Having considered the outturn for 2020/21, which shows a generally positive position with increased reserves and improved financial resilience, it is important to consider this in the context of 2021/22, for which all the financial planning work was undertaken during 2020/21 informed by the budget monitoring information and the changing Government funding position.

The 2021/22 budget process began with an assessment of the Council's future spending plans balanced against the expected funding from Government, Council Tax and Business Rates.

The Finance Service forecast the future financial position having regard to:



Relevant international, national and regional influences on Oldham Council.



Local factors which influence policy within the Council including the Administration's priorities of regenerating the borough and creating jobs.



The impact of Government policy, finance legislation and associated announcements.



Key Council policy initiatives.

The budget reduction requirement for future years is presented to Council as part of the budget setting process. For 2021/22, an initial budget reduction requirement of £23.251m was presented at the 2020/21 Budget Council meeting on 26 February 2020. This was shortly before the COVID-19 pandemic took hold and was clearly prepared and based on a pre-COVID scenario.

A consequence of responding to the COVID-19 pandemic has been the inability of the Council to take forward its planned programme of transformational change in line with the plan. This transformational change was a key strand of the MTFS approved for the period 2020/21 to 2024/25.

This delay together with in-year developments meant that it was necessary to adjust the future years' base budget estimates, and to revisit expenditure pressure calculations. Grant estimates were also revised based on updated notifications. Overall, this process produced a net increase in the budget reduction requirement of £6.589m to give a revised budget gap of £29.940m (rounded to £30.000m for ease of description).

Following on from the Final Local Government Finance Settlement and the announcement of the February 2021: COVID-19 Funding for Local Government in 2021 to 2022 Policy Paper, the Council was able to revise its estimates further reducing the budget reduction requirement to £27.623m. However, due to the impact of Business Rates Reliefs on the Collection Fund Deficit at an estimated value of £25.456m (finalised at the year-end at £25.182m), the revised budget gap increased to £53.079m. This was based on an increase in Council Tax of 0.99% for general purposes and a 2% increase for the Adult Social Care precept.

Throughout 2020/21, via the established budget review forum, the Council considered how services could be re-shaped to address the budget gap. A total of 43 budget reduction proposals with a recurrent value of £8.793m (plus a use of reserves of £0.127m) were approved by Council on 4 March 2021 alongside an additional measure of using the Flexible use of Capital Receipts (£2.000m). Following these movements, a gap of £42.286m remained which was matched through the use of Section 31 grant compensation for the Business Rates Relief impact on the Collection Fund and held as an Earmarked Reserve (£25.456m but revised at outturn to £25.182m) and other Earmarked Reserves at a value of £16.703m (plus the budget reduction use of reserves of £0.127m).

The approach to balancing the budget was subsequently approved at both the Cabinet and Council meetings in February and March 2021 along with the cumulative budget reduction requirements for the MTFS period, which, due to the uncertainty caused by the pandemic was reduced to three financial years.

The following table shows the balancing of the 2021/22 budget the potential budget reduction target remaining for the MTFS period 2022/23 and 2023/24. The targets reflect the one off measures used to balance 2021/22 and expected for 2022/23.

Forecast Budget Reduction Target 2021/22 to 2023/24	2021/22 £000	2022/23 £000	2023/24 £000
Budget Reduction Requirement	53,079	31,900	21,849
Recurrent Savings	(8,793)	(6,050)	(4,756)
One off Savings (use of reserves)	(127)	-	-
Flexible Use of Capital Receipts	(2,000)	-	-
Use of £29.000m Reserves	(16,703)	(12,297)	-
Collection Fund Deficit/Reserves (estimate)	(25,456)	-	-
Forecast Budget Reduction Requirement	-	13,553	17,093

Whilst there has been a delay to the transformation programme, the MTFS is based on the development of a revised programme. However, given the extent of the financial challenge, a balancing budget reserve of £29.000m was set aside for use in 2021/22 and 2022/23 to support the phasing of the delivery of:

- Savings arising from the approved budget reduction proposals which have an impact in 2022/23 and 2023/24;
- The next phases of the agenda for transformational change.

The programme of transformation is supported by a range of existing medium term strategies designed to make a positive contribution to the Council's financial standing as well as supporting Council objectives.

The programme comprises four workstreams, each of which is led by a member of the Executive Management Team and with the Chief Executive taking overall responsibility for the initiative. These workstreams are:

- Place Based Integration / Communities;
- Children's Services;
- Health and Care; and
- Economy.

Clearly this remains a challenging time for the Council and Local Government for a number of reasons and particularly with the uncertainty around the future funding for the sector and impact of long COVID on service provision.

Prior to COVID, the Government had indicated that it was prepared to reverse some of the impacts of the years of austerity and begin to provide further investment in public services including Local Government. The long awaited review of Adult Social Care provision was expected and there was an increasing recognition of the vital role played by the Local Government sector.

The Chancellor was expected to deliver a Budget that provided clarity over future investment. A multi-year Comprehensive Spending Review was expected, the Review of Relative Needs and Resources (Fair Funding Review) which sought to redistribute unringfenced grant on a new formula basis, was also to be introduced from 2021/22 together with significant reform of the Business Rates system. These were all delayed by the pandemic. It is evident that the significant investment that the Government has had to make in responding to the COVID crisis will have an impact on funding available for public services in future years.

The MTFS has been based on a range of assumptions, but given the uncertainty, about so many issues, the scope and size of the financial challenge is evolving. The Council is constantly revising estimates and working through plans to address the anticipated short, medium and long term funding shortfalls.

A key part of the Councils COVID recovery strategy will be a reassessment of the financial position. As has been advised, the accounts for 2020/21 were closed with increased reserves and balances and so the Council is in a stronger position to address the challenge. During 2021/22 work to update the financial forecasts will be progressed and informed by the budget monitoring position as well as local and national issues. This will not only deal with COVID recovery but address future financial sustainability. This work will be the focus of the Finance team during 2021/22.

Corporate Risks

The Council has an embedded process to manage risks and assist in the achievement of its objectives, alongside national and local performance targets. The Council refreshed its Risk Management Strategy and Framework at the 16 December 2019 Cabinet after scrutiny at the Audit Committee of 14 November 2019. This has been enhanced by Risk Management being incorporated into the Business Planning Process with all risks reviewed and monitored quarterly.

The Corporate Risk Register plays an integral role by supporting production of the Corporate Plan and is subject to regular review by the Audit Committee.

Key corporate risks are detailed in the Annual Governance Statement. They encompass:

- The Internal Control Environment of Adult Social Care which continues to require improvement;
- The long-term financial resilience of the Council which has potentially suffered due to the uncertainty arising from issues such as Brexit, the longer-term cost of COVID-19 pandemic, uncertainty about the future level of Government support for areas of high deprivation and indirectly by the impacts of commitments made under devolution. An added pressure is that the Council's previous plans to deliver savings by transformation may continue to be constrained by the pandemic;
- The Council has a number of key regeneration projects planned for the future as detailed in the Creating A Better Place Programme. Should one of these high-profile projects not be delivered as planned it is likely to result in reputational damage to the Council or increase the financial pressure on the Council for the future made more challenging due to the COVID-19 pandemic;
- Payroll administration which, whilst there have been improvements throughout 2020/21, still requires further development. Further improvements to both the internal control environment and efficiency of the service are required which in part are linked into the implementation of the new integrated HR and Payroll system;
- Compliance with the Transparency Agenda continues to expose the Council to the risk of fraud from the information that it publishes. This risk has been enhanced by the recent pandemic where some individuals are opportunistically pursuing fraud;
- Future reforms to integration with the NHS not delivering efficiencies plus the added pressure of the residual impact of the COVID-19 pandemic;
- The deficit on the Dedicated Schools Grant;
- Future resilience of key partners and ability of the Council to support them, in part due to the impact of the COVID-19 pandemic;
- The improvement required in some contracting arrangements with regard to formal documentation;
- Outstanding legal matters linked into ongoing action against other local authorities which have the potential to impact on past custom and practice within the Council could have a significant future financial impact.

The Council currently manages a number of significant projects covering a wide range of services, which can involve working in partnership with others, many of which require considerable levels of one-off and recurrent funding from the Council. Specific risks relating to projects have been incorporated into the Annual Governance statement where appropriate.

Main Changes to the Statements and Significant Transactions in 2020/21

The actuarial valuation of the Council's pension scheme liabilities shown on the Balance Sheet has increased by £119.417m during the year. This is a result of the changes in the financial assumptions related to the change in discount rate used by the pension fund Actuary (Hymans-Robertson). These assumptions are determined by the Actuary and represent the market conditions at the reporting date. The Council relies and places assurance on the professional judgement of the Actuary and the assumptions used to calculate this actuarial valuation.

The Council has followed the guidance in the CIPFA Code of Practice on Local Authority Accounting 2020/21 and the CIPFA Bulletin 09 Closure of the 2020/21 Financial Statements issued in April 2021 to produce its 2020/21 Statement of Accounts. However, the Council has continued its policy of diverging from the Code in relation to the accounting treatment for the depreciation charge against Housing Revenue Account (HRA) dwellings. Details are provided in Section 4.1 of the Accounts. The Council's management believes that this alternative treatment is required in order to present a true and fair view of the financial position of the Council's HRA.

Basis of Preparation and Presentation of the Accounts

The Council prepares its Statement of Accounts on a going concern basis, on the assumption that it will continue in existence into the foreseeable future. Disclosures are included within the Statement of Accounts based on an assessment of their materiality. A disclosure is considered material if through an omission or a misstatement, the decisions made by users of the accounts would be influenced. This could be due to the value or the nature of the disclosure.

The Council considers disclosures against an internally calculated materiality threshold which is reviewed each year. However individual items of income and expenditure over £6.000m which are not disclosed on the face of the Comprehensive Income and Expenditure Statement (CIES) are considered to be significant and are disclosed in Note 7. Some disclosures are included due to their nature even if the value of transactions is not over the materiality threshold, an example of this is Note 9 Officers' Remuneration.

The assessment of materiality also influences the Council's decision to produce Group Accounts. Each year the Council assesses the entities it exerts control or significant influence over to identify which fall within the group boundary. If the value of transactions for the group as a whole is material, Group Accounts are produced. The accounts for 2020/21 therefore consolidate MioCare Community Interest Company and the Unity Partnership Ltd., into the Councils' Group Accounts.

Explanation of the Statements to the Accounts

The Accounts and Audit Regulations 2015 require the Council to produce a Statement of Accounts for each financial year. These statements contain several different elements which are explained below:

Statement of Responsibilities for the Statement of Accounts sets out the respective responsibilities of the Authority and the Chief Finance Officer (Director of Finance).

Auditor's Report gives the auditor's opinion of the financial statements and of the Authority's arrangements for securing economy, efficiency and effectiveness in the use of resources.

Financial Statements

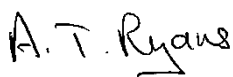
- **Movement in Reserves Statement** is a summary of the changes to the Council's reserves over the course of the year. Reserves are divided into "useable", which can be invested in capital projects or service improvements, and "unusable" which must be set aside for specific purposes.
- **Comprehensive Income and Expenditure Statement (CIES)** shows the cost of providing services in the year in accordance with International Financial Reporting Standards. The top part of the CIES provides an analysis by Portfolio and reflects the Council's local reporting format. The bottom half of the statement deals with corporate transactions and funding.
- **Balance Sheet** shows the value of the Council's assets, liabilities and reserves at a point in time.
- **Cash Flow Statement** shows the changes in the Council's cash and cash equivalents during the year and quantifies the movements in balances attributable to day to day running of the Council (operating activities), investing activities or financing activities.
- **Housing Revenue Account (HRA)** shows the in-year economic cost of providing housing services in accordance with generally accepted accounting practices.
- **Collection Fund Statement** shows the transactions of the billing authority in relation to the collection from taxpayers of Council Tax and Business Rates and its distribution to precepting bodies. For Oldham, the Council Tax precepts payable are for the Mayoral Police and Crime Commissioner precept and the Mayoral General precept (including Fire & Rescue Services).
- **Group Accounts** show the group position of the Council and its material subsidiaries. The Council considers the Group Statements to be of equal prominence to the single entity statements.

Receipt of Further Information

If you would like to receive further information about these accounts, please do not hesitate to contact Anne Ryans at the Finance Department, Commissioning Portfolio, Oldham Council, West Street, Oldham, OL1 1UG.

Acknowledgements

The production of the Statement of Accounts would not have been possible without the exceptionally hard work and dedication of staff across the Council. I would like to express my gratitude to all colleagues, from the Finance team and other services, who have assisted in the preparation of this document. I would also like to thank them for all their support during the financial year.



Anne Ryans BA (Hons) FCPFA
Director of Finance, Section 151 Officer

2.0 Statements to the Accounts

2.1 Statement of Responsibilities for the Statement of Accounts

2.1.1 The Council's Responsibilities

The Council is required to:

- i. Make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In Oldham Council, that officer is the Director of Finance.
- ii. Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- iii. Approve the Statement of Accounts.

2.1.2 The Director of Finance Responsibilities

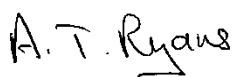
The Director of Finance is responsible for the preparation of Oldham Council's Statement of Accounts in accordance with proper practices as set out in the Chartered Institute of Public Finance and Accountancy 2020/21 Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

In preparing this Statement of Accounts, the Director of Finance has:

- i. Selected suitable accounting policies and then applied them consistently.
- ii. Made judgements and estimates that were reasonable and prudent.
- iii. Complied with the Code of Practice on Local Authority Accounting.
- iv. Kept proper accounting records which were up to date.
- v. Taken reasonable steps for the prevention and detection of fraud and other irregularities.

2.1.3 Certification of Accounts

I certify that the Statement of Accounts gives a true and fair view of the financial position of Oldham Council at 31 March 2021 and its income and expenditure for the year then ended.



Anne Ryans, BA (Hons) FCPFA
Director of Finance, Section 151 Officer.
Dated: 30 September 2021

Approval of Accounts

In accordance with the Accounts and Audit Regulations 2015, I certify that the Statement of Accounts was approved by the Audit Committee on 29 July 2021.



Vice Chair of Audit Committee
Dated: 30 September 2021

2.2 Auditors Report

Independent auditor's report to the members of Oldham Metropolitan Borough Council

Report on the audit of the financial statements

Opinion on the financial statements

We have audited the financial statements of Oldham Metropolitan Borough Council ('the Council') and its subsidiaries ('the Group') for the year ended 31 March 2021, which comprise the Council and Group Comprehensive Income and Expenditure Statements, the Council and Group Movement in Reserves Statements, the Council and Group Balance Sheets, the Council and Group Cash Flow Statements, the Housing Revenue Account Income and Expenditure Statement, the Statement of Movement in the Housing Revenue Account, the Collection Fund Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2020/21.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Council and the Group as at 31st March 2021 and of the Council's and the Group's expenditure and income for the year then ended; and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2020/21.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities section of our report. We are independent of the Council in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applicable to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Director of Finance's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Note 34 (1.1) of the financial statements explains how the Director of Finance formed their judgement that it is appropriate to adopt the going concern basis of preparation for the Council and the Group.

In accordance with Practice Note 10: Audit of financial statement and regularity of public sector bodies in the United Kingdom, our review of management's assessment of going concern was focused on the extent to which there are any indications that the functions of the Council and Group will not continue in operational existence for the foreseeable future.

Our audit procedures to evaluate the Director of Finance's assessment of the Council's and the Group's ability to continue to adopt the going concern basis of accounting included but were not limited to:

- undertaking an initial assessment at the planning stage of our audit to identify events or conditions that may cast significant doubt on the Council's and the Group's ability to continue as a going concern in the context of the guidance in Practice Note 10;

- obtaining an understanding of the relevant controls relating to the Director of Finance's going concern assessment;
- making enquiries of the Director of Finance to understand the period of assessment considered by them, the assumptions they considered and the implication of those when assessing the Council's and the Group's continuation of service;
- obtaining and reviewing the Director of Finance's written going concern assessment; and
- considering whether the Director of Finance's assessment is proportionate to the risks associated with going concern for the local government sector.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Council's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Director of Finance with respect to going concern are described in the relevant sections of this report.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We summarise below the key audit matters in forming our audit opinion above, together with an overview of the principal audit procedures performed to address each matter and, where relevant, key observations arising from those procedures. These matters, together with our findings, were communicated to those charged with governance through our Audit Completion Report.

Key audit matter	How our scope addressed this matter
Valuation of Council Property, Plant and Equipment <i>Note 17 to the financial statements discloses information on the Council's holding of property, plant and equipment (PP&E) which includes £77.1m of Council Dwellings and £500.4m of Other Land & Buildings held at current value at 31 March 2021.</i> The CIPFA Code of Practice requires that where assets are subject to revaluation, their year-end carrying value should reflect the current value at that date. The Council has adopted a rolling revaluation model which sees all such property, plant & equipment revalued in a five-year cycle. The valuation of property, plant & equipment involves the use of a management expert (the valuer) and incorporates assumptions and estimates which impact materially on the reported value. There are risks relating to the valuation process. The Council employs a valuation expert to provide valuations, however there	Our audit procedures included, but were not limited to: • Obtaining an understanding of the skills, experience and qualifications of the valuer, and considering the appropriateness of the instructions to the valuer from the Council. • Obtaining an understanding of the basis of valuation applied by the valuer in the year. • Obtaining an understanding of the Council's approach to ensure that assets not subject to revaluation in 2020/21 are materially fairly stated. • Obtaining an understanding of the Council's approach to ensure that assets revalued through 2020/21 are materially fairly stated at the year end. • Sample testing the completeness and accuracy of underlying data provided by the Council and used by the valuer as part of their valuations.

Key audit matter	How our scope addressed this matter
remains a high degree of estimation uncertainty associated with the valuations of property, plant and equipment due to the significant judgements and number of variables involved. As a result of the rolling programme of revaluations, there is a risk that individual assets which have not been revalued for up to four years are not valued at the current value at the balance sheet date. In addition, as the valuations are undertaken through the year there is a risk that the current value of the assets could be materially different at the year end. Council Dwelling valuations are based on Existing Use Value, discounted by a factor to reflect that the assets are used for Social Housing (EUV-SH). The Social Housing adjustment factor is prescribed in MHCLG guidance, but this guidance indicates that where a valuer has evidence that this factor is different in the Council's area they can use their more accurate local factor. There is a risk that the Council's application of the valuer's assumptions is not in line with the statutory requirements and that the valuation is not supported by detailed evidence.	- Using relevant market and cost data to assess the reasonableness of the valuation as at 31 March 2021. - Testing the accuracy of how valuation movements were presented and disclosed in the financial statements. Our observations We obtained sufficient appropriate evidence to conclude that the valuation of land & buildings included in the financial statements is reasonable.
Valuation of Investment Property <i>The Council's Balance Sheet discloses their Investment Properties to be valued at £18.8m at 31 March 2021.</i> The CIPFA Code requires that where Investment Property assets are subject to revaluation, their year-end carrying value should reflect the fair value at that date. The valuation of Investment Property involves the use of a management expert (the valuer) and incorporates assumptions and estimates which impact materially on the reported value. There are risks relating to the valuation process. The Council employs valuation experts to provide valuations, however there remains a high degree of estimation uncertainty associated with the valuations of property, plant and equipment due to the significant judgements and number of variables involved.	Our audit procedures included, but were not limited to: - Obtaining an understanding of the skills, experience and qualifications of the valuer, and considering the appropriateness of the instructions to the valuer from the Council. - Obtaining an understanding of the basis of valuation applied by the valuer in the year. - Obtaining assurance on the appropriateness of the methodology and assumptions adopted by the Council's valuer. - Comparing the valuation to our external valuation expert's estimate of the valuation. - Sample testing the completeness and accuracy of underlying data used by the valuer as part of their valuations. Our observations We obtained sufficient appropriate evidence to conclude that the valuation of investment properties included in the financial statements is reasonable.

Key audit matter	How our scope addressed this matter
Valuation of the Council's and the Group's Defined Benefit Net Pension Liability <i>The Council's balance sheet discloses the Council pension liability to be valued at £444.2m at 31 March 2021 and comprises assets of £1,094.3m and liabilities of £1,538.5m.</i> <i>The Group Balance Sheet discloses the group pension liability to be valued at £467.9m at 31 March 2021 and comprises assets of £1,225.9m and liabilities of £1,654.0m.</i> The net pension liability represents a material element of the Council and the Group balance sheet. The Council and its consolidated subsidiaries are admitted bodies of Greater Manchester Pension Fund, which had its last triennial valuation completed as at 31 March 2019. The valuation of the Local Government Pension Scheme relies on a number of assumptions, most notably around the actuarial assumptions, and actuarial methodology which results in the Council's and the subsidiaries' overall valuations. There are financial assumptions and demographic assumptions used in the calculation of the valuation, such as the discount rate, inflation rates and mortality rates. The assumptions should also reflect the profile of the Council's and the subsidiaries' employees, and should be based on appropriate data. The basis of the assumptions is derived on a consistent basis year to year, or updated to reflect any changes. There is a risk that the assumptions and methodology used in valuing the pension obligations are not reasonable or appropriate to the Council's or the subsidiaries' circumstances. This could have a material impact to the Council and Group net pension liability in 2020/21.	Our audit procedures included, but were not limited to: • Obtaining an understanding of the skills, experience and qualifications of the actuary, and considering the appropriateness of the instructions to the actuary from the Council. • Obtaining confirmation from the auditor of the Greater Manchester Pension Fund that the Pension Fund has designed and implemented controls to prevent and detect material misstatement. This included the controls in place to ensure data provided to the Actuary by the Pension Fund for the purposes of the IAS19 valuation of the gross asset and liability is complete and accurate. • Reviewing a summary of the work performed by the Pension Fund auditor on the Pension Fund investment assets, and evaluating whether the outcome of their work would affect our consideration of the council's share of Pension Fund assets. The Pension Fund auditor work included comparing the asset values used for the actuarial valuation to those subjected to audit by the Pension Fund auditor. • Reviewing the actuarial allocation of Pension Fund assets to the Council by the actuary, including comparing the Council's share of the assets to other corroborative information. • Reviewing the appropriateness of the Pension Asset and Liability valuation methodology applied by the Pension Fund Actuary, and the key assumptions included within the valuation. This included comparing them to expected ranges, utilising information provided by PWC, consulting actuary engaged by the National Audit Office. • Agreeing the data in the IAS 19 valuation report provided by the Pension Fund Actuary for accounting purposes to the pension accounting entries and disclosures in the Council's and Group's financial statements. Key observations We obtained sufficient appropriate evidence to conclude that the valuation of the defined benefit pension liability included in the financial statements is reasonable.

Our application of materiality and an overview of the scope of our audit

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the

nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures, and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Council	Group
Overall materiality	£13.6m	£13.61m
Basis for determining materiality	Materiality has been determined as approximately 2% of gross expenditure at the surplus/deficit on provision of services level	
Rationale for benchmark applied	Gross expenditure at the surplus/deficit on provision of services level was chosen as the appropriate benchmark as this is a key measure of financial performance for the Council/Group and for users of the financial statements	
Performance materiality	£10.88m	£10.888m
Reporting threshold	£408,000	£408,000

As part of designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements. In particular, we looked at where the Director of Finance made subjective judgements such as making assumptions on significant accounting estimates.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of a risk assessment, our understanding of the Council and Group, its environment, controls and critical business processes, to consider qualitative factors in order to ensure that we obtained sufficient coverage across all financial statement line items.

Our approach to auditing the Group was based on our understanding of the group structure and an assessment of the significance of individual components to the group financial statements. In summary:

- Full scope audit procedures were carried out on the Council which represents (99.2%) of the Group's total assets, (97.0%) of the Group's total liabilities, (99.8%) of the Group's income and (93.9%) of the Group's expenditure.
- Specific audit procedures were carried on the Defined Benefit Pension Liability of The Unity Partnership Limited and Miocare Group Community Interest Company which represents 2.4% of the Group's total liabilities.
- Analytical procedures were performed on the remaining entries in The Unity Partnership Limited and Miocare Group Community Interest Company which were included in the Group financial statements.

We also tested the consolidation process and carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information.

Other information

The Director of Finance is responsible for the other information. The other information comprises the information included in the Statement of Accounts, other than the financial statements and our auditor's report thereon. Our opinion

on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the Director of Finance for the financial statements

As explained more fully in the Statement of the Director of Finance's Responsibilities, the Director of Finance is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2020/21, and for being satisfied that they give a true and fair view. The Director of Finance is also responsible for such internal control as the Director of Finance determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Director of Finance is required to comply with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 and prepare the financial statements on a going concern basis on the assumption that the functions of the Council will continue in operational existence for the foreseeable future.. The Director of Finance is responsible for assessing each year whether or not it is appropriate for the Council and Group to prepare its accounts on the going concern basis and disclosing, as applicable, matters related to going concern.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Council we identified that the principal risks of non-compliance with laws and regulations related to the Local Government Act 2003 (and associated regulations made under section 21) the Local Government Finance Acts of 1988, 1992 and 2012, the Accounts and Audit Regulations 2015, the Local Government and Housing Act 1989 and we considered the extent to which non-compliance might have a material effect on the financial statements.

We evaluated the Director of Finance's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- discussing with management and the Audit Committee the policies and procedures regarding compliance with laws and regulations;
- communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the Council which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of management and the Audit Committee on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud; and
- addressing the risks of fraud through management override of controls by performing journal entry testing, reviewing management judgements and assumptions in significant accounting estimates, and reviewing any significant one-off or unusual transactions.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management and the Audit Committee. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

As a result of our procedures, we did not identify any key audit matters relating to irregularities. The risks of material misstatement that had the greatest effect on our audit, including fraud, are discussed under “Key audit matters” within this report.

We are also required to conclude on whether the Director of Finance’s use of the going concern basis of accounting in the preparation of the financial statements is appropriate. We performed our work in accordance with Practice Note 10: Audit of financial statement and regularity of public sector bodies in the United Kingdom, and Supplementary Guidance Note 01, issued by the National Audit Office in April 2021.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council’s website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

Report on the Council’s arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception

We are required to report to you if, in our view we are not satisfied that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2021.

We have not completed our work on the Council’s arrangements. On the basis of our work to date, having regard to the guidance issued by the Comptroller and Auditor General in April 2021, we have not identified any significant weaknesses in arrangements for the year ended 31 March 2021.

We will report the outcome of our work on the Council’s arrangements in our commentary on those arrangements within the Auditor’s Annual Report. Our audit completion certificate will set out any matters which we are required to report by exception.

Responsibilities of the Council

The Council is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities for the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required under section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our work in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in April 2021.

Matters on which we are required to report by exception under the Code of Audit Practice

We are required by the Code of Audit Practice to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014;
- we make a recommendation under section 24 of the Local Audit and Accountability Act 2014; or
- we exercise any other special powers of the auditor under sections 28, 29 or 31 of the Local Audit and Accountability Act 2014.

We have nothing to report in these respects.

Other matters which we are required to address

We were appointed as the Council's auditor by Public Sector Audit Appointments Ltd, in its role as appointing person under the Local Audit (Appointing Person) Regulations 2015, on 14 December 2017. The period of total uninterrupted engagement, including previous renewals and reappointments of the firm, is three years covering the audit of the financial years ending 31 March 2019 to 31 March 2021.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Council or Group and we remain independent of the Council and Group in conducting our audit.

Our audit opinion is consistent with the additional report to the Audit Committee.

Use of the audit report

This report is made solely to the members of Oldham Metropolitan Borough Council, as a body, in accordance with part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 44 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the members of the Council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume

responsibility to anyone other than the members of the Council, as a body, for our audit work, for this report, or for the opinions we have formed.

Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until we have completed:

- the work necessary to issue our assurance statement in respect of the Council's Whole of Government Accounts consolidation pack; and
- the work necessary to satisfy ourselves that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Karen Murray, Key Audit Partner
For and on behalf of Mazars LLP

One St Peter's Square
Manchester
M2 3DE

30 September 2021

Financial Statements and Explanatory Notes

3.1 Comprehensive Income and Expenditure Statement

The Council restated the Comprehensive Income and Expenditure Statement for 2019/20. It has reclassified its disposals of academy schools from Financing and Investment Income & Expenditure to (Gains)/losses on the disposal of non-current assets in order to comply with the CIPFA code. There is no impact on any other statements and the Financing and Investment Income & Expenditure note has been restated to reflect the change.

2019/20 – Restated				Note	2020/21		
Gross Expenditure £000	Gross Income £000	Net Expenditure £000			Gross Expenditure £000	Gross Income £000	Net Expenditure £000
5,800	(1,980)	3,820	Chief Executive		4,776	(1,423)	3,353
7,099	(3,966)	3,133	Commissioning		21,123	(7,572)	13,551
79,315	(25,640)	53,675	People and Place		77,688	(26,034)	51,654
272,250	(184,777)	87,473	Children's Services		267,569	(192,255)	75,314
104,877	(35,850)	69,027	Community Health & Adult Social Care		118,885	(63,627)	55,258
45,714	(8,827)	36,887	Communities and Reform		52,714	(18,150)	34,564
65,006	(57,790)	7,216	Capital, Treasury and Technical Accounting		46,149	(50,956)	(4,807)
6,960	-	6,960	Corporate and Democratic Core		6,731	-	6,731
15,131	(28,869)	(13,738)	Housing Revenue Account		15,637	(28,636)	(12,999)
602,152	(347,699)	254,453	Cost of Services		611,272	(388,653)	222,619
		278	Other Operating Expenditure				291
		33,988	Parish Council precepts				33,591
		17,309	Levies				(1,352)
			(Gains)/losses on the disposal of non-current assets				
		51,575	Total Other Operating Expenditure				32,530
		27,100	Financing and Investment Income and Expenditure	3			32,941
		(260,186)	Taxation and Non-Specific Grant Income	4			(286,567)
		72,942	(Surplus) or Deficit on Provision of Services				1,522
		(39,392)	Other Comprehensive Income and Expenditure				
		64	Revaluation (gains)/losses non-current assets	16a			(21,818)
			Impairment losses on non-current assets	16a			190
		22,287	(Surplus) or deficit on Financial Assets measured at Fair Value through Other Comprehensive Income				(1,893)
		(127,995)	Remeasurement of net defined benefit liability	30			134,528
		(145,036)	Total Other Comprehensive Income and Expenditure				111,007
		(72,094)	Total Comprehensive Income and Expenditure				112,530

3.2 Movement in Reserves Statement

2020/21		Usable Reserves								Unusable Reserves	Total Reserves
		General Fund Balance	Earmarked General Fund Reserves	Total General Fund Balance	Housing Revenue Account	Usable Capital Receipts	Major Repairs Reserve	Capital Grants Unapplied	Total Usable Reserve		
	Note	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Balance at 1 April Brought Forward		(15,110)	(87,865)	(102,975)	(21,796)	-	(726)	(21,018)	(146,515)	(20,546)	(167,061)
Reporting of Schools Budget Deficit to new Adjustment Account at 1 April 2020		-	(4,916)	(4,916)	-	-	-	-	(4,916)	4,916	-
Restated Balance at 1 April 2020		(15,110)	(92,781)	(107,891)	(21,796)	-	(726)	(21,018)	(151,431)	(15,630)	(167,061)
Movement in reserves during 2020/21											
Total Comprehensive Income and Expenditure		3,785	-	3,785	(2,263)	-	-	-	1,522	111,008	112,530
Adjustments between accounting basis and funding basis under regulations	14	(56,121)	-	(56,121)	2,688	-	(80)	367	(53,146)	53,146	-
Net (increase)/decrease before transfers to Earmarked Reserves		(52,336)	-	(52,336)	425	-	(80)	367	(51,624)	164,154	112,530
Transfers to/from Earmarked Reserves	15	50,183	(50,183)	-	-	-	-	-	-	-	-
(Increase)/Decrease in Year		(2,153)	(50,183)	(52,336)	425	-	(80)	367	(51,624)	164,154	112,530
Balance at 31 March carried forward		(17,263)	(142,964)	(160,227)	(21,371)	-	(806)	(20,651)	(203,055)	148,524	(54,531)

2019/20		Usable Reserves									
		General Fund Balance £000	Earmarked General Fund Reserves £000	Total General Fund Balance £000	Housing Revenue Account £000	Usable Capital Receipts £000	Major Repairs Reserve £000	Capital Grants Unapplied £000	Total Usable Reserve £000	Total Unusable Reserves £000	Total Reserves £000
Balance at 1 April		(14,840)	(93,559)	(108,399)	(21,305)	-	(649)	(42,989)	(173,342)	78,375	(94,967)
Brought Forward				-					-		-
Movement in reserves during 2019/20											
Total Comprehensive Income and Expenditure		76,191	-	76,191	(3,249)	-	-	-	72,942	(145,036)	(72,094)
Adjustments between accounting basis and funding basis under regulations	14	(70,767)	-	(70,767)	2,758	-	(77)	21,971	(46,115)	46,115	-
Net (increase)/decrease before transfers to Earmarked Reserves		5,424	-	5,424	(491)	-	(77)	21,971	26,827	(98,921)	(72,094)
Transfers to/from Earmarked Reserves	15	(5,694)	5,694	-	-	-	-	-	-	-	-
(Increase)/Decrease in Year		(270)	5,694	5,424	(491)	-	(77)	21,971	26,827	(98,921)	(72,094)
Balance at 31 March carried forward		(15,110)	(87,865)	(102,975)	(21,796)	-	(726)	(21,018)	(146,515)	(20,546)	(167,061)

3.3 Balance Sheet

31 March 2020 £000		Note	31 March 2021 £000
734,215	Property Plant & Equipment	17	754,458
19,770	Heritage Assets	18	19,770
20,077	Investment Property	19	18,817
4,060	Intangible Assets		4,271
50,095	Long Term Investments	21	55,615
22,508	Long Term Debtors	22	35,034
850,725	Long Term Assets		887,965
40,775	Short Term Investments	21	40,671
621	Inventories		517
43,225	Short Term Debtors	22	49,662
59,898	Cash & Cash Equivalents	23	21,597
310	Assets Held For Sale (less than 1 year)		568
144,829	Current Assets		113,015
(1,716)	Short Term Borrowing	21	(6,697)
(68,456)	Short Term Creditors	24	(76,164)
(12,567)	Short Term Provisions	25	(9,761)
	Short Term Liabilities		
(10,216)	- Private Finance Initiatives	21,28	(9,746)
(314)	- Finance Leases		(302)
(1,108)	- Transferred Debt		(1,180)
(94,377)	Current Liabilities		(103,850)
(15,800)	Long Term Provisions	25	(15,666)
(168,364)	Long Term Borrowing	21	(168,355)
	Other Long Term Liabilities		
(324,871)	- Pension Liabilities	30	(444,288)
(222,531)	- Private Finance Initiatives	21,28	(212,785)
(474)	- Finance Leases		(349)
(1,224)	- Transferred Debt		(44)
(17)	- Deferred Credits		(17)
(835)	Capital Grants Receipts In Advance		(1,095)
(734,116)	Long Term Liabilities		(842,599)
167,061	Net Assets		54,531
(146,515)	Usable Reserves	MiRS	(203,055)
(20,546)	Unusable Reserves	MiRS,16	148,524
(167,061)	Total Reserves		(54,531)

These financial statements were authorised for issue by the Director of Finance on 29 July 2021.

A. T. Ryans

3.4 Cash Flow Statement

	Notes	2019/20 £000	2020/21 £000
Net deficit on the provision of services		(72,942)	(1,522)
Adjustment to surplus or deficit on the provision of services for non-cash movements	31	130,091	32,125
Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities	31	(29,948)	(23,533)
Net cash flows from operating activities		27,201	7,070
Net Cash flows from Investing Activities	32	(9,835)	(35,274)
Net Cash flows from Financing Activities	33	9,303	(10,097)
Net increase or (decrease) in cash and cash equivalents		26,669	(38,301)
Cash and cash equivalents at the beginning of the reporting period		33,229	59,898
Cash and cash equivalents at the end of the reporting period		59,898	21,597

3.5 Index of Explanatory Notes to the Accounts

Note No.	Note	Page
1	Expenditure and Funding Analysis	65
2	Expenditure and Income Analysed by Nature	71
3	Financing and Investment Income and Expenditure	71
4	Taxation and Non Specific Grant Income	72
5	Grant Income Credited to Services	73
6	Dedicated Schools Grant (DSG)	73
7	Material Items of Income and Expenditure	75
8	Members' Allowances	75
9	Officers' Remuneration	76
10	External Audit Costs	79
11	Pooled Funds	79
12	Related Parties	80
13	Leases	83
14	Adjustments Between Accounting Basis and Funding Basis Under Regulations	83
15	Earmarked Reserves	86
16	Unusable Reserves	88
17	Property, Plant and Equipment	94
18	Heritage Assets	97
19	Investment Properties	98
20	Capital Expenditure and Capital Financing	100
21	Financial Instruments	101
22	Debtors	115
23	Cash and Cash Equivalents	116
24	Creditors	116
25	Provisions	116
26	Contingent Assets	117
27	Contingent Liabilities	119
28	PFI and Similar Contracts	119
29	Pension Schemes Accounted for as Defined Contribution Schemes	126
30	Defined Benefit Pension Schemes	126
31	Cash Flow Statement - Operating Activities	131
32	Cash Flow Statement - Investing Activities	132
33	Cash Flow Statement - Financing Activities	132
34	Accounting Policies	133
35	Accounting Standards Issued, Not Adopted	147
36	Critical Judgements in Applying Accounting Policies	148
37	Assumptions Made about the Future and Other Major Sources of Estimation Uncertainty	150
38	Events after the Reporting Period	151

3.6 Explanatory Notes to the Financial Statements

Introduction

The financial statements have been prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 (the Code) and the Accounting Policies set out in Note 34. The Notes that follow (1 to 38) set out explanatory information for readers of the accounts.

1. Expenditure and Funding Analysis

The Expenditure and Funding Analysis demonstrates how the funding available to the Council for the year 2020/21 (i.e. Government grants, rents, Council Tax and Business Rates) has been used to provide services in comparison with those resources consumed or earned under generally accepted accounting practice (GAAP). The Expenditure and Funding analysis also shows how this expenditure is allocated for decision making purposes between the Council's directorates. Income and expenditure accounted for under GAAP is presented more fully in the Comprehensive Income and Expenditure Statement.

1a. Expenditure and Funding Analysis

2020/21	As reported for resource management (including HRA) £000	Adjustment to arrive at the net amount chargeable to the General Fund and HRA balances £000	Net Expenditure Chargeable to the General Fund and HRA Balances £000	Adjustments between Funding and Accounting Basis £000	Net Expenditure in the Comprehensive Income and Expenditure Statement £000
Chief Executive	3,515	(930)	2,585	768	3,353
Commissioning	16,597	(3,711)	12,886	665	13,551
People and Place	92,379	(63,890)	28,489	23,165	51,654
Children's Services	89,765	(35,525)	54,240	21,074	75,314
Community Health and Adult Social Care	67,575	(16,293)	51,282	3,975	55,257
Communities and Reform	42,626	(15,446)	27,180	7,384	34,564
Capital Treasury and Technical Accounting	(27,777)	52,979	25,202	(30,009)	(4,807)
Corporate and Democratic Core	6,731	-	6,731	-	6,731
Central Services	(6,996)	6,996	-	-	-
Housing Revenue Account	-	(10,311)	(10,311)	(2,687)	(12,998)
Net cost of services	284,415	(86,131)	198,284	24,335	222,619
Other income and expenditure	(286,567)	36,373	(250,194)	29,098	(221,096)
(Surplus) or Deficit	(2,152)	(49,758)	(51,910)	53,433	1,522

The table below shows the comparative information for 2019/20

2019/20	As reported for resource management (including HRA)	Adjustment to arrive at the net amount chargeable to the General Fund and HRA balances	Net Expenditure Chargeable to the General Fund and HRA Balances	Adjustments between Funding and Accounting Basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
Service Area	£000	£000	£000	£000	£000
Chief Executive	3,368	(575)	2,793	1,026	3,819
Commissioning	4,355	(2,766)	1,589	1,544	3,133
People and Place	91,641	(62,578)	29,063	24,612	53,675
Children's Services	91,116	(34,889)	56,227	31,247	87,474
Community Health & Adult Social Care	68,663	(4,633)	64,030	4,998	69,028
Communities and Reform	36,412	(5,069)	31,343	5,544	36,887
Capital Treasury and Technical Accounting	(46,617)	53,021	6,404	812	7,216
Corporate and Democratic Core	6,960	-	6,960	-	6,960
Central Services	4,019	(4,019)	-	-	-
Housing Revenue Account	-	(10,980)	(10,980)	(2,758)	(13,738)
Net cost of services	259,917	(72,488)	187,429	67,025	254,454
Other income and expenditure	(260,186)	77,691	(182,495)	984	(181,511)
(Surplus) or Deficit	(270)	5,203	4,933	68,009	72,942

The table below reconciles between the opening and closing balances of the General Fund (including earmarked reserves) and Housing Revenue Account (HRA) balances.

During the financial year 2020/21, the Ministry of Housing Communities and Local Government (MHCLG) laid before Parliament a statutory instrument establishing new accounting practices in relation to the treatment of local authorities' schools budget deficits such that where the Council has a deficit on its schools budget relating to its accounts for a financial year beginning on 1 April 2020, 1 April 2021 or 1 April 2022, it must not charge the amount of that deficit to a revenue account. The Council has therefore recorded any such deficit in a separate account established solely for the purpose of recording deficits relating to its school's budget. The £4.916m is the movement of the closing schools deficit from 2019/20. Additional information on the movements in General Fund and HRA balances can be found on the Movement in Reserves Statement.

Movement in General Fund and HRA Balance	2019/20 £000	2020/21 £000
Opening General Fund and HRA Balance as at 1 April	(129,704)	(124,771)
Add new statutory accounting practices in relation to the treatment of local authorities' schools budget deficits	-	(4,916)
Add (Surplus)/Deficit on General Fund and HRA Balance in Year	4,933	(51,911)
Closing General Fund and HRA Balance as at 31 March	(124,771)	(181,598)

1b. Note to the Expenditure and Funding Analysis

This note provides a reconciliation of the main adjustments to net expenditure chargeable to the General Fund and HRA balances to arrive at the amounts in the Comprehensive Income and Expenditure Statement. The relevant transfers between reserves are explained in the Movement in Reserves Statement.

Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement				Adjustments between Accounting Basis and Funding Basis 2020/21			
	Movement in Reserves £000	Other Adjustments £000	Total to arrive at amount charged to the general fund & HRA £000	Adjustment for capital purposes (i & ii) £000	Net change for pension adjustment (iii) £000	Other Differences (iv) £000	Total Adjustments £000
Chief Executive	(230)	(700)	(930)	304	464	-	768
Commissioning	(2,574)	(1,137)	(3,711)	143	522	-	665
People and Place	(983)	(62,907)	(63,890)	22,495	2,649	(1,979)	23,165
Children's Services	(4,669)	(30,856)	(35,525)	21,836	2,733	(3,495)	21,074
Community Health & Adult Social Care	(12,317)	(3,976)	(16,293)	3,021	954	-	3,975
Communities and Reform	(7,155)	(8,291)	(15,446)	6,858	1,196	(670)	7,384
Capital Treasury and Technical Accounting	(29,251)	82,230	52,979	(605)	7,523	(36,927)	(30,009)
Corporate and Democratic Core	-	-	-	-	-	-	-
Central Services	6,996	-	6,996	-	-	-	-
Housing Revenue Account	425	(10,736)	(10,311)	5,225	-	(7,912)	(2,687)
Net cost of services	(49,758)	(36,373)	(86,131)	59,277	16,041	(50,983)	24,335
Other income and expenditure from the Expenditure and Funding Analysis	-	36,373	36,373	-	-	29,098	29,098
Difference between General Fund (surplus)/deficit and Comprehensive Income and Expenditure Statement (surplus)/deficit	(49,758)	-	(49,758)	59,277	16,041	(21,885)	53,433

Adjustments from General Fund to arrive at the Comprehensive Income and Expenditure Statement				Adjustments between Accounting Basis and Funding Basis 2019/20 - Restated			
	Movement in Reserves	Other Adjustments £000	Total to arrive at amount charged to the general fund & HRA £000	Adjustment for capital purposes (i & ii) £000	Net change for pension adjustment (iii) £000	Other Differences (iv) £000	Total Adjustments £000
Chief Executive	370	(945)	(575)	96	930	-	1,026
Commissioning	(573)	(2,193)	(2,766)	552	992	-	1,544
People and Place	1,909	(64,487)	(62,578)	21,141	5,581	(2,110)	24,612
Children's Services	4,752	(39,641)	(34,889)	28,995	5,465	(3,213)	31,247
Community Health & Adult Social Care	364	(4,997)	(4,633)	3,072	1,926	-	4,998
Communities and Reform	1,012	(6,081)	(5,069)	3,830	2,348	(634)	5,544
Capital Treasury and Technical Accounting	1,879	51,142	53,021	17,522	14,857	(31,567)	812
Corporate and Democratic Core	-	-	-	-	-	-	-
Central Services	(4,019)	-	(4,019)	-	-	-	-
Housing Revenue Account	(491)	(10,489)	(10,980)	4,576	-	(7,334)	(2,758)
Net cost of services	5,203	(77,691)	(72,488)	79,784	32,099	(44,858)	67,025
Other income and expenditure from the Expenditure and Funding Analysis	-	77,691	77,691	-	-	984	984
Difference between General Fund (surplus)/deficit and Comprehensive Income and Expenditure Statement (surplus)/deficit	5,203	-	5,203	79,784	32,099	(43,874)	68,009

(i) Adjustments for Depreciation/Rental Income

For resource management purposes, the Council includes depreciation in its reporting at Directorate level. However, these charges are removed as they are not included in the net expenditure chargeable to the General Fund and HRA balances. Also, the Council includes rental income from investment properties in the People and Place Directorate. However, this is reported in the financial statements below the cost of services line and, therefore the table above shows the item being reallocated.

(ii) Adjustments for Capital Purposes

Depreciation, impairment charges and revaluation gains and losses are included within the net cost of services. In addition:

- **Other operating expenditure** – adjusts for capital disposals with a transfer of income on disposal of assets and the amounts written off for those assets.
- **Finance and investment income and expenditure** – the statutory charges for capital financing, i.e. Minimum Revenue Provision (MRP) and other revenue contributions, are deducted from other income and expenditure as these are not chargeable under generally accepted accounting practices (GAAP).
- **Taxation and non-specific grant income and expenditure** – capital grants are adjusted for income not chargeable under GAAP. Revenue grants are adjusted from those receivable during the year to those receivable without conditions or for which conditions were satisfied throughout the year. The Taxation and Non-Specific Grant Income and Expenditure line is credited with capital grants receivable in the year without conditions or for which conditions were satisfied within the year.

(iii) Net Change for Pension Adjustments

The removal of pension contributions and the addition of the International Accounting Standard (IAS) 19 *Employee Benefits* pension related expenditure and income are reflected as follows:

- **For the net cost of services** – the removal of the employer pension contributions made by the Council as determined by statute and their replacement with current service costs and past service costs.
- **For financing and investment income and expenditure** – the net interest on the defined benefit liability is charged to the Comprehensive Income and Expenditure Statement (CIES).

(iv) Other Differences

Other differences between amounts debited/credited to the CIES and amounts payable/receivable to be recognised under statute are set out below:

- **For financing and investment income and expenditure** - the other differences column recognises adjustments to the General Fund for the timing differences for premiums and discounts for Long Term Borrowing.
- **For taxation and non-specific grant income** - the charge represents the difference between what is chargeable under statute for Council Tax and Business Rates to that which was forecast to be received at the start of the year, and the income recognised under GAAP. This is a timing difference as any difference is brought forward in the surpluses or deficits on the Collection Fund.

2. Expenditure and Income Analysed by Nature

	2019/20 £000	2020/21 £000
Expenditure		
Employee Benefit Expenses	215,888	207,494
Other services expenses	358,708	363,444
Depreciation, amortisation and impairment	41,177	44,858
Interest Payments	37,915	35,184
Precepts and levies	34,266	33,881
Payments to the housing capital receipts pool	-	-
Gain on the disposal of assets	(936)	(1,352)
Loss on transfer to academy status	18,245	-
Movement on Pooled Investments	743	102
Total expenditure	706,006	683,611
Income		
Fees, charges and other service income	(94,216)	(72,931)
Interest and investment income	(10,337)	(4,116)
Income from Council Tax and Business Rates	(147,894)	(121,901)
Government grants and contributions	(359,069)	(432,999)
Other revenue receipts	(21,548)	(50,142)
Total income	(633,064)	(682,089)
Surplus/Deficit on the Provision of Services	72,942	1,522

3. Financing and Investment Income and Expenditure

	2019/20 - Restated £000	2020/21 £000
Interest payable and similar charges	27,755	27,430
Net interest on the net defined benefit liability	10,160	7,754
Interest receivable and similar income	(3,005)	(3,166)
Income and expenditure in relation to investment properties and changes in their fair value	(2,697)	(1,843)
Other investment income	(7,332)	(950)
Expected Credit Loss	1,476	3,614
Fair Value movement on Pool Investment Funds	743	102
Total	27,100	32,941

The Council restated the 2019/20 disclosure note. The Council has reclassified its disposals of academy schools from Financing and Investment Income & Expenditure to (Gains)/losses on the disposal of non-current assets in the Comprehensive Income & Expenditure Statement in order to comply with the CIPFA code.

4. Taxation and Non-Specific Grant Income

The Council raises Council Tax, Business Rates and receives grants from Central Government each year to finance revenue expenditure. This income is not attributable to specific services. The grants, Council Tax and Business Rates received are set out below:

	2019/20 £000	2020/21 £000
Council Tax Income - General Purposes	(85,606)	(85,345)
Council Tax Income - Adult Social Care Precept	(6,691)	(8,679)
Retained Business Rates	(55,597)	(27,877)
Business Rates Top Up	(40,653)	(41,654)
Grants in Lieu of Business Rates	(12,816)	(36,373)
Covid-19 Support Grants	-	(30,531)
Private Finance Initiative (PFI) Grant	(9,026)	(8,488)
Other Capital Grants and Contributions	(20,120)	(20,453)
Other Non-Ringfenced Government Grants	(9,065)	(1,044)
Housing and Council Tax Benefit Administration Grants	(1,121)	(1,138)
New Homes Bonus	(961)	(598)
Independent Living Fund	(2,580)	(2,580)
Improved Better Care Fund Grant	(8,150)	(10,859)
Additional Better Care Fund Grant	(1,586)	-
Opportunity Area Grant	(2,588)	(1,565)
Winter Pressures Grant	(1,122)	-
School Improvement Monitoring & Brokerage Grant	(254)	(259)
Local Tax Income Guarantee	-	(2,169)
Brexit Support Grant	(210)	-
Social Care Support Grant	(1,917)	(6,955)
GMCA Earnback Grant	(122)	-
Total	(260,185)	(286,567)

5. Grant Income Credited to Services

The Council credited the following grants, contributions and donations to the Comprehensive Income and Expenditure Statement.

	2019/20 £000	2020/21 £000
Dedicated Schools Grant (DSG)	(144,368)	(153,378)
Housing Benefit Subsidy - Rent Allowances	(46,374)	(41,411)
Housing Benefit Subsidy - Rent Rebates	(5,309)	(5,249)
Covid-19 Support Grants	-	(15,907)
Education and Skills Funding Agency (ESFA) - Adult and Community Learning Income	(3,123)	(2,740)
Pupil Premium	(9,483)	(8,844)
Private Finance Initiative (PFI) Credit	(23,042)	(23,581)
Other Government Grants	(12,172)	(13,778)
Other Grants	(1,117)	(641)
Community Safety Grants	(584)	(557)
Reform Investment Funding	(572)	(906)
Discretionary Housing Payments	(633)	(773)
National Leisure Recovery Fund (Sports Council)	-	(568)
Total	(246,777)	(268,333)

6. Dedicated School's Grant (DSG)

The Council's expenditure on schools is financed primarily by Dedicated Schools Grant (DSG) provided by the Education and Skills Funding Agency (ESFA). DSG is ring-fenced and can only be used to finance expenditure that is included in the Schools Budget, as defined in the School Finance and Early Years (England) Regulations 2020. The School's Budget includes elements for a range of educational services provided on an authority-wide basis and for the Individual Schools Budget (ISB), which is divided into a budget share for each Council maintained school.

Details of the deployment of the DSG receivable for 2020/21 are as follows:

		2020/21		
		Central Expenditure	Individual Schools Budget	Total
Note		£000	£000	£000
A	Final DSG before academy recoupment			263,473
B	Academy Recoupment			(110,095)
C	Total DSG after academy recoupment			153,378
D	Balance Brought Forward			(4,916)
E	Carry forward to 2021/22 agreed in advance			(1,563)
				146,899
F	Agreed initial budget distribution	22,563	125,864	148,427
G	In year adjustments	(637)	(891)	(1,528)
H	Final budget distribution	21,926	124,973	146,899
I	Less: Central expenditure	(26,260)		(26,260)
J	Less: ISB deployed to schools		(125,762)	(125,762)
K	Plus: Local authority contribution for 2020/21			
L	In year Carry-forward to 2021/22	(4,334)	(789)	(5,123)
M	Plus: Carry-forward to 2021/22 agreed in advance		1,563	1,563
N	Carry-forward to 2021/22	(4,334)	774	(3,560)

- A: Final DSG figure before any amount has been recouped from the authority as published March 2021, excluding the January 2021 early years block adjustment.
- B: Figure recouped from the authority in 2020/21 by the DfE for the conversion of maintained schools into academies and for high needs payments made by ESFA.
- C: Total DSG figure after academy and high needs recoupment for 2020/21, as published March 2021.
- D: Deficit Balance of £4.916m brought forward from 2019/20.
- E: The amount which the authority decided after consultation with the School's Forum to carry forward to 2021/22 rather than distribute in 2020/21 (£1.563m).
- F: Budgeted distribution of DSG as agreed with the School's Forum.
- G: Changes to the initial distribution, for example, adjustments for exclusions, or final early years block adjustment.
- H: Budgeted distribution of DSG as at the end of the financial year.
- I: Actual amount of central expenditure items in 2020/21.
- J: Amount of ISB distributed to schools in 2020/21.
- K: Any contribution from the local authority in 2020/21.
- L: In year carry-forward to 2021/22.
- M: Carry-forward to 2021/22 already agreed (£1.563m).
- N: Year-end carry-forward to 2021/22.

7. Material Items of Income and Expenditure

This note identifies material items of income and expenditure that are not disclosed on the face of the Comprehensive Income and Expenditure Statement. For the purposes of this note the Council considers material items to be those greater than £6.000m. For 2020/21 there were no material items of income and expenditure.

8. Members' Allowances

The Council paid the following amounts to Members during the year:

	2019/20 £000	2020/21 £000
Allowances	1,026	1,070

9. Officers' Remuneration

The remuneration of senior employees is detailed below.

	2019/20				2020/21					Note
	Salary, Fees and Allowances £000	Expenses Allowances £000	Pension Contribution £000	Total £000	Salary, Fees and Allowances £000	Expenses Allowances £000	Compensation for Loss of Office £000	Pension Contribution £000	Total £000	
C Wilkins OBE, Chief Executive Oldham Council and Accountable Officer, NHS Oldham CCG, Head of Paid Service	178	-	37	215	185	-	-	38	223	A
Deputy Chief Executive: Corporate and Commercial Services	22	-	5	27	-	-	-	-	-	B
Deputy Chief Executive	132	-	27	159	135	-	-	28	163	
Strategic Director: Communities and Reform	123	-	-	123	130	-	-	-	130	
M Joseph, Interim Director of Children's Services	180	-	-	180	-	-	-	-	-	C
Managing Director Children and Young People (Director of Children's Services)	41	2	9	52	128	6	-	26	160	D
Managing Director Community Health and Adult Social Care Services (Director of Adult Social Services)	110	-	23	133	113	-	-	23	136	E
Director of Finance and Chief Financial Officer (Section 151 Officer)	99	-	20	119	101	-	-	21	122	
Director of Legal Services and Monitoring Officer	103	-	20	123	101	-	-	21	122	
Director of Public Health	92	-	19	111	94	-	-	19	113	
Director of Education, Skills and Early Years (Chief Education Officer)	90	1	19	110	11	-	-	2	13	F
Director of Education, Skills and Early Years (Chief Education Officer)	-	-	-	-	28	-	-	6	34	G
Interim Director of Education, Skills and Early Years (Chief Education Officer)	-	-	-	-	14	-	-	1	15	H

Senior Officers served for the whole of 2019/20 and 2020/21 unless stated below:

Notes:

- A The Chief Executive holds a joint role, also covering the role of Accountable Officer for Oldham Clinical Commissioning Group (CCG). The contribution to the salary and pension cost paid by the CCG was £123,827. In 2020/21 the Chief Executive worked for the Department of Health and Social Care (DHSC) as the Contain Divisional Director for Test and Trace. The contribution to the salary paid and other seconded staff by the DHSC was £131,920.
- B The Deputy Chief Executive: Corporate and Commercial Services: left the Council on 31 May 2019.
- C The Interim Director of Children's Services: left the Council on 29 November 2019.
- D The Managing Director Children and Young People (Director of Children's Services) was appointed on 2 December 2019.
- E The Managing Director Community Health and Adult Social Care: the contribution to salary and pension costs paid by Pennine Care NHS Trust was £75,340.
- F The Director of Education, Skills and Early Years (Chief Education Officer): left the Council on 26 April 2020.
- G The Director of Education, Skills and Early Years (Chief Education Officer): was appointed on 14 December 2020.
- H The Interim Director of Education, Skills and Early Years (Chief Education Officer): was appointed on 27 April 2020 until 13 December 2020.

All of the Council's employees (excluding the Chief Executive, other Executive Management Team members and statutory officers) receiving more than £50,000 remuneration for the year (excluding employer's pension contributions) were paid the following amounts:

	2019/20 Number of Employees Including Severance or Other Related Payments	2020/21 Number of Employees Including Severance or Other Related Payments
£50,000 - £55,000	95	129
£55,001 - £60,000	42	51
£60,001 - £65,000	46	33
£65,001 - £70,000	19	34
£70,001 - £75,000	15	14
£75,001 - £80,000	8	11
£80,001 - £85,000	5	13
£85,001 - £90,000	5	5
£90,001 - £95,000	4	2
£95,001 - £100,000	2	4
£100,001 - £105,000	-	3
£105,001 - £110,000	1	1
£110,001 - £115,000	-	1
£115,001 - £120,000	-	-
£120,001 - £125,000	-	-
£125,001 - £130,000	-	1
Total	242	302

The number of exit packages with total cost per band and total cost of the compulsory and other redundancies are set out in the table below.

Exit Package Cost band (including special payments)	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21
	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band		Total cost of exit packages in each band	
							£	£
£0 - £20,000	1	2	27	49	28	51	269,266	462,934
£20,001 - £40,000	1	-	5	20	6	20	149,704	595,713
£40,001 - £60,000	-	-	1	12	1	12	52,378	588,409
£60,001 - £80,000	-	-	1	1	1	1	76,345	70,978
£80,001 - £100,000	-	-	-	3	-	3	-	247,756
£100,001 - £150,000	-	-	-	4	-	4	-	515,322
Total	2	2	34	89	36	91	547,693	2,481,112

10. External Audit Costs

The Council has incurred the following costs in relation to the audit of the Statement of Accounts by the Council's External Auditors, which for 2020/21 is Mazars LLP.

	2019/20 £000	2020/21 £000
Fees payable to Mazars LLP with regard to external audit services carried out by the appointed auditor for the year.	134	104

The Council has incurred an additional fee in relation to the external audit of the Statement of Accounts by the Council's External Auditors Mazars LLP for 2019/20. The additional fee of £29,740 agreed takes the total cost for 2019/20 to £134,148 and has been approved by Public Sector Audit Appointments Limited (PSAA).

11. Pooled Funds

Section 75 Agreement

In April 2016 Greater Manchester took control and responsibility for the £6bn Health & Social Care Budget and is working to deliver its own sustainable health and social care system by 2021. In taking forward this initiative locally, Oldham Council and NHS Oldham CCG have jointly developed a Locality Plan for Health and Social Care Transformation covering the period 2020/21 to 2023/24.

In successfully delivering this Locality Plan both organisations are working together to redesign the way that Health and Social Care services are delivered in the Borough to improve services and outcomes for residents and patients, all within a system that is built upon a sustainable financial model. Joint arrangements of this type are permitted under Section 75 of the National Health Service Act 2006.

The aims and benefits of the Partners in entering into the Section 75 Agreement are to:

- improve the quality and efficiency of service provision;
- meet the National Conditions and Local Objectives;
- make more effective use of resources through the establishment and maintenance of an aligned fund for revenue expenditure on services;
- ensure that people in Oldham will be independent, resilient and self-caring so fewer people reach crisis point, and;
- develop an integrated health and care system, for those that need it that enables people to proactively manage their own care with the support of their family, community and the right professionals at the right time in a properly joined up system.

The main purpose is to facilitate a whole system approach to deliver care where and how it needs to be delivered to the citizens of Oldham.

The Section 75 agreement for 2020/21 incorporates the following:

- Better Care Fund (including the Disabled Facilities Grant)
- Improved Better Care Fund
- GM Health and Social Care Transformation Funds

- Funding in relation to services commissioned by Oldham Council and services commissioned by Oldham CCG
- Funding commissioned by Oldham Council and Oldham CCG to facilitate hospital discharge and support the care provider market in response to the COVID-19 pandemic.

The Section 75 agreement relates to pooled funds. The pooled funds are split into two elements:

- a pooled budget that relates solely to the Integrated Community Equipment Service which is hosted by the Council but for which partners equally share the risk associated with any variance to budget.
- a pooled aligned budget covering the majority of funding and expenditure where funds are held in the host organisation's budget.

As shown in the table below the Council spent pooled funds of £100.785m and the CCG spent £75.847m of pooled funds. Each of the partner organisations accounts for their own contributions & details of the spend from the pool are reported to the Oldham Commissioning Partnership Board. Details of the CCG's contributions are contained within their annual accounts. The table below includes an increased contribution of £16.823m to the pool by Oldham CCG. This contribution has been used by the Council to underpin the provision of adult social care.

Section 75 incorporating Better Care Fund & Improved Better Care Fund	2019/20 £000	2020/21 £000
Funding provided to the pooled budget:		
Council	(83,487)	(62,633)
Oldham CCG	(80,483)	(113,999)
	(163,970)	(176,632)
Expenditure met from the pooled budget:		
Council	83,487	100,785
Oldham CCG	80,483	75,847
	163,970	176,632
Net surplus arising on the pooled budget during the year	-	-

12. Related Parties

The Council is required to disclose material transactions with related parties, bodies or individuals that have the potential to control or influence the Council or to be controlled or influenced by the Council. Disclosure of these transactions show the extent to which the Council might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Council.

Central Government

Central Government has significant influence over the general operations of the Council. It is responsible for providing the statutory framework within which the Council operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Council has with other parties (e.g. Council Tax billing, housing benefit administration). Grants received from Government Departments are disclosed in Notes 4 and 5.

Elected Members of the Council

Members of the Council have direct control over the Council's financial and operating policies. The total of Members' Allowances paid in 2020/21 is disclosed in Note 8.

The Register of Members' Interests is open to public inspection at the Civic Centre during office hours, on application, and is also available on the Council's website. The Council is compliant in this regard with the requirements of the Localism Act 2012.

Any material transactions with entities disclosed by Members have been incorporated into the Related Party Transactions table below.

Officers

There are no material related party transactions identified between the Council and Chief Officers' related parties.

Other Public Bodies (subject to common control by Central Government)

The Council has a pooled fund arrangement with Oldham CCG which encompasses Council Adult Social Care budgets and CCG commissioned expenditure, together with expenditure funded by the Better Care Fund, Improved Better Care Fund and the GM Health and Social Care Transformation Fund. For further detail see Note 11 Pooled Funds.

The Council also pays levies towards the services provided by the Greater Manchester Combined Authority (GMCA) for Waste Disposal and for Transport and also to the Environment Agency (EA). The Levies payable are shown in the following table.

Levying Body	31 March 2020 £000	31 March 2021 £000
Greater Manchester Combined Authority - Waste Disposal	18,102	17,358
Greater Manchester Combined Authority - Transport	15,780	16,124
Environment Agency	106	108
Total	33,988	33,590

GMCA approved its Waste Disposal levy for 2020/21 on 14 February 2020 at a value of £17.448m. During 2020/21 usage was less than expected and the Council received a refund of £0.090m resulting in a final annual levy of £17.358m.

The GMCA also approved its 2020/21 Transport Levy payable by the Greater Manchester Districts on 14 February 2020. Oldham was notified that its Transport Levy for 2020/21 was at a value of £8.861m. Following the GMCA (Functions and Amendment) order being laid in April 2019, for 2020/21 the GM Mayor was given further powers for transport functions. The order gave the GM Mayor the ability to make a statutory charge to District Councils in relation to transport functions (this statutory charge replaced functions previously included within the Transport Levy). This statutory charge for 2020/21 was approved on 14 February 2020 at a value of £7.263m. The resulting 2020/21 Greater Manchester Combined Authority - Transport charge for Oldham, consisting of the Transport Levy and statutory charge was therefore set at a value of £16.124m.

On 17 February 2020 the Environment Agency provided the Council with a confirmed levy amount for the 2020/21 financial year at a value of £0.108m.

The following table shows the receipts, payments and balances attributable to the Council's subsidiaries, associates, joint ventures and non-group entities where appropriate

Related Party Transactions	Details of Arrangement	2019/20			2020/21		
		Receipts	Payments	Outstanding Balances /	Receipts	Payments	Outstanding Balances /
		£000	£000	Commitments £000	£000	£000	Commitments £000
Subsidiaries							
MioCare Group Community Interest Company (formerly Oldham Care Services Limited)	MioCare Group CIC is a care and support provider and is wholly owned by the Council. It delivers services through two subsidiaries: Oldham Care and Support Ltd (OCS); and MioCare Services Ltd (formerly Oldham Care and Support at Home (OCSH)).	(1,025)	14,617	(133)	(1,038)	15,603	(83)
Unity Partnership Limited (Unity)	On 2 July 2018 the ownership of Unity Partnership transferred to Oldham Council and Unity Partnership became a 100% wholly owned Council subsidiary company providing a variety of services within the Council and to residents.	(1,626)	18,659	(55)	(1,658)	19,864	(346)
Oldham Economic Development Association Limited (OEDA)	OEDA is a company without share capital which is wholly owned by the Council and was set up to aid economic development and regeneration across the Borough. The company has remained inactive in the past year because of the restrictions which apply to companies wholly owned by a Local Authority.						
Southlink Developments Limited	The principal activity of the company is that of a property developer. However, the development land now owned by the company is reduced to a few acres located on Southlink Business Park. The continued inactivity of the company is the result of the restrictions which apply to companies wholly owned by a Local Authority.						
Associates							
Meridian Development Company Ltd (MDCL)	MDCL was created to enable the purchase and development of key sites in Oldham. The Council holds 27.2% of the voting shares and 59.1% of the non voting shares.						
Joint Ventures							
Oldham Property LLP (OP LLP)	OP LLP is a joint venture between the Council and Brookhouse Group Ltd and was incorporated on 13 February 2013 for the acquisition of strategic development sites.						
FO Development LLP	This joint venture was formed to deliver the development of the Foxdenton employment area in order to create a premium business location, new jobs and housing.	(14)	-		(6)	-	
Non-Group Entities							
Positive Steps Oldham	The Council has a number of contracts with Positive Steps which is a charitable trust that delivers a range of targeted and integrated services for young people, adults and families. It is a not for profit company for which Council Members occupy 4 of the 12 Trustee positions.	(20)	4,142		(13)	3,890	
	Total	(2,685)	37,418	(188)	(2,715)	39,357	(429)

13. Leases

The Council as Lessor

Operating Leases

The Council leases out property under operating leases, to include but not limited to, the following purposes:

- for the provision of community services, such as tourism services and community centres; and
- for economic development purposes to provide suitable affordable accommodation for local businesses.

The future minimum lease payments receivable under non-cancellable leases in future years are:

	2019/20 £000	2020/21 £000
No later than 1 year	306	4,463
Later than 1 year and not later than 5 years	2,139	10,493
Later than 5 years	28,423	34,889
Total	30,868	49,845

14. Adjustments Between Accounting Basis and Funding Basis Under Regulations

This note details the adjustments that are made to the total Comprehensive Income and Expenditure recognised by the Council in the year, in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Council to meet future capital and revenue expenditure.

	2019/20						2020/21					
	Usable Reserves					Movements in Unusable Reserves	Usable Reserves					Movements in Unusable Reserves
	General Fund Balance £000	Housing Revenue Account (HRA) £000	Capital Receipts Reserve £000	Major Repairs Reserve £000	Capital Grants Unapplied £000		General Fund Balance £000	Housing Revenue Account (HRA) £000	Capital Receipts Reserve £000	Major Repairs Reserve £000	Capital Grants Unapplied £000	
Adjustments primarily involving the Capital Adjustment Account:												
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:												
Charges for depreciation of non-current assets	(31,190)	(4,808)	-	-	-	35,998	(30,952)	(5,316)	-	-	-	36,268
Charges for impairment of non-current assets	(792)	(74)	-	-	-	866	(1,479)	(95)	-	-	-	1,573
Revaluation losses on Property, Plant and Equipment	(2,853)	96	-	-	-	2,756	(5,696)	135	-	-	-	5,560
Movements in the fair value of Investment Properties	51	-	-	-	-	(51)	(278)	-	-	-	-	278
Amortisation of intangible assets	(1,557)	-	-	-	-	1,557	(1,456)	-	-	-	-	1,456
Capital grants and contributions applied	15,464	-	-	-	-	(15,464)	10,716	-	-	-	-	(10,716)
Revenue expenditure funded from capital under statute	(21,582)	-	-	-	-	21,582	(15,534)	-	-	-	-	15,534
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	(7,906)	(12)	-	-	-	7,917	(1,583)	(3)	-	-	-	1,586
Amounts written off on disposal of Academy Schools to the Comprehensive Income and Expenditure Statement	(18,245)	-	-	-	-	18,245	-	-	-	-	-	-
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:												
Statutory provision for the financing of capital investment	2,742	-	-	-	-	(2,742)	2,742	-	-	-	-	(2,742)
Voluntary provision for the financing of capital investment	14,163	5,123	-	-	-	(19,286)	19,435	5,301	-	-	-	(24,736)
Capital expenditure charged against the General Fund and HRA balances	245	2,134	-	-	-	(2,379)	147	2,532	-	-	-	(2,679)
Adjustments primarily involving the Capital Grants Unapplied Account:												
Capital grants and contributions unapplied credited to the Comprehensive Income and Expenditure Statement	4,655	-	-	-	(4,655)	-	9,737	-	-	-	(9,737)	-
Application of grants to capital financing transferred to the Capital Adjustment Account	-	-	-	-	26,626	(26,626)	-	-	-	-	10,104	(10,104)
Adjustments primarily involving the Capital Receipts Reserve:												
Transfer of cash sales proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	9,607	221	(9,828)	-	-	-	3,027	53	(3,080)	-	-	-
Use of the Capital Receipts Reserve to finance new capital expenditure	-	-	9,914	-	-	(9,914)	-	-	3,184	-	-	(3,184)
Contributions to the Capital Receipts Pool	-	0	-	-	-	-	-	-	-	-	-	-
Repayment of Long Term Loans	-	-	(86)	-	-	86	-	-	(104)	-	-	104
Transfer from Deferred Capital Receipts reserve upon receipt of cash	-	-	-	-	-	-	-	-	-	-	-	-

	2019/20						2020/21					
	Usable Reserves					Movements in Unusable Reserves	Usable Reserves					Movements in Unusable Reserves
	General Fund Balance £000	Housing Revenue Account (HRA) £000	Capital Receipts Reserve £000	Major Repairs Reserve £000	Capital Grants Unapplied £000		General Fund Balance £000	Housing Revenue Account (HRA) £000	Capital Receipts Reserve £000	Major Repairs Reserve £000	Capital Grants Unapplied £000	
Adjustments primarily involving the Deferred Capital Receipts Reserve:												
Transfer of deferred sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments primarily involving the Major Repairs Reserve:												
Transfer of Excess of Depreciation over Notional MRA to MRR	-	77	-	(77)	-	-	-	80	-	(80)	-	-
Credit MRR with a sum equal to HRA Depreciation	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments primarily involving the Financial Instruments Adjustment Account:												
Amount by which finance costs charged to the Comprehensive Income and Expenditure Statement are different from finance costs chargeable in the year in accordance with statutory requirements	255	-	-	-	-	(255)	291	-	-	-	-	(291)
Adjustments primarily involving the Financial Instruments Revaluation Reserve:												
Amount by which Financial Instruments held under Fair Value through Profit & Loss are subject to MHCLG statutory over-ride.	(743)	-	-	-	-	743	(102)	-	-	-	-	102
Adjustments primarily involving the Pensions Reserve:												
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement (see Note 27)	(50,804)	-	-	-	-	50,804	(35,619)	-	-	-	-	35,619
Employer's pension contributions and direct payments to pensioners payable in the year	18,705	-	-	-	-	(18,705)	19,579	-	-	-	-	(19,579)
Adjustments primarily involving the Collection Fund Adjustment Account:												
Amount by which Council Tax and Business Rates income credited to the Comprehensive Income and Expenditure Statement is different from council tax income calculated for the year in accordance with statutory requirements	(450)	-	-	-	-	450	(29,692)	-	-	-	-	29,692
Adjustments primarily involving the Accumulated Absences Account:												
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from the remuneration chargeable in the year in accordance with statutory requirements	(534)	-	-	-	-	534	(761)	-	-	-	-	761
Adjustments primarily involving the Dedicated Schools Grant Adjustment Account												
Transfer of Dedicated Schools Grant (DSG) over/(underspend) to the DSG Adjustment Account	-	-	-	-	-	-	1,356	-	-	-	-	(1,356)
Total Adjustments	(70,767)	2,758	-	(77)	21,971	46,115	(56,121)	2,688	(0)	(80)	367	53,147

15. Earmarked Reserves

This note discloses the amounts set aside from the General Fund as earmarked reserves to provide financing for future expenditure plans. The note also discloses the value of transfers to or from General Fund earmarked reserves during 2019/20 and 2020/21. All Earmarked Reserves are managed in accordance with the Council's reserves policy.

	Balance as at 31 March 2019 £000	Transfers Out 2019/20 £000	Transfers In 2019/20 £000	Balance as at 31 March 2020 £000	Transfer to DSG Adjustment Account £000	Restated balance as at 1 April 2020 £000	Transfers Out 2020/21 £000	Transfers In 2020/21 £000	Balance as at 31 March 2021 £000
Integrated Working Reserve	(3,662)	376	(700)	(3,986)	-	(3,986)	529	(13,922)	(17,380)
Transformation Reserve	(10,281)	2,849	(377)	(7,809)	-	(7,809)	1,822	-	(5,986)
Adverse Weather Reserve	(1,500)	500	-	(1,000)	-	(1,000)	-	-	(1,000)
Regeneration Reserve	(6,456)	1,795	-	(4,661)	-	(4,661)	1,347	(250)	(3,564)
Demand Changes Reserve	(2,000)	1,660	(1,660)	(2,000)	-	(2,000)	2,000	-	-
Emergency and External Events Reserve	(2,751)	564	(64)	(2,251)	-	(2,251)	2,251	(2,000)	(2,000)
Levy Reserve	(402)	-	-	(402)	-	(402)	153	(90)	(340)
Council Initiatives Reserve	(4,514)	1,591	(609)	(3,532)	-	(3,532)	1,206	(565)	(2,891)
Fiscal Mitigation Reserve	(14,975)	13,718	(25,720)	(26,977)	-	(26,977)	26,407	(11,013)	(11,582)
Life Cycle Costs Reserve	(6,611)	5,031	-	(1,580)	-	(1,580)	500	(571)	(1,651)
Insurance Reserve	(14,529)	2,364	-	(12,165)	-	(12,165)	4,092	(1,912)	(9,985)
Directorate Reserve	(2,767)	1,335	(428)	(1,860)	-	(1,860)	695	(1,027)	(2,192)
Balancing Budget Reserve	(8,818)	8,818	(10,008)	(10,008)	-	(10,008)	10,008	(54,309)	(54,309)
Taxation / Treasury Reserve	(625)	125	-	(500)	-	(500)	1,955	(1,455)	-
District Partnership Reserve	(732)	224	(121)	(629)	-	(629)	127	(92)	(594)
Local Restrictions Support Grant Reserve	-	-	-	-	-	-	-	(37)	(37)
Total Revenue Account Earmarked Reserves	(80,623)	40,950	(39,687)	(79,360)	-	(79,360)	53,090	(87,243)	(113,512)
Other Earmarked Reserves									
Revenue Grants Reserve	(8,733)	1,440	(641)	(7,933)	-	(7,933)	1,327	(13,538)	(20,145)
Schools Reserve	(4,202)	4,207	(576)	(571)	(4,916)	(5,487)	5,495	(9,314)	(9,306)
Total Other Earmarked Reserves	(12,935)	5,647	(1,217)	(8,504)	(4,916)	(13,420)	6,822	(22,852)	(29,452)
Total Earmarked Reserves	(93,558)	46,597	(40,904)	(87,865)	(4,916)	(92,781)	59,912	(110,095)	(142,964)

Revenue Account Earmarked Reserves

Integrated Working Reserve - this represents funding that has been set aside to support initiatives arising from the Greater Manchester devolution agenda and Greater Manchester Spatial Framework including joint working with the Oldham Clinical Commissioning Group around Health and Adult Social Care, other Greater Manchester Councils and the Greater Manchester Combined Authority.

Transformation Reserve – this represents funding that has been set aside to provide for any exceptional costs arising from implementing the budget reductions required by the Council's revenue budget for 2021/22 and also the programme of change as the Council moves to address funding reductions in future years by the continued transformation of its services.

Adverse Weather Reserve – this represents funds set aside to cover the cost of winter maintenance of Oldham's roads due to adverse weather conditions.

Regeneration Reserve – the Council has an extensive and ambitious regeneration agenda and resources have been set aside to support a number of regeneration projects which span more than one financial year.

Emergency and External Events Reserve – this reserve has been established to ensure that the Council has sufficient resources to address costs arising from events such as flooding including the requirement to undertake emergency repairs.

Levy Reserve – this represents funds set aside to cover any increased levy costs in future years as notified by the Greater Manchester Combined Authority.

Council Initiatives Reserve – there are a number of projects and programmes of work which the Council considers to be priority initiatives and has therefore set reserve funds aside to ensure that these can be undertaken.

Fiscal Mitigation Reserve – this reserve has been established to fund future costs expected to arise from reforms to Central Government Funding, pressures resulting from legislative change and the potential requirement to support performance improvement in selected services including the financial implications of COVID-19. This also includes funds set aside to strengthen the Council's financial resilience over the Medium Term.

Life Cycle Costs Reserve – the Council has a number of service areas including PFI schemes which require reserves to ensure that there is funding to provide for future costs including unitary charge inflationary increases.

Insurance Reserve – this has been established in order to finance costs (e.g. claims and premium payment) associated with insurable risk. The Council also has an Insurance Fund and the Insurance Reserve will also meet expenditure relating to various types of future claims which are not covered by the Insurance Fund.

Directorate Reserve – there are a wide range of Directorate initiatives which span more than one financial year or for which funds have been budgeted but not yet started. The Directorate Reserve will ensure that such initiatives can be completed.

Balancing Budget Reserve – this holds the sum of reserves required to balance the 2021/22 budget approved by Council on 4 March 2021 and the indicative 2022/23 budget.

District Partnership Reserve – this represents sums set aside to fund projects already agreed by the District Executives which are programmed for a future financial year or span more than one financial year.

Local Restrictions Support Grant Reserve - this has been established in order to assist businesses during the COVID-19 pandemic. The application closure date for the scheme was phased with the final tranche closing on 31 May 2021. Final payments are also phased with the last round of payments being made up to 30 June 2021, therefore these funds are held to finance the final payments.

Other Earmarked Reserves

In addition to the reserves detailed above there are two earmarked reserves held in the Council's General Fund which have to be itemised separately given the nature of the funds held. These are:

- **Revenue Grants Reserve** – this represents income from grants received which have no conditions attached or where the conditions have been met but no expenditure has yet been incurred. At the end of 2020/21 this included a range of COVID-19 grants to the value of £11.929m.
- **Schools Reserve** – this includes the balances held by Schools under the scheme of delegation.

16. Unusable Reserves

Summary	Note	31 March 2020 £000	31 March 2021 £000
Revaluation Reserve	16a	(301,491)	(307,724)
Financial Instruments Revaluation Reserve	16b	(19,240)	(21,031)
Capital Adjustment Account	16c	(34,374)	(41,571)
Financial Instruments Adjustment Account	16d	8,517	8,227
Deferred Capital Receipts	16e	(523)	(523)
Pensions Reserve	16f	324,871	475,439
Collection Fund Adjustment Account	16g	(3,240)	26,452
DSG Adjustment Account	16h	-	3,560
Accumulated Absences Reserve	16i	4,933	5,695
Total Unusable Reserves		(20,546)	148,524

All unusable reserves are described below, the movements in year for all reserves with a material balance are also disclosed.

(16a) Revaluation Reserve

The Revaluation Reserve includes the gains made by the Council arising from increases in the value of its Property, Plant and Equipment. The balance is reduced when assets with accumulated gains are:

- revalued downwards or impaired and the gains are lost;
- used in the provision of services and the gains are consumed through depreciation; and
- disposed of and gains are realised.

The reserve contains only revaluation gains accumulated since 1 April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

Revaluation Reserve	2019/20 £000	2020/21 £000
Balance at 1 April	(291,667)	(301,491)
Upward revaluation of assets	(44,354)	(30,186)
Downward revaluation of assets and impairment losses not charged to the Surplus/Deficit on the Provision of Services	5,026	8,558
Difference between fair value depreciation and historic cost depreciation	13,998	15,074
Accumulated gains on non-current assets sold or decommissioned (excluding Academies)	3,979	322
Accumulated gains on Academy assets sold or decommissioned	11,528	-
Balance at 31 March	(301,491)	(307,724)

(16b) Financial Instruments Revaluation Reserve

The Financial Instruments Revaluation Reserve contains the gains made by the Council arising from increases in the value of its investments that are measured at fair value through other comprehensive income. The balance is reduced when investments with accumulated gains are:

- revalued downwards or impaired and the gains are lost; and
- disposed of and the gains are realised.

Financial Instrument Revaluation Reserve	2019/20 £000	2020/21 £000
Balance at 1 April	(42,271)	(19,240)
Revaluation of Shareholding in Manchester Airport	22,500	(1,890)
Reversal of Pooled Investment Funds for Fair Value movement	(215)	(746)
(Surplus)/Deficit on revaluation of Financial Instrument Revaluation Reserve	22,285	(2,636)
Other Movement for Fair Value movement	3	-
Financial Instruments held under Fair Value through Profit & Loss subject to MHCLG Statutory Over-Ride *	743	845
Balance at 31 March	(19,240)	(21,031)

*The Ministry for Housing, Communities and Local Government (MHCLG) introduced a statutory over-ride to protect the General Fund balance from any fluctuations in fair value movements in quoted investment funds. In the Council's case this relates to its investments in the Churches, Charities and Local Authorities (CCLA) Property Fund. This over-ride expires on 31 March 2023 and unless extended, all fair value movements will then impact on the General Fund Balance.

(16c) Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the

acquisition, construction or enhancement element of those assets under statutory provisions. The account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Council as finance for the costs of acquisition, construction and subsequent costs.

The Account contains accumulated gains and losses on Investment Properties and gains recognised on donated assets that have yet to be consumed by the Council. The Account also contains revaluation gains accumulated on Property, Plant and Equipment before April 2007, the date that the Revaluation Reserve was created to hold such gains. Note 14 provides details of the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.

Capital Adjustment Account	2019/20 £000	2020/21 £000
Balance at 1 April	(17,413)	(34,374)
Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement		
Charges for depreciation of non-current assets	35,998	36,268
Charges for impairment of non-current assets	866	1,573
Revaluation (gains)/losses on Property, Plant and Equipment	2,756	5,560
Amortisation of intangible assets	1,557	1,456
Revenue expenditure funded from capital under statute	21,582	15,534
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement (excluding Academies)	7,917	1,586
Amounts written off on disposal or sale as part of the gain/loss on disposal of Academies to the Comprehensive Income and Expenditure Statement	18,245	0
Adjusting amounts written out of the Revaluation Reserve	(29,505)	(15,395)
Repayment of Long Term Debtors	86	104
Capital financing applied in the year:		
Use of the Capital Receipts reserve to finance new capital expenditure	(9,914)	(3,184)
Capital grants and contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	(15,464)	(10,716)
Application of grants to capital financing from the Capital Grants Unapplied Account	(26,626)	(10,104)
Statutory provision for the financing of capital investment charged against the General Fund and HRA balances	(2,742)	(2,742)
Voluntary MRP	(19,286)	(24,736)
Capital expenditure charged against the General Fund and HRA balances	(2,379)	(2,679)
Movements in the market value of Investment Properties debited or credited to the Comprehensive Income and Expenditure Statement	(51)	278
Balance at 31 March	(34,374)	(41,571)

(16d) Financial Instrument Adjustment Account

The Financial Instrument Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for income and expenditure relating to certain financial instruments and for bearing losses or benefitting from gains per statutory provisions. The Council uses the Account to manage premiums paid and discounts received on the early redemption of loans. Premiums are debited and discounts are credited to the Comprehensive Income and Expenditure Statement when they are incurred but reversed out of the General Fund Balance to the Account in the Movement in Reserves Statement. Over time, the net expense is posted back to the General Fund balance in accordance with statutory arrangements for spreading the burden on Council Taxpayers. In the Council's case this period is the unexpired term that was outstanding on loans when they were redeemed.

Financial Instrument Adjustment Account	2019/20 £000	2020/21 £000
Balance at 1 April	8,772	8,517
Proportion of premiums incurred in previous financial years to be charged against the General Fund Balance in accordance with statutory requirements	(329)	(329)
Proportion of discounts received in previous financial years to be transferred to the General Fund Balance in accordance with statutory requirements	74	38
Balance at 31 March	8,517	8,227

(16e) Deferred Capital Receipts Reserve

The Deferred Capital Receipts Reserve holds the gains recognised on the disposal of non-current assets for which cash settlement has yet to take place. Under statutory arrangements the Council does not treat these gains as usable for financing new capital expenditure until they are backed by cash receipts. When the deferred cash settlement eventually takes place, amounts are transferred to the Capital Receipts Reserve.

(16f) Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Council accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Council makes employer's contributions to pension funds or eventually pays any pension for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Council has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits are due for payment.

Pension Reserve	2019/20 £000	2020/21 £000
Balance at 1 April	420,767	324,871
Remeasurement of net defined benefit liability	(127,995)	134,528
Reversal of items relating to retirement benefits debited or credited to the surplus or deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	50,804	35,619
Employer's pension contributions and direct payments to pensioners payable in the year	(18,705)	(19,579)
Balance at 31 March	324,871	475,439

(16g) Collection Fund Adjustment Account

The Collection Fund Adjustment Account is used to manage the differences arising from the recognition of Council Tax and Business Rates income in the CIES as it falls due from Council Tax and Business Rate payers compared with the statutory arrangements for paying across amounts to the General Fund from the Collection Fund.

Collection Fund Adjustment Account	2019/20 £000	2020/21 £000
Balance as 1 April	(3,690)	(3,240)
Amount by which Council Tax and Non-Domestic Rates income credited to the CIES is different from Council Tax and Non-Domestic Rates for the year in accordance with statutory requirements	450	29,692
Balance at 31 March	(3,240)	26,452

(16h) Dedicated Schools Grant (DSG) Adjustment Account

On the 6 November 2020, the Secretary of State for the Ministry of Housing, Communities and Local Government laid before Parliament a statutory instrument (the instrument) to amend The Local Authorities (Capital Finance and Accounting) Regulations (the 2003 Regulations). The provisions came into effect from 29 November 2020.

The instrument amends the 2003 Regulations by establishing new accounting practices in relation to the treatment of local authorities' schools budget deficits such that where the Council has a deficit on its schools budget relating to its accounts for a financial year beginning on 1 April 2020, 1 April 2021 or 1 April 2022, it must not charge the amount of that deficit to a revenue account. The Council must record any such deficit in a separate account established solely for the purpose of recording deficits relating to its school's budget. The new accounting practice has the effect of separating schools budget deficits from the Councils' general fund for a period of three financial years.

This issue can only be fully resolved by closing the deficits. Therefore, the accounting treatment introduced by this regulation is limited to the financial reporting periods 2020/21, 2021/22 and 2022/23 to provide time for Government and the Council to look at budgetary and financial management strategies to reduce the deficit.

Dedicated Schools Grant Adjustment Account	2019/20 £000	2020/21 £000
Balance as 1 April	-	-
DSG Opening balance	-	4,916
Restated Opening Balance	-	4,916
In year DSG over/(under) spend	-	(1,356)
Balance at 31 March	-	3,560

(16i) Accumulated Absences Reserve

The Short Term Accumulated Absences Account absorbs the differences that would otherwise arise on the General Fund Balance from accruing for compensated absences earned but not taken in the year; e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

17. Property, Plant and Equipment

Movements on Balances

2020/21	Property, Plant and Equipment (PPE)							
	Council Dwellings	Other Land and Buildings	Vehicles, Plant and Equipment	Infrastructure Assets	Community Assets	Surplus Assets	PPE Under Construction	Total PPE
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or Valuation								
At 1 April 2020	76,755	496,414	38,601	268,208	3,241	5,632	3,969	892,820
Additions	4,403	22,414	1,958	12,287	-	17	1,751	42,830
Revaluation	1,293	(7,444)	-	-	(1)	42	-	(6,110)
Increases/(decreases) to Revaluation Reserve								
Revaluation	135	(6,202)	-	-	(15)	(75)	-	(6,157)
Increases/(decreases) to Surplus/Deficit on the Provision of Services								
Derecognition-Disposals	(36)	(1,242)	(759)	-	-	-	-	(2,037)
Reclassified to/from Held for Sale	-	-	-	-	-	(544)	-	(544)
Other Reclassifications	57	408	-	-	-	564	-	1,029
At 31 March 2021	82,607	504,348	39,800	280,495	3,225	5,636	5,720	921,831
Accumulated Depreciation and Impairment								
At 1 April 2020	4,803	6,724	26,379	113,868	3,225	-	3,608	158,606
Depreciation Charge	5,242	19,820	2,889	8,311	1	4	-	36,267
Depreciation written out on revaluation	(4,727)	(18,867)	-	-	(1)	-	-	(23,595)
Depreciation written out to Surplus/Deficit on the Provision of Services	-	(597)	-	-	-	-	-	(597)
Impairment losses/reversals to Revaluation Reserve	-	(4,149)	-	-	-	-	-	(4,149)
Impairment losses/reversals to Surplus/Deficit on the Provision of Services	95	1,020	-	458	-	-	-	1,573
Derecognition-Disposals	(3)	(43)	(683)	-	-	-	-	(729)
Eliminated on reclassification to Held for Sale	-	-	-	-	-	(4)	-	(4)
Other Reclassifications	-	-	-	-	-	-	-	-
At 31 March 2021	5,410	3,908	28,585	122,637	3,225	-	3,608	167,372
Net Book Value								
At 31 March 2021	77,197	500,440	11,215	157,858	-	5,637	2,112	754,458
At 31 March 2020	71,952	489,690	12,222	154,340	16	5,633	361	734,214

Comparative Movements in 2019/20

2019/20 – Restated	Property, Plant and Equipment (PPE)							
	Council Dwellings	Other Land and Buildings	Vehicles, Plant and Equipment	Infrastructure Assets	Community Assets	Surplus Assets	PPE Under Construction	Total PPE
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or Valuation								
At 1 April 2019	73,313	503,613	33,310	257,446	3,447	5,571	3,767	880,467
Additions	2,077	9,660	6,752	10,762	36	111	202	29,600
Revaluation	1,237	11,156	-	-	(242)	(23)	-	12,128
Increases/(decreases) to Revaluation Reserve								
Revaluation	49	(4,562)	-	-	-	18	-	(4,495)
Increases/(decreases) to Surplus/Deficit on the Provision of Services								
Derecognition-Disposals	(149)	(21,182)	(1,461)	-	-	(45)	-	(22,837)
Reclassified to/from Held for Sale	-	18	-	-	-	-	-	18
Other Reclassifications	228	(2,289)	-	-	-	-	-	(2,061)
At 31 March 2020	76,755	496,414	38,601	268,208	3,241	5,632	3,969	892,820
Accumulated Depreciation and Impairment								
At 1 April 2019	4,187	10,279	25,417	105,826	3,447	56	3,593	152,805
Depreciation Charge	4,731	20,833	2,392	8,042	-	-	-	35,998
Depreciation written out on revaluation	(4,153)	(21,445)	-	-	-	-	-	(25,598)
Depreciation written out to Surplus/Deficit on the Provision of Services	(47)	(1,625)	-	-	-	-	-	(1,672)
Impairment losses/reversals to Revaluation Reserve	-	(1,322)	-	-	(242)	2	-	(1,562)
Impairment losses/reversals to Surplus/Deficit on the Provision of Services	73	817	-	-	20	(59)	15	866
Derecognition-Disposals	(8)	(790)	(1,430)	-	-	-	-	(2,228)
Eliminated on reclassification to Held for Sale	-	4	-	-	-	-	-	4
Other Reclassifications	20	(27)	-	-	-	-	-	(7)
At 31 March 2020	4,803	6,724	26,379	113,868	3,225	-	3,608	158,606
Net Book Value								
At 31 March 2020	71,952	489,691	12,222	154,341	16	5,632	361	734,214
At 31 March 2019	69,126	493,334	7,893	151,620	-	5,515	174	727,662

The 2019/20 opening balances have been restated to reflect the removal of asset transfers in previous years.

Depreciation

The following asset lives have been used in the calculation of depreciation:

Council Dwellings	Up to 50 years
Other Land and Buildings	Up to 50 years
Vehicles, Plant, Furniture and Equipment	Between 3 and 20 years
Infrastructure	Up to 40 years

Capital Commitments

At 31 March 2021, the Council had no outstanding contracts for the construction or enhancement of Property, Plant and Equipment for which there are material outstanding contractual commitments. Similarly, there were no outstanding commitments as at 31 March 2020.

Effects of Changes in Estimates

In 2020/21 the Council made no material changes to its accounting estimates for Property, Plant and Equipment.

Revaluations

The Council undertakes a rolling programme of valuation that ensures that all Property, Plant and Equipment required to be measured at current value is revalued at least every five years. All valuations of land and buildings were carried out in accordance with the methodologies and basis for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors. The revaluations are carried out by The Unity Partnership, an external company which is 100% owned by the Council, by a team of suitably qualified professionals.

The revaluation programme is carried out throughout the year and the effective date of each revaluation is the date that the valuation was carried out.

The significant assumptions applied in estimating current values (fair value for Surplus Assets) are that:

- good title can be shown, and all valid planning permissions and statutory approvals are in place;
- the property is connected and has a right to use mains services and that sewers, main services and roads giving access to it have been adopted;
- an inspection of those parts not inspected would not reveal defects that would affect the valuation;
- the testing of electrical or other services would not reveal defects that would cause the valuation to alter; and
- there are no deleterious or hazardous materials or existing or potential environmental factors that would affect the valuation.

In addition, the Council instructed its valuers to undertake a review of all assets held at cost in the other land and buildings category to ensure that the carrying value of assets is not materially different from their current value.

The review concluded that the current value for assets valued at Depreciated Replacement Cost (DRC) experienced a significant change in values due to increases in building costs. As a result of this review, desktop valuations were conducted for all assets that are valued on a DRC basis.

Gross Valuations by Valuation Date	Council Dwellings £000	Other Land and Buildings £000	Vehicles, Plant, Furniture and Equipment £000	Infrastructure Assets £000	Community Assets £000	Surplus Assets £000	Assets under Construction £000	Total £000
Carried at historical cost	-	-	39,800	280,495	3,225	-	5,720	329,240
Valued at current value as at:								
31 March 2021	82,374	69,944	-	-	-	5,636	-	157,954
31 March 2020	233	194,586	-	-	-	-	-	194,819
31 March 2019	-	52,516	-	-	-	-	-	52,516
31 March 2018	-	106,425	-	-	-	-	-	106,425
31 March 2017	-	80,877	-	-	-	-	-	80,877
Total Cost or Valuation	82,607	504,348	39,800	280,495	3,225	5,636	5,720	921,831

18. Heritage Assets

Tangible and Intangible Heritage Assets

The three principal collections of heritage assets held in Gallery Oldham include:

- **Natural History** - Gallery Oldham holds an extensive natural history collection, made up of over 110,000 items of invertebrate, vertebrate and geological specimens.
- **Social History** - This collection consists of around 22,000 items and is of significant value as material evidence of the social history of Oldham and its people. The collections relate to the area's industrial history, archaeology, textiles and ephemera representing the everyday life of the Borough.
- **Fine and Decorative Art** - this collection consists of over 450 oil paintings, 500 watercolours and around 1,400 prints. Of particular interest are the Charles Lees collection of oil paintings, watercolours, drawings and engravings and 55 watercolours and drawings from the S. C. Turner Collection. The 2020 valuation identified three paintings in the collection each with a market value in excess of £1 million. These are works by JW Waterhouse. Alfred Munnings and William Orpen. There are also a small number of assorted photographic prints, drawings and mixed media works, sculptures and decorative arts.

Following the flood in 2018 the Council has had the Gallery Oldham collections valued by external valuer, James Glennie (Arts & Antiques Appraisals). The valuation was on a market value basis assessed at £18.292m undertaken by James Glennie as at March 2020. It is the view of the Council that the recent valuation is still relevant and will not materially affect the financial statements.

In addition to the above three collections, the Council also has Civic Regalia which is either stored or displayed at the Civic Centre, an art collection and statues as discussed overleaf.

- **Civic Regalia** - The Council's Civic Regalia is reported in the Balance Sheet at insurance valuation and the insured sum for 2020/21 is £1.442m.
- **Statues** - An additional statue was commissioned in 2018/19 and recorded at cost price of £0.036m. The assets within this category are deemed to have indeterminate lives, hence the Council does not consider it as appropriate to charge depreciation. Other Council owned statues are held on the balance sheet at their nominal value.

During the year, the Council's Gallery Team used their expert knowledge and understanding to determine if a change in insurance valuation was needed. This is based on the valuations given to items when agreeing loans to other museums and galleries as required. The 2020 valuation was based on wide research into sale prices at auctions around the world. This valuation was commissioned to Arts & Antiques Appraisals for the Gallery Oldham Collection and this has been included and updated accordingly. It is the view of the Council that the recent valuation is still relevant and there are no events which would materially change the financial statements

The following table summarises balances relating to Heritage Assets and the movements during the year:

	Art Collection £000	Civic Regalia £000	Statues £000	Total Assets £000
Cost or Valuation				
1 April 2019	18,711	1,192	36	19,939
Revaluation Gains/(Losses) Recognised in the Revaluation Reserve	(419)	250	-	(169)
Additions	-	-	-	-
31 March 2020	18,292	1,442	36	19,770
Cost or Valuation				
1 April 2020	18,292	1,442	36	19,770
Additions	-	-	1	1
Impairment to CIES	-	-	(1)	(1)
31 March 2021	18,292	1,442	36	19,770

19. Investment Properties

The following items of income and expenditure have been accounted for in the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement:

	2019/20 £000	2020/21 £000
Rental Income from Investment Properties	(2,232)	(2,610)
Direct Operating Expenses (including repairs and maintenance)	562	631
Net Gain	(1,670)	(1,978)
Fair value movements on investment properties	(51)	278
(Profit)/Loss on disposal	(976)	(143)
Total Income and Expenditure on relation to investment properties and changes in their fair value	(2,697)	(1,843)

The movement in the value of investment properties is disclosed below:

	2019/20 £000	2020/21 £000
Balance at 1 April	17,945	20,077
Additions: Subsequent Expenditure	20	47
Disposals	(242)	(5)
Net Gain/(Loss) from Fair Value Adjustments	293	(273)
Transfers (to)/from Other Land and Buildings	2,061	(1,029)
Balance at 31 March	20,077	18,817

Fair Value Hierarchy

All of the Council's investment properties have been valued as Level 2 on the fair value hierarchy for valuation purposes (see Note 34 Accounting Policy section 1.23 for an explanation of the fair value levels).

Valuation Techniques Used to Determine Level 2 Fair Values for Investment Properties

The fair value of investment properties has been measured using a market approach, which takes into account quoted prices for similar assets in active markets, existing lease terms and rentals, research into market evidence including market rentals and yields, the covenant strength for existing tenants, and data and market knowledge gained in managing the Council's Investment Asset portfolio. Market conditions are such that similar properties are actively purchased and sold and the level of observable inputs are significant, leading to the properties being categorised as level 2 on the fair value hierarchy. There has been no change in the valuation techniques used during the year for investment properties.

Highest and Best Use

In estimating the fair value of the Council's investment properties, the highest and best use is their current use.

Valuation Process for Investment Properties

The Council's investment property has been valued as at 31 March 2021 by officers of the Unity Partnership Ltd on behalf of the Council in accordance with the methodologies and basis for estimation set out in the professional standards of the Royal Institution of Chartered Surveyors.

20. Capital Expenditure and Capital Financing

The total value of capital expenditure incurred during the year is disclosed in the table below (including the value of assets acquired under finance leases), together with the resources that have been used to finance it. Where capital expenditure is to be financed in future years by charges to revenue as assets are used by the Council, the expenditure results in a decrease in the Capital Financing requirement (CFR), a measure of the capital expenditure incurred historically by the Council that has yet to be financed.

	2019/20 £000	2020/21 £000
Opening capital financing requirement	493,880	472,377
Capital Investment		
Property Plant and Equipment	29,600	42,829
Investment Assets	20	47
Heritage Assets	-	1
Revenue Expenditure Funded from Capital Under Statute	21,582	15,534
Long Term Investment	1,870	3,740
Intangible Assets	1,833	1,669
Long Term Debtors	-	9,677
Assets Held for Sale	4	-
Sources of Finance		
Capital Receipts	(9,914)	(3,184)
Government Grants and Other Contributions	(42,091)	(20,820)
Sums Set aside from Revenue	(24,407)	(30,157)
Closing Capital Financing Requirement	472,377	491,713
Explanation of movements in year		
Decrease in Need to Borrow Supported by Government Financial Assistance	(2,742)	(2,742)
(Decrease)/Increase in Need to Borrow Unsupported by Government Financial Assistance	(19,286)	21,808
Assets Acquired Under Finance Leases	525	270
Increase/(Decrease) in Capital Financing Requirement	(21,503)	19,336

21. Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instruments of another entity. Non exchange transactions, such as those relating to taxes and government grants, do not give rise to financial instruments.

The following categories of financial instrument are carried in the Balance Sheet:

Financial Assets

	Non-Current				Current			
	Investments		Debtors		Investments		Debtors	
	31-Mar-20 £000	31-Mar-21 £000	31-Mar-20 £000	31-Mar-21 £000	31-Mar-20 £000	31-Mar-21 £000	31-Mar-20 £000	31-Mar-21 £000
Amortised Cost								
Principal Investment	3,669	3,760	22,508	35,034	40,500	40,500	13,859	10,988
Accrued Interest	-	-	-	-	125	21	-	-
Cash & Cash Equivalents (CCE)	-	-	-	-	59,862	21,596	-	-
CCE Accrued Interest	-	-	-	-	36	1	-	-
Amortised Cost Total	3,669	3,760	22,508	35,034	100,523	62,117	13,859	10,988
Fair Value through other comprehensive income - designated equity instruments								
Fair Value through other comprehensive income - other	32,170	37,700	-	-	-	-	-	-
Total Financial Assets	50,095	55,615	22,508	35,034	100,673	62,268	13,859	10,988
Non-Financial Assets	-	-	-	-	-	-	29,366	38,674
Total	50,095	55,615	22,508	35,034	100,673	62,268	43,225	49,662

Financial Liabilities

	Non-Current				Current			
	Borrowings		Creditors		Borrowings		Creditors	
	31-Mar-20	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20	31-Mar-21
	£000	£000	£000	£000	£000	£000	£000	£000
Amortised Cost								
Principal	167,583	167,583	-	-	259	5,260	39,210	45,882
Loans Accrued Interest	-	-	-	-	1,457	1,438	-	-
Market Loans								
Effective Interest								
Rate Adjustment	781	772	-	-	-	-	-	-
PFI, Finance lease and transferred debt	224,229	213,178	-	-	11,638	11,228	-	-
Total Financial Liabilities	392,593	381,533	-	-	13,354	17,925	39,210	45,882
Non-Financial Liabilities	-	-	-	-	-	-	29,246	30,283
Total	392,593	381,533	-	-	13,354	17,925	68,456	76,164

Borrowings	Long Term 31 March 2020 £000	Current 31 March 2020 £000	Long Term 31 March 2021 £000	Current 31 March 2021 £000
PWLB	35,482	137	35,482	133
LOBO's	86,281	911	86,272	898
Other market debt	46,601	668	46,601	5,666
Total Borrowings	168,364	1,716	168,355	6,697

Investments in equity instruments designated at fair value through other comprehensive income

With the introduction of IFRS 9 the authority has designated the following equity at 31 March 2021 as fair value through other comprehensive income:

Description	Nominal £000	Fair Value £000	Change in fair value during 2020/21 £000
Manchester Airport Shares	10,214	32,000	1,800
Manchester Airport Car Park (1) Limited	5,610	5,700	90

The Council holds 3.22% shares in Manchester Airport Holdings Ltd, the shareholding is a strategic investment and not held for trading and therefore the Council has opted to designate it as fair value through Other Comprehensive Income. This means that there is no impact on the revenue budget and the decision to designate to fair value through other comprehensive income is irrevocable. Any gains or losses on the valuation of the shareholding will therefore be transferred to a Financial Instruments Revaluation Reserve.

During 2020/21 the Council increased the equity investment in Manchester Airport Car Park (1) Limited by a further £3.740m (along with the other nine Greater Manchester District Councils). The Council's total investment of £5.610m was to assist in funding the capital build of a car park in return for the issue of 3 C Shares in Manchester Airport Car Park (1) Limited. The value has increased slightly in year as can be seen in the above table. As in 2019/20, the shareholding is classed as a financial instrument and held at fair value on the Council's Balance Sheet. Under IFRS 9 the shareholding (investment) is designated as a strategic investment and not held for trading therefore the Council has opted to designate it as fair value through Other Comprehensive Income. This means that there is no impact on the revenue budget and the Council's decision to designate to fair value through other comprehensive income is irrevocable.

Items of income, expense, gains or losses

The gains and losses recognised in the Comprehensive Income and Expenditure Statement in relation to financial instruments are made up as follows:

	2019/20			2020/21		
	Surplus or Deficit on the provision of Services	Other Comprehensive Income & Expenditure	Total	Surplus or Deficit on the provision of Services	Other Comprehensive Income & Expenditure	Total
	£000	£000	£000	£000	£000	£000
Net gains/losses on:						
* Expected Credit Loss	(1,476)		(1,476)	(3,614)		(3,614)
* Financial Assets measured at fair value through profit or loss	(531)	-	(531)	(102)	-	(102)
* Investments in equity instruments designated at fair value through other comprehensive income		(22,500)	(22,500)		1,890	1,890
Total net gains /losses	(2,007)	(22,500)	(23,031)	(3,716)	1,890	1,788
Interest Revenue:						
* Financial Assets measured at amortised cost	3,005		3,005	3,166		3,166
* Other Financial Assets measured at fair value through other comprehensive income	6,801		6,801	848		848
Total interest revenue	9,806	-	9,806	4,014	-	4,014
Interest Expense	(27,755)		(27,755)	(27,430)		(27,430)

Fair Value of Financial Instruments

Some of the Council's financial assets are measured in the Balance Sheet at fair value on a recurring basis and are described in the following table, including the valuation techniques used to measure them.

Recurring Fair Value Measurements	Input level in Fair Value Hierarchy*	Valuation technique used to measure Fair Value	31 March 2020 Fair value £000	31 March 2021 Fair value £000
Fair Value through Profit and Loss CCLA Property Fund	Level 1	Unadjusted quoted prices in active markets for identical shares	14,256	14,154
Fair Value through Other Comprehensive Income Manchester Airport	Level 2	Earnings Based	30,200	32,000
Manchester Airport Car Park (1) Limited	Level 2	Earnings Based	-	5,700
Total Fair Value through Other Comprehensive Income			30,200	37,700
Total Fair Value of Financial Instruments			44,456	51,855

* See Note 34 Accounting Policy 1.23 for an explanation of the Fair Value levels.

The Council holds a 3.22% share in Manchester Airports Holdings Limited (MAHL) and 10% of the issued C Shares in Manchester Airport Car Park (1) Limited which represents a minority holding and does not confer any voting rights. The shares in both these companies are not traded in an active market; however, the fair value in MAHL shown above is based on a high degree of comparability to listed company data including any movement in share prices. The earnings based method has been employed which takes as its basis the profitability of the company, assessing its historic earnings and arriving at a view of "maintainable" or "prospective" earnings.

The method involves the application of a price earnings ratio to maintainable or prospective earnings or post tax profits and draws on data from comparable quoted companies. The data is then adjusted by discount factors to allow for the fact that the shares are not publicly traded and that the Council holds a minority interest with no voting rights. These unobservable inputs have been developed using the best information about the assumptions that the market participants would use when pricing the asset.

The valuation has been made using the audited accounts of MAHL for the annual periods between 2018/19 and 2019/20 along with an interim 6 month report for the period ending 30 September 2020. These shares are subject to an annual valuation. In 2020/21 this has seen an increase in value of £1.800m.

The 10% holding in Manchester Airport Car Park (1) Limited is valued on the financial forecast in the original business case and adjusted for the impact of COVID-19 and the reduced passenger numbers at Manchester Airport as evidenced in the Council valuation of its shareholding in MAHL. The data is then adjusted by discount factors to allow for the fact that the shares are not publicly traded and that the Council holds a minority interest with no voting rights.

The Council also holds units within the CCLA Property Fund. The fair value has been calculated using quoted share prices. All other long-term investments are carried at historic cost, as these are the Council's investments in subsidiaries and associates. . The total value of the other long-term investments at 31 March 2021 is £3.760m.

Except for the financial assets carried at fair value (described in the table above), all other financial liabilities and financial assets represented by amortised cost and long-term debtors and creditors are carried on the Balance Sheet at amortised cost. Their fair value can be assessed by calculating the present value of the cash flows that take place over the remaining life of the instruments (Level 2), using the following assumptions:

- For loans from the Public Works Loan Board (PWLB) payable, new loan rates from the PWLB have been applied to provide the fair value under PWLB debt redemption procedures. An additional note to the tables sets out the alternative fair value measurement applying the premature repayment rate, highlighting the impact of the alternative valuation;
- For non-PWLB loans payable, prevailing market rates have been applied to provide the fair value under PWLB debt redemption procedures;
- For loans receivable prevailing benchmark market rates have been used to provide the fair value;
- No early repayment or impairment is recognised;
- Where an instrument has a maturity of less than 12 months or is a trade or other receivable the fair value is taken to be the carrying amount or the billed amount;
- The fair value of trade and other receivables is taken to be the invoiced or billed amount.

	31 March 2020		31 March 2021	
	Carrying Amount £000	Fair Value £000	Carrying Amount £000	Fair Value £000
PWLB	35,620	33,975	35,615	36,358
Market Loans	134,460	201,675	139,437	221,935
Short-term creditors	39,210	39,210	45,882	45,882
Total	209,290	274,860	220,934	304,175

The fair value of the liabilities is greater than the carrying amount because the Council's portfolio of loans includes a number of fixed rate loans where the interest rate payable is higher than the rates available for similar loans in the market at the Balance Sheet date. This shows a notional future loss (based on economic conditions at 31 March 2021) arising from a commitment to pay interest to lenders above current market rates.

The fair value of PWLB loans based on the premature repayment rate of £42.716m (as part of the external valuation) measures the economic effect of the terms agreed with the PWLB compared with estimates of the terms that would be offered for market transactions undertaken at the Balance Sheet date. The difference between the carrying amount and the fair value measures the additional interest that the Council will pay over the remaining terms of the loans under the agreements with the PWLB, against what would be paid if the loans were at prevailing market rates.

The Council has used a transfer value for the fair value of financial liabilities. The Council has also calculated an exit price fair value of £42.716m, which is calculated using an early repayment discount rate. The Council has no contractual obligation to pay these costs and will not incur any additional cost if the loans run to their planned maturity date.

	31 March 2020		31 March 2021	
	Carrying Amount £000	Fair Value £000	Carrying Amount £000	Fair Value £000
Fixed Term Investments	40,625	40,625	40,521	40,528
Cash and Cash Equivalents	59,898	59,898	21,597	21,597
Long-term debtors	22,508	59,920	35,034	95,384
Short-term debtors	13,859	13,859	10,988	10,988
Total	136,891	174,302	108,142	168,497

The fair value of the assets is greater than the carrying amount because the Council's portfolio of loans includes a number of fixed rate loans where the interest rate payable is higher than the rates available for similar loans in the market at the Balance Sheet date. This shows a notional future gain (based on economic conditions at 31 March 2021) arising from a commitment to pay interest to lenders below current market rates.

Short-term debtors and creditors are carried at cost as this is a fair approximation of their value.

Fair value hierarchy for financial assets and financial liabilities that are not measured at fair value

31 March 2021 Recurring fair value measurements using:	Other significant observable inputs (Level 2) £000
Financial liabilities	
Financial liabilities held at amortised cost:	
PWLB	35,482
Non-PWLB	132,873
Short term debt	5,260
PFI and finance lease liability	224,405
Total	398,020
Financial assets held at amortised cost:	62,117
Other financial assets - Long Term	3,759
Total	65,876

31 March 2020 Recurring fair value measurements using:	Other significant observable inputs (Level 2) £000
Financial liabilities	
Financial liabilities held at amortised cost:	
PWLB	35,482
Non-PWLB	132,882
Short term debt	259
PFI and finance lease liability	235,867
Total	404,490
Financial assets held at amortised cost:	100,523
Other financial assets - Long Term	3,669
Total	104,192

The fair value for financial liabilities and financial assets that are not measured at fair value included in Levels 2 and 3 in the table above have been arrived at using a discounted cash flow analysis with the most significant inputs being the discount rate detailed.

The fair value for financial liabilities and financial assets that are not measured at fair value can be assessed by calculating the present value of the cash flows that will take place over the remaining term of the instruments, using the assumptions detailed above. Primarily for financial liabilities the fair value is arrived at by applying the discounted cash flow calculations based on the PWLB premium/discount calculations.

Nature and Extent of Risks Arising from Financial Instruments

The Council's activities expose it to a variety of financial risks. The key risks are:

- Credit risk - the possibility that other parties might fail to pay amounts due to the Council;

- Liquidity risk - the possibility that the Council might not have funds available to meet its commitments to make payments;
- Re-financing risk - the possibility that the Council might be required to renew a financial instrument on maturity at disadvantageous interest rates or terms
- Market risk - the possibility that financial loss might arise for the Council as a result of changes in such measures as interest rates or stock market movements.

The Council's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund services and is based on the framework set out in the Local Government Act 2003 and associated regulations.

As directed by the Act, the Council has formally adopted the CIPFA Treasury Management Code of Practice and complies with the CIPFA Prudential Code. As part of the adoption of the Treasury Management Code, the Council approves a Treasury Management Strategy before the commencement of the year to which it relates, this strategy sets out the parameters for the management of risks associated with financial instruments.

Full details of the Council's Treasury Management Strategy for 2020/21 can be found on the Council's website.

The strategy also includes an Annual Investment Strategy for the forthcoming year, setting out its criteria for both investing and selecting investment counterparties in compliance with Government guidance.

Risk management is carried out by a central treasury team, under policies approved by the Council in the annual Treasury Management Strategy. The Council provides written principles for overall risk management, as well as written policies (covering specific areas, such as interest rate risk, credit risk, and the investment of surplus cash).

Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Council's customers. This risk is minimised through the Annual Investment Strategy, which requires that deposits are not made with financial institutions unless they meet identified minimum credit criteria, in accordance with the Fitch, Moody's and Standard and Poors Credit Ratings Services. The Annual Investment Strategy also considers maximum amounts and time limits in respect of each financial institution. Deposits are not made unless they meet the minimum requirements of the investment criteria outlined above and detailed below.

Oldham Council uses the creditworthiness service provided by Link Asset Services. This service uses a sophisticated modelling approach with credit ratings from all three rating agencies forming the core element. However, it does not rely solely on the current credit ratings of counterparties but also uses the following as overlays:

- Credit watches and credit outlooks from credit rating agencies;
- Credit Default Swap (CDS) spreads to give early warning of likely changes in credit ratings; and
- Sovereign ratings to select counterparties from only the most creditworthy countries

Institutions are split into colour bandings to determine the maximum level and duration of the investment.

The full Investment Strategy for 2020/21 was approved by Council on 26 February 2020 and is available on the Council's website.

Customers for goods and services are assessed, taking into account their financial position, past experience and other factors, with individual credit limits being set in accordance with internal ratings in accordance with parameters set by the Council.

The Council had a total of £68.540m deposited with a number of financial institutions at 31 March 2021. The Council's maximum exposure to credit risk in relation to this amount cannot be assessed generally as the risk of any institution failing to make interest payments or repay the principal sum will be specific to each institution. Recent experience has shown that it is rare for such entities to be unable to meet their commitments. A risk of irrecoverability applies to all of the Council's deposits, but there was no evidence at the 31 March 2021 that this was likely to crystallise.

The Council holds a number of long term debtors totalling £35.034m as at 31 March 2021. When undertaking any long term loans the Council follows a fully due diligence process. Having assessed the Council's exposure to credit risk on the long term debtors as at 31 March 2021, there was no evidence that the entities were unable to meet their commitments on their existing loan structures.

Amounts Arising from Expected Credit Losses

We have assessed the Council's short and long term investments and concluded that the expected credit loss is not material therefore no allowances have been made.

A summary of the credit quality of the Council's investments at 31 March 2021 is shown below, along with the potential maximum exposure to credit risk, based on experience of default and uncollectability.

	Link Asset Services - Colour banding	Fitch - Rating	Moody's - Rating	Standard and Poors - Rating	Amount at 31 March 2021	Historical Experience of Default	Estimated maximum exposure to default and uncollectability at 31 March 2021
					£000	%	£000
Deposits with Banks and Financial Institutions							
Wokingham Borough Council	Yellow	AA-	Aa2	A+	5,000	0.002%	-
Blackpool Council	Yellow	AA-	Aa2	A+	3,000	0.005%	-
Goldman Sachs	Red	F1	P-1	A-1	5,000	0.015%	1
Aberdeen City Council	Yellow	AA-	Aa2	A+	5,000	0.008%	-
Warrington Borough Council	Yellow	AA-	Aa2	A+	5,000	0.008%	-
Blaenau Gwent County Council	Yellow	AA-	Aa2	A+	5,000	0.009%	-
Canterbury City Council	Yellow	AA-	Aa2	A+	5,000	0.010%	-
Santander UK Plc 35 Notice	Red	F1	P-1	A-1	2,500	0.005%	0
Bank of Scotland 95 Day Notice	Red	F1	P-1	A-1	5,000	0.012%	1
Santander UK Plc 180 Notice	Red	F1	P-1	A-1	2,500	0.023%	1
Santander UK Plc 180 Notice	Red	F1	P-1	A-1	5,000	0.023%	1
Invesco MMF*	Purple	AAA	Aaa	AAA	2,000	0.000%	-
Federated MMF*	Purple	AAA	Aaa	AAA	8,540	0.000%	-
Aberdeen Standard MMF*	Purple	AAA	Aaa	AAA	10,000	0.000%	-
					68,540		4

*MMF – Money Market Fund

No credit limits were exceeded during the reporting period and the Council does not expect any losses from non-performance by any of its counterparties in relation to deposits and bonds.

The Council does not generally allow extended credit for customers, but some of the current balance is past its due date for payment. The past due but not impaired amount can be analysed by age as follows:

	31 March 2020 £000	31 March 2021 £000
Less than 3 months	3,723	3,269
3 - 6 months	290	503
6 - 12 months	2,967	3,071
More than 12 months	4,924	6,457
Total	11,904	13,299

During the reporting period, the Council held no collateral as security.

Liquidity Risk

The Council manages its liquidity position through the risk management procedures set out above (the setting and approval of prudential indicators and the approval of the treasury and investment strategy reports), as well as through a comprehensive cash flow management system, as required by the CIPFA Treasury Management Code of Practice. This seeks to ensure that cash is available when needed.

The Council has ready access to borrowing from the money markets to cover any day to day cash flow need, and the PWLB and money markets for access to longer term funds. The Council is also required to provide a balanced budget through the Local Government Finance Act 1992, which ensures sufficient monies are raised to cover annual expenditure. There is no significant risk that the Council will be unable to raise finance to meet its commitments under financial instruments.

The maturity analysis of financial assets, excluding sums due from customers is as follows:

	31 March 2020	31 March 2021
	£000	£000
Less than 1 Year	103,122	68,540
Between 1 and 2 years	628	628
Between 2 and 3 years	-	-
More than 3 years	71,975	90,022
Total	175,725	159,189

Refinancing and Maturity Risk

The Council maintains a significant debt and investment portfolio. Whilst the cash flow procedures above are considered against the refinancing risk procedures, longer-term risk to the Council relates to managing the exposure to replacing financial instruments as they mature. This risk relates to both the maturing of longer-term financial liabilities and longer term financial assets.

The approved treasury indicator limits for the maturity structure of debt and the limits placed on investments placed for greater than one year in duration are the key parameters used to address this risk. The Council approved treasury and investment strategies address the main risks and the central treasury team address the operational risks within approved parameters. This includes:

- monitoring the maturity profile of financial liabilities and amending the profile through either new borrowing or the rescheduling of the existing debt; and
- monitoring the maturity profile of investments to ensure sufficient liquidity is available for the Council's day to day cash flow needs, and the spread of longer-term investments provide stability of maturities and returns in relation to the longer term cash flow needs.

The maturity profile of financial liabilities is as follows:

	31 March 2020 £000	31 March 2021 £000
Less than 1 year	40,925	52,820
1 - 2 years	241	6,600
2 - 5 years	6,600	-
5 - 10 years	7,500	7,500
More than 10 years	153,242	153,242
Total	208,508	220,162

The above analysis is based on the term of the borrowing and expected maturity date, within the more than ten years category includes principal of £54m of Lender Option Borrower Option loans (LOBO's) that could potentially be called by the lender during the next financial year.

The average maturity of LOBOs held within the more than ten years category is 46 years, these loans all have option dates within the next five years, however it is not anticipated that any of these will be called and require repayment based on the current low interest rate environment.

All trade and other payables are due to be paid in less than one year.

Market Risk

The Council is exposed to market risk in terms of its exposure that the value of an instrument will fluctuate because of changes in:

- Interest rate risk;
- Price risk; and
- Foreign exchange rate risk.

Interest Rate Risk

The Council is exposed to risk in terms of its exposure to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Council, depending on how variable and fixed interest rates move across differing financial instrument periods. For instance, a rise in interest rates would have the following effects:

- borrowings at variable rates – the interest expense charged to the Comprehensive Income and Expenditure Statement will rise;
- borrowings at fixed rates – the fair value of the liabilities will fall (no impact on revenue balances);
- investments at variable rates – the interest income credited to the Comprehensive Income and Expenditure Statement will rise; and
- investments at fixed rates – the fair value of the assets will fall (no impact on revenue balances).

Borrowings are not carried at fair value on the Balance Sheet, so nominal gains and losses on fixed rate borrowings would not impact on the Surplus or Deficit on the Provision of Services or Other Comprehensive Income and Expenditure. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Surplus or Deficit on the Provision of Services and affect the General Fund Balance. Movements in the fair value of fixed rate investments that have a quoted market price will be reflected in Other Comprehensive Income and Expenditure.

The Council has a number of strategies for managing interest rate risk. The Annual Treasury Management Strategy draws together Council's prudential and treasury indicators and its expected treasury operations, including an expectation of interest rate movements. From this Strategy a treasury indicator is set which provides maximum limits for fixed and variable interest rate exposure.

The central treasury team monitor market and forecast interest rates within the year to adjust exposures appropriately. For instance, during periods of falling interest rates, and where economic circumstances make it favourable, fixed rate investments may be taken for longer periods to secure better long-term returns, similarly the drawing of longer term fixed rates borrowing would be postponed.

According to this assessment strategy, at 31 March 2021, if all interest rates had been 1% higher (with all other variables held constant) the financial effect would have been:

	2020/21 £000
Decrease in fair value of fixed rate investment assets	685
Impact on Other Comprehensive Income and Expenditure	685
Decrease in fair value of fixed rate borrowings liabilities (no impact on the Surplus or Deficit on the Provision of Services or Other Comprehensive Income and Expenditure)	2,202

The approximate impact of a 1% fall in interest rates would be as above but with the movements being reversed. These assumptions are based on the same methodology as used in the Note – Fair Value of Assets and Liabilities carried at Amortised Cost.

Price Risk

The Council does not generally invest in equity shares or marketable bonds but does have shareholdings to the value of £55.615m in a number of joint ventures and in local companies. Whilst these holdings are generally illiquid, the Council is consequently exposed to losses arising from movements in the prices of the shares.

As the shareholdings have arisen in the acquisition of specific interests, the Council is not in a position to limit its exposure to price movements by diversifying its portfolio. Instead it only acquires shareholdings in return for 'open book' arrangements with the company concerned so that the Council can monitor factors that might cause a fall in the value of specific shareholdings.

Of the shares mentioned above £41.460m have been elected as Fair Value through Other Comprehensive Income, meaning that all movements in price will impact on gains and losses recognised in the Financial Instruments Revaluation Reserve. A general shift of 5% in the general price of shares (positive or negative) may occur, which would have resulted in a £2.073m gain or loss being recognised in the Financial Instrument Revaluation Reserve for 2020/21. The Council holds investment units within the CCLA Property Fund that have been classified as Fair Value through Profit and Loss, however the Council has chosen to use the 5 year override as allowed by CIPFA to allocate to Fair Value through Other Comprehensive Income, therefore any gains or losses on prices will also be taken to the Financial Instrument Revaluation Reserve. A loss of £0.102m was also recognised in 2020/21 in relation to the Council's holding in the CCLA property fund.

In 2020/21 the Council's holding in Manchester Airport, was re-valued resulting in a gain of £1.8m along with a gain of £0.090m in relation to the new shareholding in Manchester Airport Car Park (1) Limited both of which were recognised in the Financial Instruments Revaluation Reserve.

Foreign Exchange Risk

The Council has no financial assets or liabilities denominated in foreign currencies, and thus had no exposure to loss arising from movements in exchange rates.

22. Debtors

The Council's short-term debtors (net of the expected credit loss) are as follows:

	31 March 2020 £000	31 March 2021 £000
Central Government Bodies	6,229	11,140
Other Local Authorities	1,971	2,202
NHS Bodies	2,588	3,345
Capital Debtors	2,704	3,148
Other entities and individuals	25,471	23,640
Payments in Advance	4,262	6,187
Total	43,225	49,662

The Council's long-term debtors (net of the provisions for bad and doubtful debts) are as follows:

	31 March 2020 £000	31 March 2021 £000
Mortgages	6	6
Loans to Trusts, Community Interest Groups & Third Sector Organisations	602	498
Other Capital Loans & Advances	21,900	34,530
Total	22,508	35,034

23. Cash and Cash Equivalents

	31 March 2020 £000	31 March 2021 £000
Cash held by the Authority	116	119
Bank Current Accounts	65,745	32,836
Bank Overdraft	(5,963)	(11,358)
Total	59,898	21,597

24. Creditors

The Council's creditors are as follows:

	31 March 2020 £000	31 March 2021 £000
Central Government Bodies	(4,600)	(6,096)
Other Local Authorities	(1,287)	(998)
NHS Bodies	(889)	(2,206)
Capital Creditors	(3,454)	(2,410)
Other entities and individuals	(37,650)	(44,381)
Accumulated Absences	(4,933)	(5,695)
Receipts in Advance	(15,643)	(14,378)
Total	(68,456)	(76,164)

25. Provisions

	Short Term		
	Insurance Provision £000	Other Provisions £000	Total £000
Balance at 31 March 2020	(3,191)	(9,376)	(12,566)
Provisions released in 2020/21	1,008	1,330	2,338
Amounts used in 2020/21	-	467	467
Balance at 31 March 2021	(2,183)	(7,579)	(9,761)

	Long Term			
	Insurance Provision	Pay and Reward Provision	Other Provisions	Total
	£000	£000	£000	£000
Balance at 1 April 2020	(8,350)	(2,001)	(5,449)	(15,800)
Provisions released in 2020/21	-	-	134	133
Balance at 31 March 2021	(8,350)	(2,001)	(5,315)	(15,667)

The Insurance Provision covers all historic legal liability claims including personal accident risks to employees whilst carrying out their duties, public and all other liability claims, the losses arising from the inability of contractors to fulfil obligations, the fire fund (historic property claims under £0.100m) and all other past claims under the policy excess, which is £0.150m and not yet settled.

The Other Provisions represent amounts set aside to meet potential future liabilities; this includes a provision for Business Rates Appeals and changes in legislation.

26. Contingent Assets

A contingent asset is an asset that may be received but only if a future event occurs that is not under the control of the Council. The Council has identified the following contingent assets as at 31 March 2021.

1) Housing Stock Transfer

The Housing Stock Transfer has resulted in a number of contingent assets to the Council.

a) Right to Buy Sharing Agreement

As with other agreed housing stock transfers, the Council has entered into an agreement with First Choice Homes Oldham (FCHO) and the Council's Housing PFI partners relating to the future sales under the Prescribed Right to Buy (PRTB) regulations. This relates to any future sales of the transferred stock to existing tenants.

The Council will receive capital receipts at the end of each financial year for any properties sold within the year. The value of the receipt is calculated using a formula that takes the net income forgone by FCHO/Housing PFI from the total proceeds from the sale of dwellings for that year.

b) VAT Shelter Arrangements

In normal circumstances, FCHO is not able to reclaim VAT on improvement works to dwellings. The VAT Shelter is an arrangement, used in every housing stock transfer since 2002, with HMRC's agreement, whereby FCHO can reclaim VAT on future improvement works to the transferred housing stock. Of the £229.792m of improvement works to be undertaken, an estimated £45.958m of VAT would be recoverable by FCHO over the 15 years post transfer.

The Council agreed a 50/50 share of the VAT Shelter with FCHO, after FCHO has retained its first tranche of recoverable VAT; this is a sum of £14.900m. This first tranche of VAT was utilised by FCHO during the first 4 years post transfer. FCHO also retained a second tranche of VAT shelter savings, totalling £6.000m. This second tranche was used solely for asbestos works that exceeded the amount estimated within the Stock Condition Survey of £7.200m, (net of inflation, fees and VAT). This arrangement was agreed to mitigate the Council's overall risk of a contingent liability through the asbestos warranty. If the total amount of the second tranche is not needed, the remaining balance will be shared under the 50/50 sharing agreement.

The estimated value of VAT shelter savings for the Council is circa £15.000m. The amount received in any given year by the Council will be dependent on the value of works undertaken by FCHO on which VAT can be reclaimed. The Council received VAT savings totalling £4.243m up to 31 March 2021 and will continue to receive payments up to the values given above. The savings that are received by the Council will be treated as a capital receipt to support the Council's capital programme.

27. Contingent Liabilities

A contingent liability is a potential liability which depends on the occurrence or non-occurrence of one or more uncertain future events. The Council has identified the following contingent liabilities as at 31 March 2021.

1) Stock Transfer Warranties

The Council agreed to a number of warranties under the stock transfer agreements with First Choice Homes (FCHO). This arrangement gives rise to a possible obligation of the Council, which will be confirmed upon the occurrence or non-occurrence of the invocation of the warranties. The only remaining significant warranty is the Asbestos indemnity.

2) Saddleworth School Site Indemnity

As part of the formal agreements for the development of a new Saddleworth School, the Council may be required to enter into an indemnity agreement with the Secretary of State (SoS) for Education. The indemnity relates to the Council compensating the SoS for any increases in the costs of the construction resulting from access issues for the contractor as a result of Highways works within the Council's control during the construction of the new school. It is currently uncertain whether any such issues will arise as part of the project or the extent of any additional costs should issues arise. As at the 31 March 2021 the Council still has a number of agreements to enter into including the purchase of the site and the agreement with the SoS. As a result, there is a possible obligation on the Council which will be confirmed on invocation of the indemnity.

28. PFI and Similar Contracts

Oldham Library and Lifelong Learning Centre

The financial year 2020/21 was the sixteenth of a 25-year PFI contract for the construction, maintenance and operation of Information Technology (IT) and Financial Management (FM) services of the Library and Lifelong Learning Centre in the town centre. The Council has rights under the contract to specify the opening times of the facility. The contract specifies minimum standards for the services to be provided by the contractor, with deductions from the fee payable being made if the facilities are unavailable or performance is below the minimum standards. The contractor was obliged to construct the centres and to maintain them to a minimum acceptable condition, and to procure and maintain the plant and equipment needed to operate the facility. The building, and any plant and equipment installed, will transfer to the Council at the end of the contract for nil consideration. The Council only has rights to terminate the contract if it compensates the contractor in full for costs incurred including the repayment of any of the contractor's outstanding debt attributable to the contract. There have been no changes to the arrangement during the financial year.

Housing PFI Schemes

Sheltered Housing

The financial year 2020/21 was the fifteenth of a 30-year PFI contract for the demolition and new build (or refurbishment of), and the provision of management and maintenance services to, sheltered and warden supported properties in the Housing Revenue Account (HRA).

The dwellings will transfer to the Council at the end of the contract for nil consideration.

Gateways to Oldham Housing

The financial year 2020/21 was the tenth of a 25 year PFI contract for the management of 626 HRA dwellings with Inspiral Oldham Limited (Inspiral). Inspiral is responsible for demolition, new build and refurbishment of the dwellings together with their management and maintenance. The contract also includes minor works to the external fabric of 153 leaseholder/owner occupied properties, for which the majority of associated costs will be met by the leaseholders/owner occupiers. The management of the dwellings within the HRA will transfer back to the Council at the end of the contract for nil consideration unless a separate contract is entered into either with Inspiral or an alternative contractor.

The Council has rights under both PFI housing contracts to specify arrangements around the demolition, new build and refurbishment of the dwelling together with the tenancy management services to be supplied. The contracts specify minimum standards for the services to be provided by the contractor, with deductions from the fee payable being made if facilities are unavailable or performance is below the minimum standards. The contractors are obliged to demolish and rebuild/refurbish the dwellings and to maintain them to a minimum acceptable condition over the life of the contract.

The Council has rights to terminate the contracts in the event of non-performance but will be required to compensate the contractors, potentially including the repayment of any of the contractors' outstanding debt attributable to the contracts. There have been no changes to the arrangements during the financial year.

Chadderton Wellbeing Centre

The financial year 2020/21 was the twelfth of a 30-year LIFT Lease Plus Agreement to build and maintain the Chadderton Wellbeing Centre. The Centre incorporates a library, sports centre, café and community rooms. The Council has rights under the contract to specify the opening times of the facility. The contract specifies minimum standards for the services to be provided by the contractor, with deductions from the fee payable being made if the facilities are unavailable or performance is below the minimum standards. The contractor was obliged to construct the centre and to maintain it to a minimum acceptable condition and to procure and maintain the plant and equipment needed to operate the facility. The Council has the option to purchase the Wellbeing Centre for less than the asset's market value. The Council has judged itself reasonably certain to exercise the option, and the cost of the eventual purchase has been factored into the Minimum Lease Payments. The Council only has rights to terminate the contract if it compensates the contractor in full for costs incurred including the repayment of any of the contractor's outstanding debt attributable to the contract. There have been no changes to the arrangement during the financial year.

Street Lighting PFI Scheme

The financial year 2020/21 was the tenth of a 25-year PFI joint contract, with Rochdale Council, for the replacement of approximately 23,000 streetlights in Oldham in the first five years and the ongoing management and maintenance of the streetlights over the life of the contract. The Council has rights under the contract to detail the specification of the streetlights. The contract specifies minimum standards for the services to be supplied by the contractor, with deductions from the fee payable being made if performance is below the minimum standards. The contractor is obliged to replace and maintain the streetlights over the life of the contract. The streetlights will transfer to the Council at the end of the contract for nil consideration. The Council only has rights to terminate the contract if it compensates the contractor in full for costs incurred, including the repayment of any of the contractor's outstanding debt attributable to the contract.

Education Services PFI Schemes

Schools (Radclyffe and Failsworth)

The financial year 2020/21 was the fourteenth of a 25-year PFI contract for the construction and maintenance of two secondary schools, Radclyffe and Failsworth, along with the provision of Facilities Management and IT services over the life of the contract. The schools and any plant and equipment installed in them will transfer to the Council at the end of the contract for nil consideration.

Building Schools for the Future

The financial year 2020/21 was the ninth of a 25 year PFI contract for the construction and maintenance of a secondary school, The Blessed John Henry Newman RC Secondary School; along with provision of Facilities Management services, over the life of the contract.

The Council has rights, under both education services PFI contracts, to specify the opening times of the schools. The contracts specify minimum standards for the services to be provided by the contractors, with deductions from the fee payable being made if the facilities are unavailable or performance is below the minimum standards. The contractors were obliged to construct the schools and to maintain them to a minimum acceptable condition and to procure and maintain the plant and equipment needed to operate the facility. The Council only has rights to terminate the contract, if it compensates the contractors in full for costs incurred including the repayment of any of the contractors' outstanding debt attributable to the contract. There have been no changes to the arrangements during the financial year.

Analysis of Payments due to be made under PFI and similar Contracts

The following table shows payments due to be made under PFI and similar Contracts. All the payments under PFI and similar Contracts are linked in full or in part to Retail Price Index inflation and can be reduced if the contractor fails to meet availability and performance standards in any given financial year but are otherwise fixed. Lifecycle replacement costs have been included in the Service Charges element detailed in the table below.

	Library and Lifelong Learning Centre £000	Sheltered Housing £000	Gateways to Oldham Housing £000	Chadderton Wellbeing Centre £000	Street Lighting £000	Schools £000	Building Schools for the Future £000	Total £000
2021/22								
Repayment of Liability	604	2,947	1,859	129	866	2,307	1,035	9,746
Interest	920	6,663	3,696	859	1,693	2,795	2,641	19,267
Service Charges	1,340	5,994	3,346	289	1,912	3,466	1,664	18,011
Total	2,864	15,604	8,901	1,277	4,470	8,568	5,340	47,024
2022/23 to 2025/26								
Repayment of Liability	3,214	14,732	7,750	247	2,311	10,223	4,718	43,195
Interest	3,024	25,020	13,309	3,409	5,363	9,364	9,624	69,113
Service Charges	5,532	24,648	15,556	1,775	10,773	15,608	7,552	81,444
Total	11,770	64,400	36,615	5,431	18,447	35,195	21,894	193,752
2026/27 to 2030/31								
Repayment of Liability	6,115	16,830	14,327	535	3,658	15,654	8,425	65,544
Interest	2,246	26,972	14,176	4,796	5,245	6,837	9,230	69,502
Service Charges	6,582	41,356	19,737	2,258	15,483	23,769	11,014	120,199
Total	14,943	85,158	48,240	7,589	24,386	42,260	28,669	255,245
2031/32 to 2035/36								
Repayment of Liability	-	32,386	23,364	1,231	10,221	6,522	10,942	84,666
Interest	-	20,406	10,685	5,702	4,902	712	4,778	47,185
Service Charges	-	37,852	17,272	1,653	10,826	10,409	14,572	92,584
Total	-	90,644	51,321	8,586	25,949	17,643	30,292	224,435
2036/37 to 2040/41								
Repayment of Liability	-	4,741	4,016	5,835	649	-	4,138	19,379
Interest	-	1,581	1,049	4,141	165	-	469	7,405
Service Charges	-	3,087	2,048	1,749	570	-	4,314	11,768
Total	-	9,409	7,113	11,725	1,384	-	8,921	38,552
Repayments total	9,933	71,636	51,316	7,977	17,705	34,706	29,258	222,531
Interest total	6,190	80,642	42,915	18,907	17,368	19,708	26,742	212,472
Service Charges total	13,454	112,937	57,959	7,724	39,564	53,252	39,116	324,006
Grand total	29,577	265,215	152,190	34,608	74,636	107,666	95,116	759,009

Analysis of Liabilities as a result of PFI and Similar Contracts

The payments to the contractor are described as Unitary payments. They have been calculated to compensate the contractor for the fair value of the services the contractor provides, the capital expenditure incurred and the interest payable whilst the capital expenditure remains to be reimbursed. The liability to pay the contractors for capital expenditure incurred is as follows:

Scheme	Liability 31 March 2019 £000	Repayments £000	Liability 31 March 2020 £000	Repayments £000	Liability 31 March 2021 £000
Library and Lifelong Learning Centre	10,912	(481)	10,431	(498)	9,933
Sheltered Housing	77,331	(2,714)	74,617	(2,981)	71,636
Gateways to Oldham	56,044	(2,409)	53,635	(2,320)	51,316
Chadderton Wellbeing Centre	8,248	(141)	8,107	(130)	7,977
Street Lighting	19,290	(792)	18,498	(793)	17,705
Schools	39,398	(2,240)	37,158	(2,453)	34,706
Building Schools for the Future	31,273	(974)	30,299	(1,041)	29,258
Total	242,496	(9,751)	232,745	(10,216)	222,531

Assets as a result of PFI and Similar Contracts

	Library and Lifelong Learning Centre £000	Sheltered Housing £000	Gateways to Oldham Housing £000	Chadderton Wellbeing Centre £000	Street Lighting £000	Schools £000	Building Schools for the Future £000	Total £000
Cost or Valuation								
As at 1 April 2020	15,670	41,432	21,620	11,010	24,457	74,520	34,938	223,647
Additions	-	6	-	-	-	-	-	6
Revaluations recognised in Revaluation Reserve	(260)	747	624	410	-	583	833	2,937
Revaluations recognised in (Surplus)/Deficit on the Provision of Services	-	2	-	-	-	-	-	2
Derecognition-disposals	-	-	(34)	-	-	-	-	(34)
As at 31 March 2020	15,410	42,181	22,216	11,420	24,457	75,103	35,771	226,558
Accumulated Depreciation & Impairment								
As at 1 April 2020	-	3,178	1,552	-	3,585	-	-	8,315
Depreciation Charge	693	3,641	1,595	451	616	3,806	1,674	12,476
Depreciation Written out to Revaluation Reserve	(693)	(3,178)	(1,549)	(451)	-	(3,806)	(1,674)	(11,351)
Depreciation written out to the (Surplus)/Deficit on the Provision of Services	-	-	-	-	-	-	-	-
Impairment Losses/(reversals) recognised in the Revaluation Reserve	-	-	-	-	-	-	-	-
Impairment Losses/(reversals) recognised in the (Surplus)/Deficit on the Provision of Services	-	-	-	-	-	-	-	-
Derecognition -disposals	-	-	(3)	-	-	-	-	(3)
As at 31 March 2021	-	3,641	1,595	-	4,201	-	-	9,437
Net Book Value at 31 March 2020	15,670	38,254	20,068	11,010	20,872	74,520	34,938	215,332
Net Book Value at 31 March 2021	15,410	38,540	20,621	11,420	20,256	75,103	35,771	217,121

	Library and Lifelong Learning Centre £000	Sheltered Housing £000	Gateways to Oldham Housing £000	Chadderton Wellbeing Centre £000	Street Lighting £000	Schools £000	Building Schools for the Future £000	Total £000
Cost or Valuation								
As at 1 April 2019	15,085	40,602	21,391	10,685	24,457	72,304	33,794	218,318
Additions	-	33	-	-	-	-	-	33
Revaluations recognised in Revaluation Reserve	585	823	334	325	-	2,216	1,144	5,427
Revaluations recognised in (Surplus)/Deficit on the Provision of Services	-	7	-	-	-	-	-	7
Derecognition-disposals	-	(33)	(105)	-	-	-	-	(138)
As at 31 March 2020	15,670	41,432	21,620	11,010	24,457	74,520	34,938	223,647
Accumulated Depreciation & Impairment								
As at 1 April 2019	-	2,818	1,368	-	2,969	-	-	7,155
Depreciation Charge	809	3,179	1,552	616	616	4,916	1,428	13,116
Depreciation Written out to Revaluation Reserve	(809)	(2,791)	(1,361)	(616)	-	(4,916)	(1,428)	(11,921)
Depreciation written out to the (Surplus)/Deficit on the Provision of Services	-	(27)	-	-	-	-	-	(27)
Impairment Losses/(reversals) recognised in the Revaluation Reserve	-	-	-	-	-	-	-	-
Impairment Losses/(reversals) recognised in the (Surplus)/Deficit on the Provision of Services	-	-	-	-	-	-	-	-
Derecognition -disposals	-	(1)	(7)	-	-	-	-	(8)
As at 31 March 2020	-	3,178	1,552	-	3,585	-	-	8,315
Net Book Value at 31 March 2019	15,085	37,784	20,023	10,685	21,488	72,304	33,794	211,163
Net Book Value at 31 March 2020	15,670	38,254	20,068	11,010	20,872	74,520	34,938	215,332

29. Pension Schemes Accounted for as Defined Contribution Schemes

Teachers' Pension Scheme

Teachers employed by the Council are members of the Teachers' Pension Scheme administered by the Department for Education. The Scheme provides teachers with specified benefits upon their retirement and the Council contributes towards the cost by making contributions based on a percentage of scheme members' pensionable salaries.

The Scheme is technically a defined benefit scheme; however, the scheme is unfunded. The Department for Education uses a notional fund as the basis for calculating the employer's contribution rate paid by Local Authorities. The Council is not able to identify its share of the underlying financial position and performance of the Scheme with sufficient reliability for accounting purposes. For the purposes of this Statement of Accounts, it is therefore accounted for on the same basis as a defined contribution scheme.

In 2020/21, the Council paid £10.238m (£8.754m in 2019/20) to the Teachers Pensions Agency in respect of teachers' retirement benefits, representing 22.50% (19.72% in 2019/20) of pensionable pay.

The Council is responsible for the costs of any additional benefits awarded upon early retirement outside the terms of the Teachers' Scheme. These costs are accounted for on a defined benefits basis and are detailed in Note 30.

30. Defined Benefit Pension Schemes

Participation in Pension Schemes

As part of the terms and conditions of the employment of its Officers, the Council makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until the employees retire, the Council has a commitment to make the payments that need to be disclosed at the time the employees earn their future entitlement.

The Council participates in the Local Government Pension Scheme (LGPS) which is administered locally by Tameside Metropolitan Borough Council. This is a funded defined benefit final salary pension scheme, meaning that the Council and employees pay contributions into a fund calculated at a level intended to balance the pension liabilities with investment assets.

Transactions Relating to Post-employment Benefits

The cost of retirement benefits is recognised in the reported cost of services when they are earned by the employees rather than when they are eventually paid as pensions. However, the charge made against Council Tax is based on the cash payable in the year, so the real cost of post-employment/retirement benefits is reversed out of the General Fund through the Movement in Reserves Statement. The following transactions have been made in the Comprehensive Income and Expenditure Statement and the General Fund Balance through the Movement in Reserves Statement during the year:

	2019/20 £000	2020/21 £000
Service Cost		
Current service cost	(35,946)	(27,474)
Past service cost (including curtailments)	(4,698)	(391)
Total service cost	(40,644)	(27,865)
Financing and Investment Income and Expenditure		
Interest income on scheme assets	23,374	19,913
Interest cost on defined benefit obligation	(33,534)	(27,667)
Total net interest	(10,160)	(7,754)
Total Post-Employment Benefits Charged to the Deficit on the Provision of Services	(50,804)	(35,619)
Remeasurements of the Net Defined Liability Comprising:		
Return on plan assets excluding amounts included in net interest	(100,079)	174,843
Change in demographic assumptions	39,513	(7,846)
Actuarial gains/ (losses) arising from changes in financial assumptions	96,928	(313,185)
Other experience and actuarial adjustments	91,633	11,660
Total remeasurements recognised in other comprehensive income	127,995	(134,528)
Total Post-Employment Benefits Charged to the Comprehensive Income and Expenditure Statement	77,191	(170,147)
Movement in Reserves Statement		
Reversal of net charges made to the deficit on the provision of services	50,804	35,619
Employers' Contributions Payable to the Scheme	(18,705)	(19,579)

Pensions Assets and Liabilities Recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the Council's obligation in respect of its defined benefit scheme is as follows:

	2019/20 £000	2020/21 £000
Fair value of plan assets	881,050	1,094,303
Present value of funded liabilities	(1,167,827)	(1,498,809)
Present value of unfunded liabilities	(38,094)	(39,782)
Net Liability Arising from Defined Benefit Obligation	(324,871)	(444,288)

Reconciliation of the Movements in Fair Value of Scheme Assets

	2019/20 £000	2020/21 £000
Opening fair value of scheme assets	985,878	881,050
Interest income	23,374	19,913
Remeasurement Gain		
Return on plan assets excluding amounts included in net interest	(100,079)	174,843
Contributions from employer into the scheme	4,857	50,730
Contributions from employees into the scheme	5,340	5,585
Benefits paid	(38,320)	(37,818)
Closing Fair Value of Scheme Assets	881,050	1,094,303

The Council's share of pension fund assets is rolled forward, by the actuary, from the latest formal valuation date. The roll forward amount is then adjusted for investment returns, the effective contributions paid into and estimated benefits paid from the fund by the Council and its employees. As such this estimate may differ from the actual assets held by the Pension Fund at 31 March.

Reconciliation of Present Value of Scheme Liabilities (Defined Benefit Obligation)

	2019/20 £000	2020/21 £000
Opening fair value of scheme liabilities	1,392,797	1,205,921
Current service cost	35,946	27,474
Interest cost	33,534	27,667
Contributions from scheme participants	5,340	5,585
Remeasurement Loss		
Actuarial (gains)/losses arising from changes in financial assumptions	(96,928)	313,185
Change to demographic assumptions	(39,513)	7,846
Other experience and actuarial adjustments	(91,633)	(11,660)
Past service cost	4,698	391
Benefits paid	(38,320)	(37,818)
Closing Fair Value of Scheme Liabilities	1,205,921	1,538,591

Pension Scheme Assets

	Period Ended 31 March 2020				Period Ended 31 March 2021			
	Quoted prices in active markets £000	Quoted prices not in active markets £000	Total £000	Percentage Total of Asset	Quoted prices in active markets £000	Quoted prices not in active markets £000	Total £000	Percentage Total of Asset
Equity Securities								
Consumer	78,409		78,409	9%	96,025		96,025	9%
Manufacturing	66,337		66,337	8%	85,520		85,520	8%
Energy and Utilities	49,662		49,662	6%	53,066		53,066	5%
Financial Institutions	95,989		95,989	11%	114,953		114,953	11%
Health and Care	38,943		38,943	5%	54,694		54,694	5%
Information Technology	34,642		34,642	4%	57,801		57,801	5%
Other	18,018		18,018	2%	17,680		17,680	2%
Debt Securities			-					
Corporate Bonds (investment grade)	32,660		32,660	4%	52,894		52,894	5%
UK Government			-	0%			-	0%
Other	27,855		27,855	3%	14,215		14,215	1%
Private Equity			-					
All		44,590	44,590	5%		65,132	65,132	6%
Real Estate			-					
UK Property		36,391	36,391	4%		40,888	40,888	4%
Investment Funds and Unit Trusts			-					
Equities	86,661		86,661	10%	98,323		98,323	9%
Bonds	99,723		99,723	12%	138,680		138,680	13%
Infrastructure		41,901	41,901	5%		55,784	55,784	5%
Other	21,658	76,531	98,189	11%	23,719	104,057	127,776	12%
Derivatives			-					
Other			-	0%	(879)		(879)	0%
Cash and Cash Equivalents			-					
All	13,700		13,700	2%	21,748		21,748	2%
Totals	664,258	199,413	863,671	100%	828,441	265,862	1,094,303	100%

Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels etc. Both the Local Government Pension Scheme and Discretionary Benefits liabilities have been assessed by Hymans Robertson LLP, an independent firm of actuaries, estimates being based on the latest valuation of the scheme as at 31 March 2021.

The significant assumptions used by the actuary have been:

	2019/20	2020/21
Mortality assumptions:		
Longevity at 65 for current pensioners:		
men	20.5	20.5
women	23.1	23.3
Longevity at 65 for future pensioners:		
men	22.0	21.9
women	25.0	25.3
Rate of inflation	2.80%	2.80%
Rate of increase in salaries	2.70%	3.60%
Rate of increase in pensions	1.90%	2.85%
Rate for discounting scheme liabilities	2.30%	2.00%

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analysis below is based on possible changes to the assumptions occurring at the end of the reporting period. For each assumption change all other assumptions remain constant.

The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e. on an actuarial basis using the projected unit cost method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in 2019/20.

Change in Assumptions at 31 March 2021	Approximate % Increase to Employee Liability	Approximate Monetary Amount £000
0.5% decrease in real discount rate	10%	152,275
0.5% increase in the salary increase rate	1%	13,384
0.5% increase in the pension increase rate	9%	135,768

Impact on the Council's Cash Flows

The objectives of the scheme are to keep employers' contributions at as constant a rate as possible. Funding levels are monitored on an annual basis. The current triennial valuation took effect from this financial year starting 1 April 2020.

The scheme has taken account of the national changes to the scheme under the Public Pensions Services Act 2013. Under the Act, the Local Government Pension Scheme in England and Wales and other main existing public service schemes may not provide benefits in relation to service after 31 March 2014 (or service after 31 March 2015 for other main existing public service pension schemes in England and Wales). The Act provides for scheme regulations to be made within a common framework, to establish new career average revalued earnings schemes to pay pensions and other benefits.

In April 2020 the Council made an upfront payment of £46.726m to the Greater Manchester Pension Fund (GMPF) for the Council's employer contributions relating to the full triennial period 2020/21 to 2022/23.

The upfront payment allowed the Council to generate corporate savings as result of a lower employer contribution rate than would have otherwise been calculated. This reduced employer contribution rate was achievable based on the fact that upfront funds received by the GMPF were immediately being used to generate investment returns. Based on the calculations supporting the upfront payment the Council anticipates “notional” contributions to the scheme in 2020/21 of £15.575m (£46.726m split equally across 3 years).

31. Cash Flows from Operating Activities

The surplus or deficit on the provision of services has been adjusted for the following non-cash movements:	2019/20 £000	2020/21 £000
Depreciation	35,998	36,268
Impairment and downward valuations	3,622	7,133
Amortisation	1,557	1,456
Increase/(decrease) in creditors	15,480	8,958
(Increase)/decrease in debtors	1,473	(5,699)
(Increase)/decrease in inventories	53	104
Movement in pension liability	45,947	(15,111)
Carrying amount of non-current assets and non-current assets held for sale, sold or derecognised	26,162	1,586
Other non-cash items charged to the net surplus or deficit on the provision of services	(201)	(2,570)
	130,091	32,125
The surplus or deficit on the provision of services has been adjusted for the following items that are investing and financing activities:		
Proceeds from the sale of property, plant and equipment, investment property and intangible assets	(9,829)	(3,080)
Any other items for which the cash effects are investing or financing cash flows	(20,119)	(20,453)
	(29,948)	(23,533)
The cash flows for operating activities include the following items:		
Interest received	1,878	320
Interest paid	(27,710)	(27,418)
Dividends received	7,332	950
	(18,500)	(26,148)

32. Cash Flows from Investing Activities

	2019/20 £000	2020/21 £000
Purchase of property, plant and equipment, investment property and intangible assets	(30,686)	(45,319)
Purchase of short-term and long-term investments	(66,870)	(62,231)
Other payments for investing activities	-	(9,677)
Proceeds from the sale of property, plant and equipment, investment property and intangible assets	9,829	3,080
Proceeds from short-term and long-term investments	56,500	58,500
Other receipts from investing activities	21,392	20,373
Net cash flows from investing activities	(9,835)	(35,274)

33. Cash Flows from Financing Activities

	2019/20 £000	2020/21 £000
Cash receipts of short and long-term borrowing	20,000	25,000
Cash payments for the reduction of outstanding liabilities relating to finance leases and on-Balance Sheet PFI contracts	(10,108)	(10,624)
Repayments of short and long-term borrowing	(1,058)	(21,148)
Other payments for financing activities	469	(3,325)
Net cash flows from financing activities	9,303	(10,097)

33a. Reconciliation of Liabilities Arising from Financing Activities

	1 April 2020 £000	Financing cash flows £000	Acquisition £000	Other non- cash changes £000	31 March 2021 £000
Long-term borrowings	168,364	-	-	(9)	168,355
Short-term borrowings	1,716	4,960	-	21	6,697
Lease Liabilities	788	(408)	271	-	651
Transferred Debt	2,332	(1,108)	-	-	1,224
On balance sheet PFI Liabilities	232,747	(10,216)	-	-	222,531
Amounts included as part of (debtor)/creditor balances:					
Amounts owed to/from Collection Fund preceptors	(371)	(3,325)	-	-	(3,696)
Total Liabilities from financing activities	405,576	(10,097)	271	12	395,762

	1 April 2019 £000	Financing cash flows £000	Additions £000	Other non-cash changes £000	31 March 2020 £000
Long-term borrowings	148,373	20,000	-	(9)	168,364
Short-term borrowings	1,666	(4)	-	54	1,716
Lease Liabilities	726	(357)	419	-	788
Transferred Debt	3,386	(1,054)	-	-	2,332
On balance sheet PFI Liabilities	242,498	(9,751)	-	-	232,747
Amounts included as part of (debtor)/creditor balances:					
Amounts owed to/from Collection Fund preceptors	(840)	469	-	-	(371)
Total	395,809	9,303	419	45	405,576

34. Accounting Policies

1.1 General Principles

The Statement of Accounts summarises the Council's transactions for the 2020/21 financial year and its position at the year end of 31 March 2021. The Council is required to prepare an annual Statement of Accounts by the Accounts and Audit Regulations 2015, which require the accounts to be prepared in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 (the Code) supported by International Financial Reporting Standards (IFRS).

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

The accounts have been prepared on a going concern basis, under the assumption that the Council will continue in existence for the foreseeable future.

Unless otherwise stated the convention used in this document is to round to amounts the nearest thousand pounds. All totals are the rounded totals of unrounded figures and, therefore, may not be the strict sums of the figures presented in the text or tables. Throughout the Statements all credit balances are shown with parentheses e.g. (£1,234).

1.2 Property, Plant and Equipment

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred. The Council has a £10,000 de minimis limit for the recognition of Capital Expenditure.

The Council does not capitalise borrowing costs incurred whilst assets are under construction.

Measurement

Assets are initially measured at cost, comprising:

- the purchase price;
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management;
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

The cost of assets acquired other than by purchase is deemed to be its fair value, unless the acquisition does not have commercial substance (i.e. it will not lead to a variation in the cash flows of the Council). In the latter case, where an asset is acquired via an exchange, the cost of the acquisition is the carrying amount of the asset given up by the Council.

Assets are then carried in the Balance Sheet using the following measurement bases:

- community assets, infrastructure assets and assets under construction – depreciated historical cost.
- dwellings – current value, determined using the basis of existing use value for social housing (EUV-SH).
- surplus assets – fair value, determined by the measurement of the highest and best use value of the asset.
- all other operational assets – current value, determined as the amount that would be paid for the asset in its existing use (existing use value – EUV).

Where there is no market-based evidence of current value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of current value. For non-property assets that have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for current value.

Assets included on the Balance Sheet at current value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their current value at the year end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains. Exceptionally, gains might be credited to the Surplus or Deficit on the Provision of Services where they arise from the reversal of a loss previously charged to a service.

Where decreases in value are identified, they are accounted for as follows:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains);
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant Portfolio line(s) in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

Impairment

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist, and any possible differences are estimated to be material, the

recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for as follows:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains);
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant Portfolio line(s) in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant Portfolio line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation

Depreciation is provided for Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e. freehold land and certain Community Assets) and assets that are not yet available for use (i.e. assets under construction).

Depreciation is calculated on the following bases:

- dwellings and other buildings – straight-line allocation over the useful life of the property as estimated by the valuer;
- vehicles, plant, furniture and equipment – straight-line allocation over the useful life of the asset as estimated by a suitably qualified officer;
- infrastructure – straight-line allocation up to 40 years.

Revaluation gains are depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Component Accounting

Where an item of Property, Plant and Equipment has major components whose cost is significant in relation to the total cost of the item and/or whose life is significantly different to the life of the host (main) asset, the components are depreciated separately.

Components are recognised in the financial year where:

- there has been a revaluation of assets;
- there has been an acquisition of assets within the financial year; and
- enhancement expenditure has been incurred within the financial year.

Disposals

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals are credited to the same line in the Comprehensive Income and Expenditure Statement also as part

of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

The written-off asset value of disposals is not a charge against the General Fund, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

Amounts received for a disposal in excess of £10,000 are categorised as capital receipts. If the disposal relates to housing assets a proportion of the capital receipt is payable to the Government (75% for dwellings, 50% for land and other assets, net of statutory deductions and allowances). The balance of receipts is required to be credited to the Useable Capital Receipts Reserve and can then only be used for new capital investment or set aside to reduce the Council's underlying need to borrow (the capital financing requirement). Receipts are transferred to the Useable Capital Receipts Reserve from the General Fund Balance in the Movement in Reserves Statement.

1.3 Heritage Assets

The Council's Heritage Assets are held by the Council principally for their contribution to knowledge and/or culture. They are recognised and measured, including treatment of revaluation gains and losses, in accordance with the Council's accounting policies on Property Plant and Equipment. However, some of the measurement rules are relaxed allowing the Council's Heritage Assets to be included on the Balance Sheet at their insured value where available. Where insurance valuations are not available there is a narrative disclosure.

Heritage assets are deemed to have an indefinite life, therefore are not depreciated as the charge made would be minimal and immaterial. Nevertheless, where there is evidence of physical deterioration to a Heritage Asset, or doubts arise to its authenticity, the value of the asset has to be reviewed.

1.4 Investment Property

Investment properties are those assets that are used solely to earn rentals and/or for capital appreciation. The definition is not met if the property is used in any way to facilitate the delivery of services or production of goods or is held for sale.

Investment properties are measured initially at cost and subsequently at fair value, based on the highest and best use value of the asset. Investment properties are not depreciated, and an annual valuation programme ensures that they are held at highest and best use value at the Balance Sheet date. Gains and losses on revaluation are charged to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The same treatment is applied to gains and losses on disposal.

Rentals received in relation to investment properties are credited to the Financing and Investment Income line and result in a gain for the General Fund Balance. However, revaluation and disposal gains and losses are not permitted by statutory arrangements to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and charged to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Useable Capital Receipts Reserve.

1.5 Private Finance Initiative (PFI) and Similar Contracts

PFI and similar contracts are agreements to receive services, where the responsibility for making available the Property, Plant and Equipment needed to provide the services passes to the PFI

contractor. As the Council is deemed to control the services that are provided under its PFI schemes, and as ownership of the Property, Plant and Equipment assets will pass to the Council at the end of the contracts for no additional charge, the Council carries the assets used under the contracts on its Balance Sheet as part of Property, Plant and Equipment.

The original recognition of these assets at fair value (based on the cost to purchase the Property, Plant and Equipment) was balanced by the recognition of a liability for amounts due to the scheme operator to pay for the capital investment. Non-current assets recognised on the Balance Sheet are revalued and depreciated in the same way as Property, Plant and Equipment owned by the Council.

The amounts payable to the PFI operators each year are analysed into five elements:

- The value of the services received during the year – debited to the relevant service in the Comprehensive Income and Expenditure Statement.
- Finance cost – an interest charge is raised on the outstanding Balance Sheet liability and debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement. The interest rate is calculated for each scheme so that the Balance Sheet liability is zero at the end of each contract.
- Contingent rent – increases in the amount to be paid for the property arising during the contract, debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement.
- Payment towards liability – applied to write down the Balance Sheet liability.
- Lifecycle replacement costs – are split between revenue and capital costs. Revenue lifecycle costs are debited to the relevant service in the Comprehensive Income and Expenditure Statement. Capital lifecycle costs are debited to Property Plant and Equipment to reflect the enhancement of the PFI Asset.

1.6 Accounting for Schools

In line with accounting standards and the Code on group accounts and consolidation, all maintained schools are considered to be entities controlled by the Council. Rather than produce group accounts the income, expenditure, assets, liabilities, reserves and cash flows of each school are recognised in the Council's single entity accounts. The Council has the following types of maintained schools under its control:

- Community
- Voluntary Aided
- Voluntary Controlled
- Foundation Trust
- Foundation

Schools' non-current assets (school buildings and playing fields) are recognised on the Balance Sheet where the Council directly owns the assets, where the Council holds the balance of control of the assets or where the school or the school governing body own the assets or have had rights to use the assets transferred to them through a licence arrangement.

When a maintained school converts to an Academy, the school's non-current assets held on the Council's Balance Sheet are treated as a disposal. The carrying value of the asset is written off to Other Operating Expenditure in the Comprehensive Income and Expenditure Statement. Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

The written-off asset value is not a charge against the General Fund, as the cost of non-current asset disposals resulting from schools transferring to an Academy is fully provided for under

separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

1.7 Revenue Expenditure Funded from Capital under Statute (REFCUS)

Expenditure incurred during the year that may be capitalised under statutory provisions but that does not result in the creation of a non-current asset has been charged as expenditure to the relevant service in the Comprehensive Income and Expenditure Statement in the year. Where the Council has determined to meet the cost of this expenditure from existing capital resources or by borrowing, a transfer in the Movement in Reserves Statement from the General Fund Balance to the Capital Adjustment Account then reverses out the amounts charged so that there is no impact on the level of Council Tax.

1.8 Capital Charges to Revenue for Non-Current Assets

Services, support services and trading accounts are debited with the following amounts to record the cost of holding non-current assets during the year:

- depreciation attributable to the assets used by the relevant service.
- revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off.
- amortisation of intangible non-current assets attributable to the service.

The Council is not required to raise Council Tax to fund depreciation, revaluation and impairment losses or amortisation. However, it is required to make an annual contribution from revenue towards the reduction in its overall borrowing requirement equal to an amount calculated on a prudent basis determined by the Council in the approved Minimum Revenue Provision policy. Depreciation, revaluation and impairment losses, and amortisation are replaced by Minimum Revenue Provision (MRP). This adjusting transaction is included in the Movement in Reserves Statement with the Capital Adjustment Account charged with the difference between the two amounts.

1.9 Financial Instruments

Financial Liabilities

Financial liabilities are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and are carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement (CIES) for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

For most of the borrowings held by the Council, this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest); and interest charged to the CIES is the amount payable for the year according to the loan agreement.

Gains and losses on the repurchase or early settlement of borrowing are credited and debited to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement in the year of repurchase/settlement. However, where repurchase has taken place as part of a restructuring of the loan portfolio that involves the modification or exchange of existing instruments, the premium or discount is respectively deducted from or added to the amortised cost of the new or modified loan and the write-down to the Comprehensive

Income and Expenditure Statement is spread over the life of the loan by an adjustment to the effective interest rate.

Where premiums and discounts have been charged to the CIES, regulations allow the impact on the General Fund Balance to be spread over future years. The Council has a policy of spreading the gain or loss over the term that was remaining on the loan against which the premium was payable or discount receivable when it was repaid. When a premium or discount has been incurred and paid in full by a grant from an external body it is accounted for in full in the year that the grant is received. The reconciliation of amounts charged to the CIES to the net charge required against the General Fund Balance is managed by a transfer to or from the Financial Instruments Adjustment Account in the Movement in Reserves Statement.

Financial Assets

Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cash flow characteristics. There are three main classes of financial assets measured at:

- amortised cost;
- fair value through profit or loss (FVPL); and
- fair value through other comprehensive income (FVOCI)

The Council's business model is to hold investments to collect contractual cash flows i.e. payments of interest and principal. Most of the Council's financial assets are therefore classified as amortised cost, except for those whose contractual payments are not solely payment of principal and interest (i.e. where the cash flows do not take the form of a basic debt instrument).

Financial Assets Measured at Amortised Cost

Financial assets measured at amortised cost are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement (CIES) for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument. For most of the financial assets held by the Council, this means that the amount presented in the Balance Sheet is the outstanding principal receivable (plus accrued interest) and interest credited to the CIES is the amount receivable for the year in the loan agreement.

Any gains and losses that arise on the derecognition of an asset are credited or debited to the Financing and Investment Income and Expenditure line in the CIES.

Financial Assets Measured at Fair Value through Profit or Loss

Financial assets that are measured at FVPL are recognised on the Balance Sheet when the Council becomes a party to the contractual provisions of a financial instrument and are initially measured and carried at fair value. Fair value gains and losses are recognised as they arrive in the Surplus or Deficit on the Provision of Services.

The fair value measurements of the financial assets are based on the following techniques:

- instruments with quoted market prices – the market price;
- other instruments with fixed and determinable payments – discounted cash flow analysis.

The inputs to the measurement techniques are categorised in accordance with the accounting policy set out in section 1.23 Fair Value Measurement.

Any gains and losses that arise on the derecognition of the asset are credited or debited to the Financing and Investment Income and Expenditure line in the CIES.

IFRS 9 Financial Instruments sets out that investments in equity should be classified as fair value through profit and loss unless there is an irrevocable election to recognise changes in fair value through other comprehensive income. The Council will assess each investment on an individual basis and assign an IFRS 9 category. The assessment will be based on the underlying purpose for holding the financial instrument.

Any changes in the fair value of instruments held at fair value through profit or loss will be recognised in the net cost of service in the CIES and will have a General Fund impact.

Financial Assets measured at Fair Value through other Comprehensive Income (FVOCI)

The Council has equity instruments designated at fair value through other Comprehensive Income (FVOCI). This was previously classified as an Available for Sale asset at 31 March 2018.

The Council has made an irrevocable election to designate one of its equity instruments as FVOCI on the basis that it is held for non-contractual benefits, it is not held for trading but for strategic purposes. The asset was transferred to the new asset category on 1 April 2018. The asset is initially measured and carried at fair value. The value is based on the principal that the equity shares have no quoted market prices and is based on an independent appraisal of the company valuation.

Dividend income is credited to Financing and Investment Income and Expenditure in the Comprehensive Income and Expenditure Statement when it becomes receivable by the Council.

Changes in fair value are posted to Other Comprehensive Income and Expenditure and are balanced by an entry in the Financial Instruments Revaluation Reserve.

When the asset is de-recognised, the cumulative gain or loss previously recognised in Other Comprehensive Income and Expenditure is transferred from the Financial Instruments Revaluation Reserve and recognised in the Surplus or Deficit on the Provision of Services.

The same accounting treatment was adopted in the prior year when the asset was classified as Available for Sale, except that accumulated gains and losses on the available for sale asset were previously held in an Available-for-Sale Financial Instruments Reserve at 31 March 2018. The balance on this reserve was transferred to the new Financial Instruments Revaluation Reserve as at 1 April 2018.

Expected Credit Loss Model

The Council recognises expected credit losses on all of its financial assets held at amortised cost (or where relevant FVOCI), either on a 12-month or lifetime basis. The expected credit loss model also applies to lease receivables and contract assets. Only lifetime losses are recognised for trade receivables (debtors) held by the Council.

Impairment losses are calculated to reflect the expectation that the future cash flows might not take place because the borrower could default on their obligations. Credit risk plays a crucial part in assessing losses. Where risk has increased significantly since an instrument was initially recognised, losses are assessed on a lifetime basis. Where risk has not increased significantly or remains low, losses are assessed on the basis of 12-month expected losses.

Instruments Entered into Before 1 April 2006

The Council entered into a number of financial guarantees that are not required to be accounted for as financial instruments. These guarantees are reflected in the Statement of Accounts to the extent that provisions might be required, or a contingent liability note is needed under the policies set out in the section on Provisions, Contingent Liabilities and Contingent Assets.

1.10 Employee Benefits

Benefits Payable During Employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave, paid sick leave, flexi and time off in lieu (TOIL) as well as bonuses and non-monetary benefits (e.g. mobile phones) for current employees and are recognised as an expense for services in the year in which employees render service to the Council.

Employee Accumulated Absence Accrual

An accrual is made for the cost of holiday entitlements (or any form of leave, e.g. time off in lieu) earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is made at the wage and salary rates applicable in the current accounting year. The accrual is charged to Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement so that holiday benefits are charged to revenue in the financial year in which the holiday entitlement occurs.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Council to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the relevant services lines in the Comprehensive Income and Expenditure Statement at the earlier of when the Council can no longer withdraw the offer of those benefits or when the Council recognises costs for a restructuring.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund Balance to be charged with the amount payable by the Council to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post-Employment Benefits

Employees of the Council are members of three separate pension schemes:

- The Greater Manchester Local Government Pension Scheme - administered by Tameside Metropolitan Borough Council.
- The Teachers' Pension Scheme - administered by Capita Teachers' Pensions on behalf of the Department for Education (DfE).
- The NHS Pension Scheme - administered by EA Finance NHS Pensions.

These schemes provide defined benefits to members (retirement lump sums and pensions), earned as employees working for the Council.

However, the arrangements for the teachers' and NHS schemes mean that liabilities for these benefits cannot be identified specifically to the Council. These schemes are therefore accounted for as if they are a defined contribution scheme and no liability for future payments of benefits is recognised in the Balance Sheet. The Children's Services line in the Comprehensive Income and Expenditure Statement is charged with the employer's contributions payable to Teachers' Pension Scheme in the year. The Community Health & Adult Social Care Portfolio line in the Comprehensive Income and Expenditure Statement is charged with the employer's contributions payable to the NHS Pension Scheme in the year.

The Greater Manchester Local Government Pension Scheme

The Greater Manchester Local Government Pension Scheme is accounted for as a defined benefits scheme.

The liabilities of the Greater Manchester Pension Fund attributable to the Council are included in the Balance Sheet on an actuarial basis using the projected unit method; an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates and projections of future earnings for current employees. Liabilities are discounted to their value at current prices, using a discount rate (based on the indicative rate of return on a basket of high quality corporate bonds, Government gilts and other factors).

The assets of the Greater Manchester Pension Fund attributable to the Council are included in the Balance Sheet at their fair value:

- quoted securities – current bid price;
- unquoted securities – professional estimate;
- unitised securities – current bid price;
- property – market value.

The change in the net pension liability is analysed into following components:

- current service cost – the increase in liabilities as a result of years of service earned in the current year – allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked;
- past service cost – the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years will be debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement as part of Non-Distributed Costs;
- net interest on the net defined benefit liability - the change during the period in the net defined benefit liability that arises from the passage of time is charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement. This is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability at the beginning of the period, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments.

Remeasurement comprising:

- the return on plan assets – excluding amounts included in net interest on the net defined benefit liability – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure;
- actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or

- because the actuaries have updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure;
- contributions paid to the Greater Manchester Pension Fund - cash paid as employer contributions to the pension scheme in settlement of liabilities; not accounted for as an expense.

Statutory provisions require the General Fund Balance to be charged with the amount payable by the Council to the pension fund or directly to pensioners in the year, not the amount calculated according to the accounting standards. In the Movement in Reserves Statement, this means that there are appropriations to and from the Pensions Reserve, to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

1.11 Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received.

Where income and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that may not be collected.

1.12 Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of a change in value.

In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Council's cash management.

1.13 Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are made where an event has taken place that gives the Council a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential and a reliable estimate can be made of the amount of the obligation. For instance, the Council may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the Council becomes aware of the obligation and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year – where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made) the provision is reversed and credited back to the relevant service.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim) it is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the Council settles the obligation.

Contingent Liabilities

A contingent liability arises where an event has taken place that gives the Council a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

Contingent Assets

A contingent asset arises where an event has taken place that gives the Council a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Council.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

1.14 Government Grants and Contributions

Whether paid on account, by instalments or in arrears, government grants and third-party contributions and donations are recognised as due to the Council when there is reasonable assurance that:

- the Council will comply with the conditions attached to the payments; and
- the grants or contributions will be received.

Amounts recognised as due to the Council are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ringfenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement.

Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied Reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied Reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

Where revenue grants are credited to the Comprehensive Income and Expenditure Statement but have yet to be used to fund revenue expenditure, it is posted to the Revenue Grant Reserve. When eligible expenditure is incurred in future years the grant is transferred back into the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against Council Tax for the expenditure.

1.15 Reserves

The Council sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by transferring amounts out of the General Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement. The reserve is then appropriated back into the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against Council Tax for the expenditure.

Certain reserves are held to manage the accounting processes for non-current assets, financial instruments, local taxation, retirement and employee benefits and do not represent usable resources for the Council. These reserves are further explained in the relevant policies.

1.16 Revenue Recognition

Revenue is defined as income arising as a result of the Council's normal operating activities and where income arises from contracts with service recipients it is recognised when or as the Council has satisfied a performance obligation by transferring a promised good or service to the service recipient.

Revenue is measured as the amount of the transaction price which is allocated to that performance obligation. Where the Council is acting as an agent of another organisation the amounts collected for that organisation are excluded from revenue.

1.17 Tax Income

Council Tax, Retained Business Rates and Business Rates Top-up Grant income included in the Comprehensive Income and Expenditure Statement for the year will be treated as accrued income.

Business Rates, Business Rates Top-up Grant and Council Tax income will be recognised in the Comprehensive Income and Expenditure Statement within the Taxation and Non-Specific Grant Income line. As a billing Authority, the difference between the Business Rates and Council Tax included in the Comprehensive Income and Expenditure Statement and the amount required by regulation credited to the General Fund is taken to the Collection Fund Adjustment Account and reported in the Movement in Reserves Statement. Each major preceptor's share of the accrued Business Rates and Council Tax income is available from the information that is required to be produced in order to prepare the Collection Fund Statement.

Business Rates and Council Tax income is recognised when it is probable that the economic benefits or service potential associated with the transaction will flow to the Council, and the amount of revenue can be measured reliably.

Revenue relating to Council Tax and Business Rates is measured at the full amount receivable (net of any impairment losses) as they are non-contractual, non-exchange transactions and there can be no difference between the delivery and payment dates.

1.18 Overheads and Support Services

The costs of overheads and support services are charged to the relevant services in accordance with the Authority's arrangements for accountability and financial performance, with the exception of:

- Corporate and Democratic Core – costs relating to the Council's status as a multi-functional, democratic organisation;
- Non Distributed Costs – changes in past service costs and impairment losses chargeable on Assets Held for Sale.

Corporate and Democratic Core is identified as a separate heading in the Comprehensive Income and Expenditure Statement. Non Distributed Costs form part of the Capital, Treasury and Technical Accounting Portfolio line with the Council's local reporting format.

1.19 Value Added Tax (VAT)

Value Added Tax payable is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs. VAT receivable is excluded from income.

1.20 Interests in Companies and Other Entities

The Council has material interests in external entities that are classified as subsidiaries and therefore group accounts have been prepared. In the Council's single-entity accounts the Council's interest in companies and other entities are recorded as financial assets at cost less any impairment. Any gains or losses are recognised in the Comprehensive Income and Expenditure Statement.

1.21 Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Council's financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

1.22 Events after the Balance Sheet Date

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the Statement of Accounts is authorised for issue. Two types of events can be identified:

- Adjusting Events - Those events that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts is adjusted to reflect such events.
- Non-Adjusting Events - Those events that are indicative of conditions that arose after the reporting period – the Statement of Accounts is not adjusted to reflect such events,

but, where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and either their estimated financial effect or a statement that such an estimate cannot be made reliably.

Events taking place after the date of authorisation for issue are not reflected in the Statement of Accounts.

1.23 Fair Value Measurement

The Council measures some of its assets and liabilities at fair value at the end of the reporting period. Fair value is the amount that would be received to sell an asset or paid to transfer a liability at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- a) in the principal market for the asset or liability; or
- b) in the absence of a principal market, in the most advantageous market for the asset or liability.

The Council uses external valuers to provide a valuation of its non-financial assets and liabilities, for recognition or disclosure as appropriate, in line with the highest and best use definition within IFRS 13 Fair Value Measurement. The highest and best use of the asset or liability being valued is considered from the perspective of a market participant. Inputs to the valuation techniques in respect of the Council's fair value measurement of its assets and liabilities are categorised within the fair value hierarchy as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that the Council can access at the measurement date.

Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – unobservable inputs for the asset or liability.

35. Accounting Standards Issued, Not Adopted

The Code of Practice on Local Authority Accounting in the United Kingdom (the Code) requires the disclosure of information relating to the expected impact of an accounting change that will be required by a new standard which has been issued but is yet to be adopted by the 2020/21 Code.

The Code also requires that changes in accounting policy are to be applied retrospectively unless transitional arrangements are specified, this would result in an impact on disclosures spanning two financial years.

Accounting changes that are introduced by the 2021/22 code are:

- Definition of a Business: Amendments to IFRS 3 Business Combinations
- Interest Rate Benchmark Reform: Amendments to IFRS 9, IAS 39 and IFRS 7
- Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

These changes are not expected to have a material impact on the Council's single entity statements or group statements.

36. Critical Judgements in Applying Accounting Policies

The following disclosure sets out critical judgements applied to the accounting policies of the Council that have a significant impact on the presentation of the financial statements. Critical estimation uncertainties are described in Note 37.

Upfront pension payment

The Council is liable to make contributions towards the cost of post-employment benefits. For the 3-year period 2020/21 – 2022/23, the Council agreed with the Greater Manchester Pension Fund (GMPF) that the employer contributions payable to the Local Government Pension Scheme (LGPS) could be paid as a single up-front payment. Subsequently, in April 2021 the Council paid £46.726m based on an estimated pensionable payroll of £79.874m per annum in order to make a budget saving. In line with the Council's accounting policies, in 2020/21 the amounts relating to 2021/22 and 2022/23 have been offset against the pension liability on the balance sheet. These amounts will be reflected in the pension reserve in the years to which they related.

At the close of the triennial period the pension reserve and the pension liability will be brought into line with each other. For further details see Note 30 Defined Benefit Pension Schemes.

Accounting for Schools – Balance Sheet Recognition of Schools

The Council recognises the land and buildings used by schools in line with the provisions of the Code of Practice. It states that property used by Local Authority maintained schools should be recognised in accordance with the asset recognition tests relevant to the arrangements that prevail for the property. The Council recognises school land and buildings on its Balance Sheet where it directly owns the assets or where the school or school Governing Body own the assets or where rights to use the assets have been transferred from another entity.

Where the land and building assets used by the school are owned by an entity other than the Council, school or school Governing Body then it is not included on the Council's Balance Sheet. The exception is where the entity has transferred the rights of use of the asset to the Council, school or school Governing Body.

The Council has completed a school by school assessment across the different types of schools it controls within the Borough. Judgements have been made to determine the arrangements in place and the accounting treatment of the land and building assets. The types of schools that have been assessed are shown below:

Type of School	No. of Primary Schools	No. of Secondary Schools	No. of Special Schools	Total
Community	25	1	1	27
Voluntary Controlled (VC)	5	-	-	5
Voluntary Aided (VA)	28	1	-	29
Foundation/Foundation Trust	4	1	-	5
Maintained Schools	62	3	1	66
Academies	24	10	5	39
Total	86	13	6	105

All Community schools are owned by the Council and the land and buildings used by the schools are included on the Council's Balance Sheet.

The Council has entered into Private Finance Initiative (PFI) agreements to build and operate three schools in the Borough. One is a VA school; one is a Foundation Trust school and the remaining school is an Academy. Whilst the land which the buildings are sited on has been transferred to the respective Diocese, Trust and Academy, the ownership of the buildings is determined by who holds the balance of control in line with accounting standards. The Council considers the buildings associated with these schools should be included on its Balance Sheet because:

- The reversion clause within the PFI agreement results in the Council having a residual interest in the buildings at the end of the agreement
- The services provided and the use of the building is controlled by the Council through the PFI agreement
- The PFI agreement is between the PFI contractor and the Council

Legal ownership of VC school land and buildings usually rests with a charity, normally a religious body. Four VC schools are owned by the Diocese which have granted a licence to the school to use the land and buildings. Under this licence arrangement, the rights of use of the land and buildings have not transferred to the school and thus are not included on the Council's Balance Sheet. The remaining VC school land and buildings are owned by the Council and included on the Balance Sheet.

Legal ownership of the VA school land and buildings rests with the relevant Diocese. The Diocese has granted a licence to the school to use the land and buildings. Under this licence arrangement, the rights of use of the land and buildings have not transferred to the school and thus are not included on the Council's Balance Sheet.

Foundation and Foundation Trust schools were created to give greater freedom to the Governing Body responsible for school staff appointments and who also set the admission criteria. There are five Foundation schools in the Borough. For one school, the Governing Body has legal ownership of the land and buildings and thus these are included on the Council's Balance Sheet. For the remaining Foundation Trust school, a separate Trust owns the land and buildings so these assets are not included on the Council's Balance Sheet.

Academies are not considered to be maintained schools in the Council's control. The land and building assets are not owned by the Council and are therefore not included on the Council's Balance Sheet.

Group Boundaries

The Council carries out a complex range of activities, often in conjunction with external organisations. Where those organisations are in partnership with or under the ultimate control of the Council a judgement is made by management as to whether they are within the Council's group boundary. This judgement is made in line with the provisions set out in the Code and relevant accounting standards.

Those entities which fall within the boundary, and are considered to be material, are included in the Council's group accounts. Profit and loss, net worth, and the value of assets and liabilities are considered individually for each organisation against a materiality limit set by the Council. An entity could be material but still not consolidated if all of its business is with the Council and eliminated on consolidation – i.e. the consolidation would mean that the group accounts are not materially different to the single entity accounts. The assessment of materiality also considers qualitative factors such as whether the Council depends significantly on these entities for the continued provision of its statutory services or where there is concern about the level to which the Council is exposed to commercial risk.

The Council has assessed its group boundary for 2020/21 and has identified two subsidiaries who are considered to be material and will be consolidated into its group accounts. They are MioCare Group Community Interest Company (CIC) and the Unity Partnership Limited. Further details can be found in the group accounts in Section 5.

Investment Properties

Investment properties have been assessed using the identifiable criteria under the International Accounting Standards and are being held for rental income or for capital appreciation. Properties have been assessed using these criteria, which is subject to interpretation, to determine if there is an operational reason for holding the property, such as regeneration.

Airport Investment

The Council has a 3.22% shareholding in Manchester Airport Holdings Limited (MAHL). Following the adoption of accounting standard IFRS 9 Financial Instruments which came into effect on 1 April 2018, the default valuation method of the Council's equity holdings would be Fair Value through Profit and Loss. However, the shareholding is a strategic investment and not held for trading and therefore the Council has designated the investment as fair value through other comprehensive income. It is the Council's view that this is a reasonable and reliable accounting policy for the investment.

The Council has made an equity investment in Manchester Airport Car Park (1) Limited, (along with the other nine Greater Manchester District Councils). The Council's investment is to provide car parking facilities at Manchester Airport. The Council holds 3 Class C ordinary shares. The shareholding is classed as a financial instrument and held at fair value on the Council's Balance Sheet. Under IFRS 9 the shareholding (investment) is designated as a strategic investment and not held for trading therefore the Council has opted to designate it as fair value through Other Comprehensive Income. The decision to designate to fair value through Other Comprehensive Income is irrevocable and it is the Council view that this is a reasonable and reliable accounting policy for this investment.

37. Assumptions Made About the Future and Other Sources of Estimation Uncertainty

Debt Impairment

At 31 March 2021, the Council had a balance of short-term debtors of £96.928m. A review of significant balances suggested that an expected credit loss of £47.266m was appropriate. However, in the current climate it is not certain that such an allowance would be sufficient. If collection rates were to deteriorate an increase in the amount of the impairment of the doubtful debts would be required.

Long Term Assets – Manchester Airport Holdings Limited (MAHL)

The Council's shareholding in the Manchester Airport Group is 3.22% as at 31 March 2021. The asset is valued using the earnings based method resulting in the asset being valued at fair value rather than historic cost, therefore requiring an annual valuation. A firm of financial experts and valuers have been engaged by the Council to provide an independent valuation which includes reviewing the financial performance, stability and business assumptions of the MAHL. The valuation provided is based on estimations and assumptions and therefore should the Council sell its shareholding the value held in these statements may not be realised.

As at 31 March 2021 the Council's valuers advised an increase of £1.800m in the fair value of the shares held by Oldham Council from £30.200m to £32.000m which has been reflected in the financial statements.

Pension Liability

The estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discounts used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Council with expert advice about the assumptions to be applied.

During 2020/21 the Council's actuaries advised that the net pension liability had increased by £119.417m to £444.288m.

The effect of changes in the individual assumptions can be measured. For instance, a 0.5% decrease in the discount rate assumption would result in an increase in the pension liability of £152.275m. A 0.5% increase in the assumed salary increase rate would result in a £13.384m increase in the pension liability and an increase of 0.5% in the assumed pension increase rate would increase the pension liability by £135.768m.

PFI and Similar Arrangements

PFI and similar arrangements have been considered to have an implied finance lease within the agreement. In reassessing the leases, the Council has estimated the implied interest rate within the leases to calculate interest and principal payments. In addition, the future RPI increase within the contracts has been estimated as remaining constant throughout the remaining period of the contract.

Business Rates

Following the introduction of the Business Rates Retention Scheme in April 2013, Local Authorities are liable for a share of the cost of successful appeals by businesses against their rateable value in 2020/21 and earlier financial years. A provision has therefore been recognised in the statement of accounts. The estimated provision has been calculated using the latest Valuation Office Agency (VOA) ratings list of ratings appeals and the analysis of successful appeals to date. The Council's share of the balance of business rate appeals provisions at 31 March 2021 was £6.753m.

Provisions

The Council has estimated its short-term insurance provisions based on the value of claims settled in previous years.

During 2020/21 there was a reduction of £1.008m from £3.191m in 2019/20 to £2.183 as at 31 March 2021. Long Term Insurance Provisions have remained the same as in 2019/20. There has been a release of £0.133m of Other Long Term Provision resulting in a balance of £15.667m as at 31 March 2021. For future years, where it is difficult to provide a reliable estimate, contingent liabilities have been disclosed in addition to long term provisions.

Whilst there is always a requirement to make assumptions and always an element of uncertainty, COVID has added an extra challenge which has heightened risk in considering future estimates.

38. Events after the Reporting Period

The Statement of Accounts was authorised for issue by the Director of Finance on 6 June 2021. Events taking place after this date are not reflected in the financial statements or notes. Where

events taking place before this date provided information about conditions existing at 31 March 2021, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information. There are no non-adjusting events after the Balance Sheet date.

4.1 Housing Revenue Account (HRA)

Housing Revenue Account Income and Expenditure Statement

HRA Income and Expenditure Statement	2019/20 £000	2020/21 £000
Expenditure		
Repairs and Maintenance	3,152	3,310
Supervision and Management	4,013	4,214
Rent, rates, taxes and other charges	3,035	2,693
Depreciation, impairment and revaluation losses of non-current assets	4,785	5,275
Debt management costs	145	145
Movement for the allowance of bad debts	4	-
Total Expenditure	15,134	15,637
Income		
Dwellings rents	(8,506)	(8,728)
Non-dwelling rents	(112)	(34)
Charges for services and facilities	(1,039)	(1,031)
Contributions towards expenditure	(413)	(44)
PFI Credits receivable	(18,799)	(18,799)
Total Income	(28,869)	(28,635)
Net Surplus relating to HRA Services as included in the Comprehensive Income and Expenditure Statement	(13,734)	(12,999)
HRA share of the operating income and expenditure included in the Comprehensive Income and Expenditure Statement:		
Gain on sale of HRA non-current assets	(209)	(50)
Movement for the allowance of bad debts		-
Interest payable and similar charges	11,114	10,856
HRA Interest and investment income	(419)	(69)
Surplus for the year on HRA Services	(3,249)	(2,263)

Statement of Movement in the Housing Revenue Account

Movement on the HRA Statement	Prior Year £000	Current Year £000
Opening Balance	(21,304)	(21,795)
Surplus for the year on the HRA Income and Expenditure Statement	(3,249)	(2,263)
Adjustments between accounting basis and funding basis under statute	2,758	2,688
(Increase)/Decrease in the HRA Balance	(491)	425
Closing Balance	(21,795)	(21,370)

Note to Movement on the HRA Statement	Prior Year £000	Current Year £000
Analysis of adjustments between accounting basis and funding basis under statute		
Depreciation, impairment and revaluation losses of non-current assets	(4,797)	(5,278)
Minimum Revenue Provision	5,123	5,301
Gain or loss on sale of HRA fixed assets	221	53
Capital Expenditure funded by the HRA	2,134	2,532
Transfer to Major Repairs Reserve	77	80
Net Adjustment	2,758	2,688

The HRA Income and Expenditure Statement shows the economic cost in the year of providing housing services in accordance with generally accepted accounting practices, rather than the amount to be funded from rents and Government grants. Authorities charge rents to cover expenditure in accordance with regulations; this may be different from the accounting cost. The increase or decrease in the year, on the basis of which rents are raised, is shown in the Movement on the HRA Statement.

Note on the Preparation of the Housing Revenue Account

The Council has followed the guidance in the CIPFA Code of Practice on Local Authority Accounting 2020/21 for the production of its 2020/21 Statement of Accounts. However, there is one area where, in order to achieve a true and fair view, the Council has departed from the guidance which is explained below.

From 2017/18 the transitional arrangements which allowed for the reversal of the depreciation charge from the Housing Revenue Account (HRA) came to an end. The new Item 8 Determination issued by the Ministry of Housing, Communities and Local Government (formerly the Department for Communities and Local Government) on 24 January 2017 confirmed that depreciation should be charged to the HRA in accordance with proper accounting practices. Therefore from 2017/18 a charge equal to depreciation should be made to the HRA and passed to the Major Repairs Reserve (MRR) for the purpose of future repairs and maintenance.

However, as the majority of the Council HRA dwellings are covered by Private Finance Initiative (PFI) contracts (until 2036), any future repairs and maintenance costs are already included within the unitary charge the Council pays on PFI schemes. The Council will therefore have no need to build up the MRR and the HRA would, in effect, be charged twice for repairs and maintenance of dwellings. If the Council began to charge the HRA with depreciation (without reversal) the HRA would quickly fall into deficit and build up a significant MRR that would not be required.

Previously, the Ministry of Housing, Communities and Local Government (MHCLG) has confirmed that depreciation need not be charged to the HRA in respect of Oldham's PFI housing stock. Therefore, the Council will continue with the accounting treatment previously permitted under the transitional arrangements and has reversed the depreciation charge from the HRA to the Capital Adjustment Account.

The financial impact of the accounting treatment prescribed by CIPFA is shown in the table below.

	Current 2020/21 Balance £000	Adjustment for the Item 8 Determination £000	Adjusted 2020/21 Balance £000
Housing Revenue Account	(21,371)	5,236	(16,135)
Major Repairs Reserve	(806)	(5,236)	(6,042)

The HRA financial statements present a true and fair view of the Council's HRA financial position, financial performance and cash flows, the Council have complied with the CIPFA Code of Practice in all areas except that which is described above.

4.1.1 Explanatory Notes to the Housing Revenue Account

H1. Housing Stock – Numbers

At 31 March 2021, the Council had a total housing stock of 2,100 dwellings including the 19 new dwellings acquired during the financial year following a purchase at Primrose Bank. This was comprised of 1,246 Houses and Bungalows, and 854 Flats and Maisonettes.

The balance sheet value of HRA assets was as follows:

	31 March 2020 £000	31 March 2021 £000
Dwellings	73,591	75,252
Other Operational Property	1,538	1,404
Plant and Machinery	862	862
Total	75,991	77,518

The Vacant Possession Dwellings valuation is £189.993m as at 31 March 2021. The difference between the vacant possession value and the Balance Sheet value of dwellings within the HRA shows the cost of providing Council housing at less than open market rents.

H2. Depreciation and Impairment of Assets

Depreciation and impairment of Property, Plant and Equipment is shown below.

Depreciation	Operational Assets £000
Balance at 1 April 2020	4,922
Depreciation written off during the year	(4,751)
Depreciation during the year	5,316
Balance at 31 March 2021	5,487

Impairment	Operational Assets £000
Balance at 1 April 2020	(1,595)
Impairment written off during the year	1
Impairment Reclassified as Revaluation Loss	1
Balance at 31 March 2021	(1,593)

The HRA assets are subject to an annual revaluation programme, as a result any impairments are written off against the revised revaluation and reflected in the gross value.

4.2 Collection Fund

Collection Fund Statement

2019/20 Total £000		2020/21 Council Tax £000	2020/21 Business Rates £000	2020/21 Total £000	Note
(111,196)	Income	(114,438)	-	(114,438)	C2
(57,460)	Council Taxpayers	-	(31,383)	(31,383)	C3
(168,656)	Income from Business Ratepayers	(114,438)	(31,383)	(145,821)	
	Expenditure				
	Precepts:				
92,367	- Oldham Council	96,756		96,756	
11,242	- GMCA Mayoral Police and Crime Commissioner	12,011		12,011	
4,363	- GMCA Mayoral General Precept (including fire services)	5,244		5,244	
	Release of Council Tax Surplus:				
2,209	- Oldham Council	351		351	
246	- GMCA Mayoral Police and Crime Commissioner	43		43	
96	- GMCA Mayoral General Precept (including fire services)	17		17	
-	Business Rates:			-	
53,708	- Payments to Oldham Council		53,436	53,436	
543	- GMCA Mayoral General Precept (including fire services)		540	540	
	Distribution of Estimated Business Rates Surplus:				
60	- Payments from Oldham Council		1,050	1,050	
1	- GMCA Mayoral General Precept (including fire services)		11	11	
300	Cost of Collection	-	295	295	
	Transitional Protection Payments Due for the Year				
958		-	889	889	
3,837	Change in Allowance for Impairment	3,475	587	4,062	
428	Write-offs charged to Collection Fund	171	1,152	1,323	
(850)	Change in provision for alteration of lists and appeals	-	301	301	
169,508		118,068	58,261	176,329	
852	Deficit/(Surplus) for the year	3,630	26,878	30,508	
	Collection Fund Balance				
(4,147)	Balance brought forward at 1 April	(184)	(3,111)	(3,295)	
852	Deficit/(Surplus) for the year	3,630	26,878	30,508	
(3,295)	Balance carried forward at 31 March	3,446	23,767	27,213	
	Allocated to:				
(3,239)	- Oldham Council	2,924	23,529	26,453	
(19)	- GMCA Mayoral Police and Crime Commissioner	365	-	365	
(37)	- GMCA Mayoral General Precept (including fire services)	157	238	395	
(3,295)		3,446	23,767	27,213	

Explanatory Notes to the Collection Fund

C1. General

The Council is required to maintain a separate agency Collection Fund account. The Collection Fund account includes all transactions relating to collection of Business Rates and Council Tax income from taxpayers and their distribution to Local Government bodies. The Collection Fund is accounted for separately from the General Fund.

Any Collection Fund surpluses or deficits declared by the billing authority in relation to Council Tax are apportioned to the relevant precepting bodies in the subsequent financial year. For Oldham, the Council Tax precepting body is the Greater Manchester Combined Authority (GMCA) for both the Police and Crime Commissioner Precept and the Mayoral General Precept (including Fire Services).

Business rates surpluses or deficits are distributed in accordance with the relevant proportions set out in the localised Business Rate regulations. From 1 April 2017/18 onward, the Council has taken part in the Greater Manchester 100% business rates retention pilot, therefore for 2020/21 the Oldham Council share is 99% with the remainder paid to the GMCA for the Mayoral General Precept (including Fire Service).

The Collection Fund deficit for 2020/21 is much larger than in previous years, particularly in relation to Business Rates. This is primarily as a result of businesses being awarded expanded retail and nursery reliefs in 2020/21 totalling £25.182m, as part of the Government's response to the COVID-19 pandemic. These reliefs were not anticipated on the 2020/21 NNDR1 Government return submitted to Central Government in January 2020. This Government return informed the Council's Budget setting for 2020/21.

The reliefs effectively reduce the net amount the Council can collect from businesses, and as the precept amounts cannot be changed the result is a considerable deficit. However, these reliefs are funded by MHCLG through Section 31 Grants. These grants have been received in 2020/21 and have been transferred to the Council's earmarked reserve. This reserve will be used to offset the Collection Fund deficit when it is charged to the Council's General Fund in 2021/22.

Another Collection Fund accounting change which has taken place in 2020/21 relates to the phasing of Collection Fund deficits. The intention to implement the three year local tax collection fund deficit phasing was announced by the Secretary of State on 2 July 2020. The Local Authorities (Collection Fund: Surplus and Deficit) (Coronavirus) (England) Regulations 2020 were laid before Parliament on 5 November 2020, and came into force on 1 December 2020. The regulations amend the rules governing the apportionment of Collection Fund surpluses and deficits for Council Tax and Business Rates set out in the Local Authorities (Funds) (England) Regulations 1992 and the Non-Domestic Rating (Rates Retention) Regulations 2013. The phasing of deficits relates only to the 'exceptional amount' (i.e. relating to COVID-19), therefore does not include any amount brought forward into the Collection Fund, relating to previous years surpluses or deficits.

C2. Council Tax

Council Tax derives from charges raised according to the value of residential properties, which have been classified into nine valuation bands (A to H) for this specific purpose. Individual charges are calculated by estimating the amount of income required to be taken from the Collection Fund by the Council for the forthcoming year and dividing this by the Council Tax base (i.e. the equivalent numbers of Band D dwellings).

The Council Tax base for 2020/21, equivalent Band D properties, was 57,663 (56,693 in 2019/20). The increase between financial years evidences the success of the local policy to regenerate the borough by the continued growth of new builds within the local tax base.

The tax base for 2020/21 was approved at the Cabinet meeting on 16 December 2019 and was calculated as follows:

Band	Chargeable Dwellings	Proportion of Band D Tax	Equivalent Band D Dwellings
A Reduced	128	5/9	71
A	43,841	6/9	29,227
B	15,589	7/9	12,125
C	14,843	8/9	13,194
D	6,452	9/9	6,452
E	3,096	11/9	3,783
F	1,445	13/9	2,088
G	842	15/9	1,404
H	55	18/9	111
Net effect of premiums and discounts			(9,007)
Tax Base before adjustment for collection rate			59,446
Estimated collection rate			97.00%
Tax Base for the Calculation of Council Tax			57,663

Dwellings for residents entitled to 'disabled relief reduction' are reduced to the next lowest band for the calculation of Council Tax. As band 'A' is the lowest band, 'A reduced' has been introduced to give effect to this reduction for those who reside in Band A properties. Income received from Council Taxpayers in 2020/21 was £114.438m (111.196m 2019/20).

C3. Business Rates

The Council collects Business Rates for its area based on local rateable values provided by the Valuation Office Agency (VOA) multiplied by a uniform business rate set nationally by Central Government.

For 2020/21, the total non-domestic rateable value at 31 March 2021 is £156.088m (£156.765m in 2019/20). The national multipliers for 2020/21 were 49.9p for qualifying Small Businesses, and the standard multiplier being 51.2p for all other businesses (49.1p and 50.4p respectively in 2019/20).

5.0 Group Accounts

Introduction

The Council is a complex organisation and undertakes a broad range of activities, often in conjunction with external organisations. In some cases, the Council has an interest in these organisations demonstrated through ownership or control/significant influence.

The CIPFA Code of Practice requires that where an Authority has material financial interests and a significant level of control over one or more entities, it should prepare group accounts. The aim of these statements is to give an overall picture of the Council's financial activities and the resources employed in carrying out those activities.

As subsidiary entities, MioCare Group CIC (MioCare) and the Unity Partnership Limited (Unity) have been consolidated on a line by line basis with all intra-group transactions and balances removed.

5.1 Group Comprehensive Income and Expenditure Statement

Gross Expenditure £000	2019/20 Gross Income £000	Net Expenditure £000		Gross Expenditure £000	2020/21 Gross Income £000	Net Expenditure £000
5,800	(1,892)	3,908	Chief Executive	4,776	(1,335)	3,441
27,762	(5,976)	21,786	Commissioning	28,733	(8,943)	19,790
65,852	(24,321)	41,531	People and Place	72,746	(24,777)	47,969
271,233	(184,765)	86,468	Children's Services	266,476	(192,254)	74,222
105,667	(35,135)	70,532	Community Health and Adult Social Care	118,559	(63,043)	55,516
44,819	(8,589)	36,230	Communities and Reform	51,951	(17,704)	34,247
63,131	(57,791)	5,340	Capital Treasury and Technical Accounting	46,140	(50,956)	(4,816)
6,960	-	6,960	Corporate and Democratic Core	6,731	-	6,731
15,038	(28,869)	(13,831)	Housing Revenue Account	15,596	(28,635)	(13,039)
606,262	(347,338)	258,924	Cost of Services	611,708	(387,647)	224,061
		278	Other Operating Expenditure			291
		33,988	Parish Council precepts			33,591
		(936)	Levies			(1,352)
			(Gains)/losses on the disposal of non-current assets			
		33,330	Total Other Operating Expenditure			32,530
		44,307	Financing and Investment Income and Expenditure			33,383
		(260,186)	Taxation and Non-Specific Grant Income			(286,567)
		76,375	(Surplus) or Deficit on Provision of Services			3,407
		-	Tax expense of Subsidiaries			-
		76,375	Group (Surplus)/Deficit			3,407
		(39,392)	Other Comprehensive Income and Expenditure			(21,818)
		64	Revaluation (gains)/losses non-current assets			190
			Impairment losses on non-current assets			
		22,287	(Surplus) or deficit on Financial Assets measured at Fair Value through Other Comprehensive Income			(1,893)
		(139,381)	Remeasurement of net defined benefit liability			148,878
		(156,422)	Total Other Comprehensive Income and Expenditure			125,537
		(80,047)	Total Comprehensive Income and Expenditure			128,764

5.2 Group Movement in Reserves Statement

This statement shows the movement in the year on the different reserves held by the Group, analysed into usable reserves (i.e. those that can be applied to fund expenditure) and other reserves. The 'Surplus or Deficit on the Provision of Services' line shows the true economic cost of providing the Group's services, more details of which are shown in the Comprehensive Income and Expenditure Statement. These are different from the statutory amounts required to be charged to the General Fund and Housing Revenue Account for Council Tax setting and dwelling rent setting purposes. The opening balance of the Council's share of Group Reserves has been restated to reflect the change in the MioCare Group's accounting period.

Movement in reserves during 2020/21	General fund Balance	Earmarked General Fund Reserves	Total General Fund Balance	HRA	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied Account	Total Usable Reserves	Unusable Reserves	Total Council Reserves	Council's Share of Group reserves	Total Reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Restated Balance at 1 April	(15,110)	(87,865)	(102,975)	(21,796)	-	(726)	(21,018)	(146,515)	(20,546)	(167,061)	5,638	(161,423)
Reporting of Schools Budget Deficit to new Adjustment Account at 1 April 2020	-	(4,916)	(4,916)	-	-	-	-	(4,916)	4,916	-	-	-
Restated Balance at 1 April	(15,110)	(92,781)	(107,891)	(21,796)	-	(726)	(21,018)	(151,431)	(15,630)	(167,061)	5,638	(161,423)
Total Comprehensive Income and Expenditure	(28,737)	-	(28,737)	(2,263)	-	-	-	(31,000)	111,008	80,008	48,756	128,764
Adjustments Between Accounting Basis and Funding Basis under regulations	(56,121)	-	(56,121)	2,688	-	(80)	367	(53,146)	53,146	-	-	-
Adjustments Between Group Accounts and Authority Accounts	32,522	-	32,522	-	-	-	-	32,522	-	32,522	(32,522)	-
Net (Increase)/Decrease before transfers to Earmarked Reserves	(52,336)	-	(52,336)	425	-	(80)	367	(51,624)	164,154	112,530	16,234	128,764
Transfers To/(From) Earmarked Reserves	50,183	(50,183)	-	-	-	-	-	-	-	-	-	-
(Increase)/Decrease in year	(2,153)	(50,183)	(52,336)	425	-	(80)	367	(51,624)	164,154	112,530	16,234	128,764
Balance at 31 March	(17,263)	(142,964)	(160,227)	(21,371)	-	(806)	(20,651)	(203,055)	148,524	(54,531)	21,872	(32,659)

Page 307

Movement in reserves during 2019/20	General fund Balance	Earmarked General Fund Reserves	Total General Fund Balance	HRA	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied Account	Total Usable Reserves	Unusable Reserves	Total Council Reserves	Council's Share of Group reserves	Total Reserves
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Balance at 1 April 2019	(14,840)	(93,559)	(108,399)	(21,305)	-	(649)	(42,989)	(173,342)	78,375	(94,967)	14,092	(80,875)
Total Comprehensive Income and Expenditure	45,566	-	45,566	(3,249)	-	-	-	42,317	(145,036)	(102,719)	22,672	(80,047)
Adjustments Between Group Accounts and Authority Accounts	(70,767)	-	(70,767)	2,758	-	(77)	21,971	(46,115)	46,115	-	-	-
Adjustments Between Accounting Basis and Funding Basis under regulations	30,625	-	30,625	-	-	-	-	30,625	-	30,625	(30,625)	-
Net (Increase)/Decrease before transfers to Earmarked Reserves	5,424	-	5,424	(491)	-	(77)	21,971	26,827	(98,921)	(72,094)	(7,953)	(80,047)
Transfers To/(From) Earmarked Reserves	(5,694)	5,694	-	-	-	-	-	-	-	-	-	-
(Increase)/Decrease in year	(270)	5,694	5,424	(491)	-	(77)	21,971	26,827	(98,921)	(72,094)	(7,953)	(80,047)
Balance at 31 March 2020	(15,110)	(87,865)	(102,975)	(21,796)	-	(726)	(21,018)	(146,515)	(20,546)	(167,061)	6,139	(160,922)

5.3 Group Balance Sheet

The Group Balance Sheet summarises the financial position of the Council and its two subsidiaries as a whole. It shows the value of group assets and liabilities at the end of the financial year.

31 March 2020 £000		31 March 2021 £000
734,489	Property Plant and Equipment	754,641
19,770	Heritage Assets	19,770
20,078	Investment Property	18,817
4,059	Intangible Assets	4,271
48,595	Long Term Investments	54,115
22,508	Long Term Debtors	35,034
849,499	Long Term Assets	886,648
40,775	Short Term Investments	40,671
621	Inventories	517
46,955	Short Term Debtors	51,337
61,709	Cash and Cash Equivalents	26,708
-	Current Tax Asset	821
310	Assets Held For Sale (Less than one year)	568
151,370	Current Assets	120,622
(1,716)	Short Term Borrowing	(6,697)
(71,236)	Short Term Creditors	(80,637)
(12,567)	Short Term Provisions	(9,761)
	Short Term Liabilities	
(10,216)	- Private Finance Initiatives	(9,746)
(314)	- Finance Leases	(302)
(1,108)	- Transferred Debt	(1,180)
(97,157)	Current Liabilities	(108,323)
(15,800)	Long Term Provisions	(15,666)
(168,364)	Long Term Borrowing	(168,355)
	Other Long Term Liabilities	
(332,545)	- Pension Liabilities	(467,977)
(222,531)	- Private Finance Initiatives	(212,785)
(474)	- Finance Leases	(349)
(1,224)	- Transferred Debt	(44)
(17)	- Deferred Credits	(17)
(835)	Capital Grants Receipts In Advance	(1,095)
(741,790)	Long Term Liabilities	(866,288)
160,922	Net Assets	32,659
(140,376)	Usable Reserves	(181,183)
(20,546)	Unusable Reserves	148,524
(160,922)	Total Reserves	(32,659)

5.4 Group Cash Flow Statement

	2019/20 £000	2020/21 £000
Net surplus or (deficit) on the provision of services	(76,045)	(3,407)
Adjustment to surplus or deficit on the provision of services for non-cash movements	132,943	37,106
Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities	(29,948)	(23,532)
Net cash flows from operating activities	26,950	10,167
Net Cash flows from Investing Activities	(9,835)	(35,274)
Net Cash flows from Financing Activities	9,303	(10,097)
Net increase or (decrease) in cash and cash equivalents	26,418	(35,204)
Cash and cash equivalents at the beginning of the reporting period*	35,291	61,812
Cash and cash equivalents at the end of the reporting period	61,709	26,608

* Opening cash balances for 2020/21 have been restated to reflect the change in the MioCare Group accounting period.

Cash and cash equivalents at the end of year comprise:

	2020/21 £000
Cash balances	26,708
Overdraft (included within creditors)	(100)
Total Cash and Cash Equivalents	26,608

5.5 Explanatory Notes to the Group Accounts

Where figures in the group accounts differ materially from the Council's single entity accounts, the relevant explanatory notes have been prepared on a consolidated basis. The notes below give information on the areas that have materially changed on consolidation of the group entities into the Council's accounts.

G1. Group Accounting Policies

The Accounting Policies of the Council's subsidiary companies have been aligned with the Council's Accounting Policies contained in Note 34. Any statutory adjustments between accounting basis and funding basis included in the Council's Accounting Policies do not apply to the subsidiary companies.

Inclusion within the Group Accounts

The Council has business relationships with a number of entities over which it has varying degrees of control or influence. These are classified into the categories of subsidiaries, associates and joint ventures. The meaning of these terms is outlined below:

Subsidiary - "A subsidiary is an entity including an unincorporated entity such as a partnership that is controlled by another entity (the Council), known as the parent." MioCare Group CIC and the Unity Partnership Ltd are classified as subsidiaries of Oldham Council and have therefore been consolidated. More detail regarding each of these organisations can be found in note G3.

Associate - "An associate is an entity over which an investor (the Council) has significant influence."

Joint Venture - "A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement"

The Council does not currently have any material associate or joint venture arrangements with any other entities.

A number of entities have not been included in the group accounts on the grounds of materiality, details of the Council's relationship with each of them can be found in note G2.

Consolidation of Subsidiaries

As subsidiary entities, MioCare Group CIC (MioCare) and the Unity Partnership Limited (Unity) have been consolidated on a line by line basis with all intra-group transactions and balances removed.

G2. Bodies Not Consolidated

The following the assessment of the Council's group boundaries the following have not been consolidated into Group Accounts on the grounds that they are individually and collectively immaterial.

Entity	Reason
Oldham Economic Development Association Limited	Subsidiary although not material.
Southlink Developments Limited	Subsidiary although not material.
Meridian Development Company Limited	Minority interest and group share not material.
Foxdenton LLP	Joint venture although not material.
Oldham Property LLP	Joint venture although not material.

Further details can be found in Note 12. Related Parties.

G3. Bodies Consolidated

The Council has consolidated two of its Subsidiaries into its Group Accounts, these are MioCare Group Community Interest Company (MioCare) and The Unity Partnership Ltd (Unity).

MioCare is a care and support provider and is fully owned by Oldham Council. It delivers services through two subsidiaries: Oldham Care and Support Ltd (OCS) and MioCare Services Ltd.

The Unity Partnership Ltd delivers property, highways, transactional services, information and communication technology, and business services. It is an ambitious and socially aware organisation which aims to support physical regeneration, create sustainable jobs, introduce effective technology, and provide exemplary services to all clients. The results below are from the subsidiary's single entity accounts and do not contain accounting transactions related to the pension liability. The Council has consolidated the company's liability in its group accounts in order to present users of the accounts with a complete picture of the group position.

The Unity Partnership Ltd	As at 31 March 2020 £000	As at 31 March 2021 £000
Net Assets	2,528	1,910
Surplus/(Deficit) - before tax	258	6
Surplus (Deficit) - after tax	204	6

G4. Group Defined Benefit Pension Schemes

Transactions Relating to Post-employment Benefits

The following transactions have been made in the Group Comprehensive Income and Expenditure Statement and the General Fund Balance through the Group Movement in Reserves Statement during the year: Further details relating to the Council's pension schemes can be found in Note 29 and Note 30 of the single entity accounts.

	2019/20 £000	2020/21 £000
Service Cost		
Current service cost	(40,582)	(30,963)
Past service cost (including curtailments)	(5,227)	(474)
Total service cost	(45,809)	(31,437)
Financing and Investment Income and Expenditure		
Interest income on scheme assets	26,660	22,397
Interest cost on defined benefit obligation	(37,258)	(30,343)
Total net interest	(10,598)	(7,946)
Total Post-Employment Benefits Charged to the Deficit on the Provision of Services	(56,407)	(39,383)
Remeasurements of the Net Defined Liability Comprising:		
Return on plan assets excluding amounts included in net interest	(112,861)	195,447
Change in demographic assumptions	43,277	(8,580)
Actuarial gains/(losses) arising from changes in financial assumptions	102,651	(348,419)
Other	106,314	12,674
Total remeasurements recognised in other comprehensive income	139,381	(148,878)
Total Post-Employment Benefits Charged to the Comprehensive Income and Expenditure Statement	82,974	(188,261)
Movement in Reserves Statement		
Reversal of net charges made to the deficit on the provision of services	56,407	39,383
Employers' Contributions Payable to the Scheme	(21,097)	(21,678)

Pensions Assets and Liabilities Recognised in the Balance Sheet

The amount included in the Balance Sheet arising from the Group's obligation in respect of its defined benefit scheme is as follows:

	2019/20 £000	2020/21 £000
Fair value of plan assets	988,648	1,225,885
Present value of funded liabilities	(1,283,099)	(1,654,080)
Present value of unfunded liabilities	(38,094)	(39,782)
Net Liability Arising From Defined Benefit Obligation	(332,545)	(467,977)

Reconciliation of the Movements in Fair Value of Scheme Assets

	2019/20 £000	2020/21 £000
Opening fair value of scheme assets	1,101,651	988,648
Interest income	26,660	22,397
Remeasurement Gain		
Return on plan assets excluding amounts included in net interest	(112,861)	195,447
Contributions from employer	7,249	52,829
Contributions from employees into the scheme	6,074	6,237
Benefits paid	(40,125)	(39,673)
Closing Fair Value of Scheme Assets	988,648	1,225,885

Reconciliation of Present Value of Scheme Liabilities (Defined Benefit Obligation)

	2019/20 £000	2020/21 £000
Opening fair value of scheme liabilities	1,524,419	1,321,193
Current service cost	40,582	30,963
Interest cost	37,258	30,343
Contributions from scheme participants	6,074	6,237
Remeasurement Loss		
Actuarial (Gains)/ Losses arising from changes in financial assumptions	(102,651)	348,419
Change to demographic assumptions	(43,277)	8,580
Other	(106,314)	(12,674)
Past service cost	5,227	474
Benefits paid	(40,125)	(39,673)
Closing Fair Value of Scheme Liabilities	1,321,193	1,693,862

Pension Scheme Assets

	31 March 2020 £000	31 March 2021 £000
Equities	597,823	737,933
Debt Instruments	179,149	221,580
Property	188,641	233,660
Cash	23,036	33,591
Derivatives	-	(879)
Total	988,648	1,225,885

Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method; an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels etc. Both the Council and MioCare have engaged Hymans Robertson LLP, an independent firm of actuaries to assess their respective pension schemes, estimates being based on the latest valuation of the scheme as at 31 March 2021 for MioCare and for The Unity Partnership Ltd and Oldham Council.

The significant assumptions used by the actuary have been:

MioCare Services CIC	2019/20	2020/21
Mortality assumptions:		
Longevity at 65 for current pensioners:		
Men	20.5	20.5
Women	23.1	23.3
Longevity at 65 for future pensioners:		
Men	22.0	21.9
Women	25.0	25.3
Rate of increase in salaries	2.60%	3.55%
Rate of increase in pensions (CPI)	1.80%	2.80%
Rate for discounting scheme liabilities	2.30%	2.05%

The Unity Partnership Ltd	2019/20	2020/21
Mortality assumptions:		
Longevity at 65 for current pensioners:		
Men	20.5	20.5
Women	23.1	23.3
Longevity at 65 for future pensioners:		
Men	22.0	21.9
Women	25.0	25.3
Rate of increase in salaries	2.70%	3.60%
Rate of increase in pensions (CPI)	1.90%	2.85%
Rate for discounting scheme liabilities	2.30%	2.00%

The estimation of the defined benefit obligations is sensitive to the actuarial assumptions set out in the table above. The sensitivity analysis below is based on possible changes to the assumptions occurring at the end of the reporting period and assumes for each assumption change all other assumptions remain constant.

The estimations in the sensitivity analysis have followed the accounting policies for the scheme, i.e., on an actuarial basis using the projected unit cost method. The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in 2019/20.

MioCare Group CIC Change in Assumptions at 31 March 2021	Approximate % Increase to Employee Liability	Approximate Monetary Amount £000
0.5% decrease in real discount rate	12%	7,342
0.5% increase in the salary increase rate	2%	976
0.5% increase in the pension increase rate	10%	6,197

The Unity Partnership Change in Assumptions at 31 March 2021	Approximate % Increase to Employee Liability	Approximate Monetary Amount £000
0.5% decrease in real discount rate	11%	9,851
0.5% increase in the salary increase rate	1%	1,202
0.5% increase in the pension increase rate	9%	8,420

The significant assumptions used to assess the Council's Pension scheme assets and liabilities can be found in Note 30, along with an associated sensitivity analysis.

G5. Fees Payable to the Group External Auditor

The Group has incurred the following costs in relation to the Group audit fees for the external audit of the Council's Statement of Accounts and the audit of the accounts of The Unity Partnership by Mazars LLP.

	2019/20 £000	2020/21 £000
Fees payable to Mazars LLP with regard to external audit services carried out by the appointed auditor for the year for Oldham Council	134	104
Fees payable to Mazars LLP with regard to external audit services carried out by the appointed auditor for the year for The Unity Partnership Ltd.	24	25
Total	158	129

The Council has incurred an additional fee in relation to the external audit of the Statement of Accounts by the Council's External Auditors Mazars LLP for 2019/20. The additional fee of £29,740 agreed takes the total cost for 2019/20 to £134,148 and has been approved by Public Sector Audit Appointments Limited (PSAA).

Scope of Responsibility

The Council (the Authority) is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and provides value for money. The Authority also has a duty under the Local Government Act 1999 to plan to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. That duty has grown in importance with the reduction in resources being made available for Local Authorities as part of the Government's austerity programme and the uncertainty arising from the COVID-19 pandemic.

In discharging this overall responsibility, the Authority must put in place proper arrangements for the governance of its affairs, which include arrangements for the management of risk, whilst facilitating the effective exercise of its functions.

The Authority has established governance arrangements which are consistent with the seven principles of the Chartered Institute of Public Finance and Accountancy (CIPFA) and Society of Local Authority Chief Executives (SOLACE) Framework - Delivering Good Governance in Local Government. It has adopted a Local Code of Corporate Governance (LCCG), an updated version of which was issued to Audit Committee for its meeting on 10 June 2021. The LCCG is publicised on the Council's website.

The Annual Governance Statement sets out how the Authority has complied with the Code and meets with regulation 4(2) of the Accounts and Audit (Coronavirus) (Amendment) Regulations 2021 which have amended the Accounts and Audit Regulations (England and Wales) 2015.

Due to the COVID-19 pandemic, there was a requirement for certain decisions to be taken under emergency protocols. The Authority adopted enhanced management arrangements with a structure based on Gold (strategic), Silver (tactical) and Bronze (operational) groups. The approach to the management of the Authority's response to the pandemic was reported and agreed by full Council throughout the financial year. The arrangements enabled the Council to make its decisions as promptly and as transparently as possible. Regular update reports on the response to the pandemic were submitted to each Council meeting. Although the enhanced management structure remains in place, from December 2020 the frequency of the meetings reduced and some of the individual groups were amalgamated as the intensity of the response lessened and practices had become well established.

The Authority meets the requirements of Regulation 6 (1) b of the Accounts and Audit (Coronavirus) (Amendment) Regulations 2021 in relation to the publication of a statement on internal control. It is subject to detailed review by the Audit Committee when it considers firstly the draft set of accounts and subsequently the final Statement of Accounts before they are formally approved. The accounts are reported to Cabinet and full Council after this Scrutiny for information.

Pre pandemic, the Authority planned to undertake significant work to address any issues required to support full implementation of the CIPFA Financial Management Code which outlines the principles of good financial management. This work was not as comprehensively progressed as originally planned in the financial year 2020/21 due to extra pressure on the Finance Service as it supported the corporate response to the pandemic. This was recognised nationally as an issue and the expected implementation date was deferred by a year. Compliance has been reviewed in 2020 and 2021. This will support the implementation during 2021/22 of any action required.

The Authority's financial management arrangements are consistent with a number of the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016). The key principles for which there is compliance are that the Chief Financial Officer (Director of Finance):

- is actively involved and is able to bring influence on the Authority's financial strategy;
- leads the whole Authority in the delivery of good financial management;
- directs a fit for purpose finance function; and
- is professionally qualified and suitably experienced.

In addition, the Statement requires that the Chief Finance Officer should report directly to the Chief Executive and be a member of the leadership team, with a status at least equivalent to others.

The Director of Finance (the Chief Finance Officer and designated Section 151 officer) is not a member of the Council's Executive Management Team (EMT). However, whilst not a standing member, during the pandemic, the Director of Finance has attended meetings of the EMT / Joint Leadership Team (which includes senior officers of Oldham Clinical Commissioning Group). The Director of Finance is a member of and attends the meetings of the Senior Management Team which integrates EMT and all Directors via a single management meeting. All Statutory Officers have access to the Chief Executive.

The Council considers that its management arrangements are appropriate in the context of compliance with the CIPFA Statement and requirements of the CIPFA Financial Management Code.

The issues identified as significant governance issues and the progress made by management throughout the financial year 2020/21 to address these issues, have been reported regularly to the Audit Committee together with an assessment made in reducing the risk as part of its Governance role within the Council.

The Purpose of the Governance Framework

The governance framework comprises the systems and processes, culture, values and behaviours, by which the Authority's activities are directed and controlled, which it accounts to, engages with, and leads the community, citizens and service users. It enables the Authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective

services. It also enables the Authority to demonstrate to the public that it has effective stewardship of the public funds it is entrusted to spend.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level consistent with the risk appetite of the Council. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Authority's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically (i.e. so they deliver value for money – efficiently, effectively and economically).

The financial year 2020/21 required changes to the standard decision-making processes adopted by the Authority so it could take decisions quickly informed by the command structure put into place to respond to the pandemic and support partners. This approach was ratified by full Council and certain key groups of officers and Members provided independent scrutiny in key areas such as grant administration and one-off support to suppliers.

The governance framework which has been in place at the Authority for the year ended 31 March 2021 has seen regular reports submitted to the Audit Committee on the progress made on issues identified in the previous Annual Governance Statement and identified any issues for consideration in this Statement. This has included issues arising from the response to the pandemic which have highlighted where future practice could be improved.

The Governance Framework

The Authority is a Metropolitan District which was created in 1974 combining 7 Urban Districts, which provided services. Its strategic vision and Co-operative objectives including self-sustainability are set out in the Corporate Plan. The control environment encompasses the strategies, policies, plans, procedures, processes, structures, attitudes and behaviours required to deliver good governance to all.

The key message and values are set out in the sections below entitled “Communicating the Authority’s Vision” and “Co-operative Council in a Co-operative Borough.”

Communicating the Authority’s Vision

The Vision is set out in both the Oldham Plan and the Corporate Plan supplemented by the development of a COVID Recovery Strategy. These are aligned to establish a clear link between; Local, Central Government and Greater Manchester regional priorities, including the devolution of health services. It establishes the Council's priorities developed in partnership with key stakeholders and the local community around the delivery of the core business of the Council.

The Council initially endorsed the vision July 2017. It is a collective action statement covering the period 2017/2022 setting out the areas that will add the most value as a partnership to achieve the ambition for Oldham to be a productive and co-operative place with healthy, aspirational and sustainable communities.

The Oldham Plan is based around the Oldham Model – three change platforms are enabled and complemented by public service reform and empowering communities. These are:

Inclusive Economy

The vision is for Oldham to become Greater Manchester's Inclusive Economy capital by making significant progress in living standards, wages and skills for everyone.

Thriving Communities

The vision is for people and communities to have the power to be healthy, happy and able to make positive choices and both offer and access insightful and responsive support when required.

Co-operative Services

The vision is to collaborate, integrate and innovate to improve outcomes for residents and create the most effective and seamless services in Greater Manchester.

Clearly, the delivery of the vision as initially planned for 2020/21 was interrupted by COVID, although the response to the pandemic has been framed around the guiding principles. Updates on the action taken to support the response to the pandemic, following the established principles have been reported to each regular business meeting of the Council.

Co-operative Council in a Co-operative Borough

Oldham has been a Co-operative Council since 2011 and the Council continues its commitment to delivering a co-operative future where everybody does their bit, and everyone benefits. This is being achieved by a real commitment to change and working closely with residents, partners and the wider communities to create a confident and ambitious borough.

The Corporate Plan sets out how everyone can do their bit to support service delivery of the ambitions and outcomes:

#our bit is what Oldham Council is doing or contributing to improve something.

#your bit is how local people, businesses and partners are helping to make change happen.

The **#result** is how we are all benefiting from working together.

The ethos of the Co-operative Council sets the framework for key Council strategies.

Like many other Local Authorities, Oldham Council has had to make significant budget reductions since the start of the Government's austerity programme. Arising from Government announcements and the Emergency Budget, introduced after the May 2010 General Election, up to and including the 2020/21 budget, circa £200m of budget reductions have been introduced. Further recurrent savings £8.793m were agreed at the 2021/22 Budget Council meeting and there is a significant savings target over the remainder of the period covered by the current Medium-Term Financial Strategy (MTFS), (2022/23 and 2023/24).

It is clear that the Council cannot continue to deliver services as we have always delivered them and a response to the financial challenge was required. The response followed the ethos of the Co-operative Council, because it is believed that:

1. a co-operative approach offers the best opportunity to do things radically differently;
2. it offers a sustainable solution to the unprecedented challenges we face; and
3. it offers the best opportunity to make the most of the assets/strengths that lie in its communities.

This means that, whilst the Council continues to provide its statutory services and duties, it will continue to work more closely with all partners and stakeholders in Oldham to ensure that the services delivered continue to; provide value for money, meet the specific needs of Oldham's communities, remove duplication and ensure the combined skills, resources and influence are used to improve the circumstances of every member of the Oldham community.

The ways in which the Council is doing this include:

- Developing and implementing an Ethical Framework and a Social Value Procurement Framework.
- Procuring the Social Value Portal to implement the Themes, Outcomes and Measures framework on future capital developments.
- Paying the living wage to ensure that all staff are paid appropriately.
- Giving employees up to three days paid time away from their duties to volunteer locally.

COVID 19 Pandemic

During March 2020 before the production of the previous Annual Governance Statement for the financial year 2019/20, it became apparent that the United Kingdom was facing a public health challenge due to the COVID-19 pandemic. Due to its role both as a provider of key public services and as a partner to the NHS, Oldham Council had before the start of the financial year 2020/21 instigated its service continuity measures to ensure the continued provision of its essential services. This included the enactment of emergency decision-making powers which continued throughout the financial year 2020/21 (as appropriate) when it became clear the pandemic was a serious public health issue that required longer term management.

In order to support the wider Government response to the pandemic the Council both directly and acting as an Agent for Government departments, delivered services in response to the pandemic and provided Financial Support to third parties including businesses within the area. This support has been significant and where appropriate has required the reallocation of staffing resources from business as usual to ensure the administration process used was sound and effectively undertaken.

In part, this unforeseen reallocation of resources required several staff within the Internal Audit Service to be deployed on the administration of grants to businesses throughout the first four months of 2020/21. As such reports of the Head of Internal Audit to the Audit Committee reflect this matter. As a consequence, only a more limited assurance on the control environment can be given to the Audit Committee for the financial year 2020/21.

The impact of the pandemic on the Council has the potential to be long term, particularly financially, through increasing demand for services and a potential permanent reduction in future income. The impact upon the long-term financial position is very difficult to accurately assess with key elements of the Statutory Accounts such as the Collection Fund (which manages Council Tax and Business Rate collection) severely impacted. The Government is allowing Councils to manage Collection Fund losses over a three-year period (2021/22 to 2023/24) to phase the impact of income lost in 2020/21 and allow time for collection to recover. If this recovery does not happen then there is a risk of the legacy of COVID having a more longer lasting financial impact on the Council.

Key elements of the Governance Framework

The key elements of the Authority's governance framework are detailed against each principle in the CIPFA/SOLACE Framework - Delivering Good Governance in Local Government as follows:

Principle A – Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

In order to ensure both its Members and Officers behave with integrity to lead its culture of acting in the public interest, there is appropriate training provided to safeguard all parties against conflicts of interest. Both Members and Officers record any gifts and hospitality received in accordance with the Authority's agreed procedure. In order to enable third party challenges to Authority operations there is a publicised complaints procedure. There is also a Whistleblowing Policy, updated at full Council during 2020/21, which enables concerns to be raised in a confidential manner and dealt with in a proportionate manner.

The Scrutiny process as detailed in the Constitution enables those who are not Cabinet Members to call in key decisions. The Scrutiny process was subject to review during

2020/21 and issues of governance/ scrutiny which highlighted where improvements could be made in processes at certain other local authorities as set out in the public domain, were reported to appropriate Committees to enable them to better discharge their roles. This included a review of partnership governance within the Council which was reported to the Audit Committee.

Members take the lead in establishing this culture by completing an annual register of their interests which is published on the Council's website. There is also a Standards Committee in place to consider allegations of inappropriate behaviour, which meets when required to discuss appropriate matters. Any matters for investigation are assigned to an independent investigator and supported by reports, which are considered by the Committee. Staff behaviour is covered by the Officers' Code of Conduct, which places duties on Officers to declare their standing interests or interests relating to matters as they arise to their Head of Service. These declarations are maintained in an E-Register by the Director of Legal Services to the Council in his role as Monitoring Officer.

The Council is managed by a Cabinet system as set out in the agreed Council Constitution. This sets out the scheme of delegation between elected Members and Officers. This operated until 24 March 2020 when in accordance with Government Instruction the country went into a national lockdown, thus instigating home working (where practical) and preventing the holding of public meetings. At this point the emergency powers in the Constitution delegating decision making to the Council Leader and the Chief Executive were introduced until legislation was enacted to enable meetings to be held live using video conferencing technology such as Microsoft Teams, beginning in late April 2020. Given the sensitivity of planning matters no emergency decisions were made that would have normally been under the remit of the Planning Committee. All decisions taken at Committee level have been via meetings conducted remotely via video conferencing.

In order to encourage the community to engage in more co-operative activities, Members in their role as Community Champions often, either individually or in partnership with the District Elected Lead Member, network with key community groups and individuals to deliver local priorities. In order to demonstrate their achievements, each Councillor is encouraged to produce an annual report which is then published on the Council's website and subject to a report to full Council.

The Council has a clear set of values and behaviours which are shared borough-wide with residents, partners and the business community. Internally these values and behaviours have been converted into five co-operative behaviours which outline the priority focus for staff at all levels. Living these values and behaviours has enabled real change to be delivered so that the Council can meet its vision of building a co-operative borough. The pandemic has given staff the opportunity to demonstrate these values.

Staff would normally be assisted in this aspect by the Corporate Personal Performance Framework (suspended due to the pandemic) which requires employees to demonstrate how performance supports the delivery of the corporate values of the Authority. The employer supported volunteering (ESV) programme helps Council employees to volunteer with organisations in Oldham. From using existing skills to taking on a new

challenge, the scheme gives staff the time and support to volunteer to do their bit. The pandemic has involved the Council working extensively with its partners with some Council staff redeployed to support partner service provision.

The agreed Procurement Policy focuses on procurement activity, which has the aim of ensuring the optimum balance between cost, quality and local service value, whilst also ensuring that any significant commercial risks are identified and mitigated at the commissioning stage. During the pandemic the Council, in providing support to suppliers followed Government advice to preserve the supply chain where appropriate, to guarantee future service delivery.

The Procurement Policy ensures value for money and social value outputs are measured in an integrated way, in order to support the Council's co-operative agenda. In this way, the Council ensures it secures the greatest social, economic and environmental benefit from the Council's purchasing power.

Member and Officer relationships are mutually supportive and based on openness, honesty, trust and appropriate challenge. The latter is essential in ensuring the Authority maintains its leading position as a Cooperative Council and will be vital in making a reality of both service changes and more self-sufficiency from citizens.

The Corporate Peer Review findings formally received in March 2020, indicated this relationship works well in taking forward improvements within the Borough. Whilst the Authority hoped to take forward the recommendations in 2020/21, it has not been possible due to the pandemic.

In July 2018 the "Big Green Survey" – Oldham's biggest ever environmental survey of residents – gave people a say on key green issues such as wildlife, parks, food growing, clean energy and air quality. Cabinet also approved a strategy to work towards becoming a single-use plastic free borough promoting the use of non-plastic recyclable alternatives. This was supplemented in 2020/21 by the Council, at its meeting on 9 September 2020, supporting the United Nations Sustainable Development Goals.

The Authority has also demonstrated its support of sustainability by appropriate self-financing of capital investment in renewable energy. In previous financial years it has supported the creation of an independent Community Interest Company which is now operating in a sustained and independent manner, administered the warm homes project to alleviate fuel poverty and installed solar panels on the Tommyfield Market. In 2018/19 approval was given to develop a new eco-centre at Alexandra Park with construction now planned in 2021/22 following detailed design and remodelling exercise in 2020/21. This has been supported by a successful bid to the Government's Decarbonisation Fund to support the planned eco-friendly/ carbon efficient heating system.

The Council, at its meeting on 11 September 2019 agreed to declare a Carbon Emergency and set itself the challenging target of being Carbon Neutral by 2025 with an aspiration for the Borough by 2030. In addition, the Council supported specific green projects with continued work to develop the concept of Northern Roots which is a future eco-friendly sustainable development consistent with the green aspirations of the Council. This project was on-going throughout 2020/21 with the Council looking to create a

charitable company to develop the concept and utilise Towns Fund grant from Government to support future development works. The feasibility of a Solar Farm at the Wrigley Head site was also further developed to reflect the affordability and the Council's desire to facilitate the construction. The Green Agenda is a key element of both the Creating a Better Place Initiative and Community Wealth Building Initiatives.

The Chief Executive of Oldham Council is the Head of Paid Service and is supported by the Executive Management Team (EMT) and Senior Management Team (SMT). During the financial year 2020/21, the Council's Chief Executive continued to undertake the role of Accountable Officer for the Clinical Commissioning Group in the Locality better integrating both organisations with a Joint Leadership Team management structure. The Executive Management structure will continue to be subject to regular review as integration with the NHS develops in Oldham.

During 2020/21 the Chief Executive Officer/Accountable Officer was seconded to assist the national effort on developing Track and Trace in response to the pandemic. Appropriate management arrangements were put in place to provide cover as required.

Cabinet portfolios are assigned on a functional basis rather than by directorate and subject to appropriate officer support. Shadow Cabinet Members also meet with support officers (virtually throughout 2020/21) on a regular basis to ensure appropriate political scrutiny. As part of the budget process, Opposition parties have the facility to prepare alternative proposals. For both 2020/21 and the subsequent 2021/22 budget, alternative proposals were presented and subject to Scrutiny before consideration at full Council.

The Director of Finance is the nominated Chief Financial Officer in accordance with Section 151 of the Local Government Act 1972. Internal Audit Services are provided in-house, supported by a partnership with Salford Council for Computer Audit. The Internal Audit team achieved compliance with Public Sector Internal Audit Standards as evidenced by the Independent External Review of the service, undertaken in 2017/18. The Head of Internal Audit (The Head of Corporate Governance at Oldham Council during 2020/21) has direct access to all members of EMT, SMT as well as all Members and has utilised this discretion when appropriate. CIPFA's guidance on the Role of the Head of Internal Audit was issued in early April 2019 and a compliance review identifying the Council followed best practice was reported to the Audit Committee on 25 June 2019.

The system of internal financial control is based upon a framework of comprehensive financial regulations and procedures, within the Constitution, which comply with Good Practice. A substantial update of The Finance Procedure Rules was agreed by full Council at its meeting on 8 January 2020. Control is based on regular management information, management supervision, and a structure of delegation and accountability. If there are fundamental failures in internal control these are subject to investigation. A fundamental review of the Contract Procedure Rules (CPR) was undertaken during 2020/21 and these revisions were ratified at the first meeting of the Council during the first Council meeting of the Municipal Year 2021/22.

The Director of Legal Services is the Monitoring Officer and is responsible for ensuring the Authority acts in accordance with the Constitution. Senior Officers have the primary

responsibility for ensuring decisions are properly made within a scheme of delegation at appropriate levels of responsibility. The Constitution contains codes of conduct and protocols for Members and Officers.

In order to have appropriate scrutiny of the Authority the Audit Committee has the capacity to appoint three Independent Members. The Council has struggled to recruit to these roles. The recruitment of an Independent Chair was not successful despite three separate adverts. A further exercise was deferred in 2020/21 due to the pandemic. This recruitment will now be undertaken in 2021/22.

The Audit Committee members receive appropriate briefings supported by training from key officers and third parties to enhance the Governance Framework. In the financial year 2020/21 the membership of the Audit Committee did not change so no specific training was required as it was provided in 2019/20.

The Standards Committee utilise independent investigators from outside the organisation to supplement in-house resources where appropriate to investigate any serious allegations into Member misconduct.

Principle B. Ensuring openness and comprehensive stakeholder engagement

The Authority, at the Council meeting in July 2017 agreed its long-term Corporate Plan which sets out the Authority's Co-operative vision and values, assimilating them into its strategic objectives. This links the objectives through to outcomes, identifying the service areas responsible and performance indicators. The Authority works closely with other local public bodies, community and voluntary groups via a partnership approach to ensure effective delivery of its services. The operation of the Oldham Leadership Board recognises that the Council is a body that champions Oldham.

A long-term specific initiative to demonstrate co-operative working with the community to improve their sustainability has been Get Oldham Growing – an initiative which aims to encourage communities in Oldham to be more active and engaged in food growing, to improve health and develop opportunities for new social businesses in the local food economy.

The Council Leader, on an annual basis presents to full Council, the forthcoming priorities of the administration. This is used to influence and shape the policies and strategies produced by the Authority. The Council meeting is streamed live giving every citizen of the borough the chance to review and challenge these priorities.

In addition to the above, the Council is a constituent District of the Greater Manchester Combined Authority (GMCA) which exercises a number of new powers devolved from Central Government. The GMCA meetings are also held in the public domain and streamed live. The Leader of the Council is a constituent member of the GMCA. During 2020/21, the Leader of the Council was the GMCA lead for Education, Skills and Digital across the region.

Progress on delivering the Corporate Plan is communicated through a performance management framework. The Overview and Scrutiny Performance and Value for Money Select Committee (PVFM) traditionally receives quarterly reports on both performance against the Corporate Plan and budget monitoring in addition to matters referred to it by Cabinet. These quarterly reports focus by exception and set out corrective measures where key performance indicators or the agreed budget have not been met. It is important to note in 2020/21 financial monitoring information was produced monthly in order to ensure transparency in the COVID response.

The Overview and Scrutiny Board receives reports on specific matters and policy initiatives to be considered by Cabinet at future meetings, whilst overall scrutiny is provided by both the Audit & Standards Committees.

During the financial year 2019/20 the Council strengthened its Scrutiny arrangements by creating a Health Scrutiny Committee prior to its detailed review undertaken in 2020/21.

In order to demonstrate its openness, the Authority also publishes its:

- Pay Policy Statement to support the Annual Budget;
- Constitution;
- Council, Cabinet and Committee Reports;
- Scheme of delegation reports;
- Information on payments over £500; and
- Health and Safety Action Plan.

The Council operates a system of a District Lead Elected Member supported by a system whereby individual ward members have a specific budget (£0.006m in 2020/21) to spend on local priorities. Working through their local contacts, these local representatives utilising their budgets were able to support a number of community groups during the pandemic.

All reports taken as “closed reports” benefit from Monitoring/ Deputy Monitoring Officer and Director of Finance sign off and appropriate advice before the matter receives due consideration including training where appropriate.

Those Members of the Authority undertaking the role as a District Lead Member receive regular training to support them discharge the role and bring challenge to Officers. This training programme is overseen by the Organisational Development Team.

There is regular contact with the other nine constituent Districts through the meetings of the GMCA. Lead Members and Officers feedback issues to the constituent Districts on pertinent matters. Separately the Statutory Regulatory Officers for Finance and Legal Services meet regularly to consider matters of common concern and agree a common approach on shared issues.

In order to ensure its message is effectively communicated to its citizens, the Council's Communications function proactively prepares appropriate press releases to support the Co-operative vision of the Council. A user friendly and well-designed Oldham Council website ensures all citizens are aware of the co-operative vision, strategies, policies and initiatives available. This website was redesigned in the 2019/20 financial year and ensures the communication medium with the Council and its residents remains up to-

date. This was an important means of communication with citizens and source of information throughout the pandemic during 2020/21.

To enable the public to highlight concerns in an appropriate manner the Authority and selected key contractors of high-profile services have complaints procedures which enables issues to be linked into future contract performance.

The Authority has spent its resources within the overall agreed budget for the financial year 2020/21 with a small underspend of £2.153m. The pandemic linked into COVID-19 has resulted in additional expenditure for the financial year 2020/21 which has been financed by enhanced Central Government support. It proved challenging monitoring the financial position during the year with ever increasing levels of Government grant being provided for general purposes and specific initiatives. Overall, the modest favourable variance will assist future financial resilience.

Central Government provided wide ranging funding throughout the financial year to support increased expenditure in response to the pandemic, to compensate for loss of income and relieve hardship for residents.

Further financial support for adult social care was received from the NHS via Oldham CCG to support hospital discharges but also more specific adult social care functions. This was facilitated via the Section 75 pooled budget agreement.

Further additional grant funding was received to administer support to businesses, starting with £54.738m paid right at the beginning of 2020/21. This was initially paid to enable the Council to act as an agent on behalf of Government to administer a mandatory grants under the Small Business Grant Fund (SBGF) and the Retail, Leisure and Hospitality Grant Fund (RLHGF). This was then extended to include a discretionary grant scheme. In total £47.845m was paid under the SBGF and the RLHGF and £2.501m under the discretionary scheme. As per the guidance, unspent grant was repaid to Central Government in 2020/21.

As it became apparent further restrictions to businesses would be required in the financial year, the Council acted as both the agent and principal (dependent upon the type of grant) to further Government support to businesses (Local Restrictions Support Grant and Additional Restrictions Grant). It also received funding to support vulnerable residents, to contain the spread of the virus and a grant to support enforcement. Overall a further £110.669m of specific and unringfenced grants were received by the Council from Central Government to aid the response to the pandemic.

Consideration and approval by the Authority of its future budget for 2021/22 took place at its 4 March 2021 full Council meeting. Due to increasing cost pressures on Adult Social Care, the Council Tax recommendation resulted in a specific 2% increase to be implemented to finance expenditure in this area (with a further 1% increase deferred to 2022/23) and a 0.99% Council Tax increase for general services.

The budget was set having regard to the anticipated financial implications of COVID-19 and the impact on future financial resilience together with expected levels of extra Central Government support. There is a risk the financial legacy of COVID impacts on the longer-

term resilience of the Council. This will become clearer as further information becomes available.

The Council's Four-Year Efficiency Plan was initially prepared to give certainty over the level of Central Government funding from 2016/17 to 2019/20, and effectively planned for year on year reductions to budgets. This was initially agreed by Cabinet on 5 September 2016 and the period the plan covered is now complete. This underpinned the Medium- Term Financial Strategy (MTFS) of the Council at the time to support the budget process until the end of the Financial Year 2019/20. It supported the financial resilience of the Authority enabling it to withstand unforeseen events and pressures by maintaining an appropriate level of reserves and balances to support on-going resilience and future development of efficiencies. Since then there has only been two single year financial settlements from Government which has resulted in the preparation of the MTFS with the inclusion of a range of key assumptions about further Government grant support.

The reserves are managed by reference to the approved Reserves Policy which is regularly reviewed by the Audit Committee. The level of balances is informed by the budget process.

The availability of reserves during the 2021/22 budget process facilitated planned one-off financial support (over 2 financial years) to enable the efficient transformation of both the Council and the Locality with a planned implementation in a managed manner. It supported the continued improved planned pooling of resources with health service partners to deliver future efficiencies.

With the pandemic occurring during March 2020, it impacted in the short term on the plans for transformation during 2020/21 and future years. It is the availability of the reserves which provide short term financial resilience so the Council can continue service provision and the response required to the COVID-19 pandemic and allow time for the transformational activity to be embedded. It is possible that Central Government support for the Council will be much more limited as the country emerges from the pandemic and the financial strategy will be shaped by this as the information emerges.

The overall financial strategy following the COVID-19 pandemic enabled Council Tax rises to be set at a level, which balanced the needs of the Council around ongoing financial resilience with affordability to residents. It has also enabled the Council to manage successfully, continued pressures of demand around Children's Social Care within its 2020/21 budget.

Appropriate consultation was considered in the production and design of the detailed Authority Strategies which aim to deliver appropriate co-operative solutions to benefit both present and future generations. The Get Oldham Working Initiative embedded in the Council has helped to create year on year work-related opportunities for our citizens. This led to the development of the Oldham Work and Skills Strategy which has 4 strategic goals to support the Council's co-operative vision. Already it is clear that this type support will have to continue to adapt because of the pandemic due to a significant number of Oldham residents losing their jobs due to the restrictions applied nationally.

Principle C – Defining outcomes in terms of sustainable economic, social and environmental benefits

The Corporate Plan, supported by individual Service Business Plans, the work of the GMCA and the Oldham Locality Plan set out the immediate and long-term vision of the Council. The 2020/21 budget delivered within the agreed resource allocation, supported this vision.

The 2020/21 budget was set pre pandemic. The resources available to the Council reflected a different operating environment and were planned to be deployed to continue to improve performance and reflect the agreed vision of a Co-operative Council in a Co-operative Borough. These principles and aspirations of the Council have not changed but are likely to require review as the full impact (the legacy of COVID) to both service provision and on financial resilience of responding to this emergency becomes clear linked into future long-term Government financial support.

Risk management is integral to the governance arrangements in the Authority and the key risks are considered by the Audit Committee and EMT. During the financial year 2019/20 an opportunity was taken to update and refresh the Risk Management Framework. This revised approach was becoming embedded in the Council pre pandemic and was incorporated into the production of Service Plans for 2020/21.

Regular updates on Corporate Governance are reported to the Audit Committee. In advance of each meeting of the Audit Committee there is the opportunity for the External Auditor to hold an informal meeting with the Head of Paid Service and the key Statutory Finance Officer to determine if any matters need highlighting to the Audit Committee. The risks are managed by the risk holders that are predominantly members of EMT.

The Authority's risk management framework consists of:

- a risk management policy statement;
- an Authority Risk Register and specific Risk Registers on key initiatives;
- ensuring that risk management is integral to the planning process and linked to key Authority and Contract objectives within business plans;
- regular updates of the Annual Governance Statement produced for the Audit Committee;
- allocated responsibilities;
- systems for mitigating and controlling risks; and
- systems for monitoring and reviewing risks and controls assurance.

Controls Assurance is an important part of the process to assure the Authority that the identified risks are being properly managed. This is carried out during the financial year by:

- the Audit Committee;
- the Standards Committee;

- Chief Executive/ Accountable Officer;
- Deputy Chief Executive, the Strategic Directors, Managing Directors and Directors;
- Directors of Finance and Legal Services;
- Statutory Officers for Children's Services, Education, Adults Social Services and Public Health Services;
- Internal/External Audit; and
- Appropriate Scrutiny arrangements which hold the Cabinet to account.

In 2020/21 the reports produced by the Authority to support key decisions included appropriate risk comments.

The Constitution defines and documents the roles and responsibilities of Officers and Members with clear delegation arrangements, protocols for decision making and codes of conduct for Members and staff. It is supported by an extended Members' training package which has received positive feedback from Members. Towards the end of March 2020 due to the pandemic it was necessary to instigate emergency delegation as per the Councils Constitution to support decisions required in response to the pandemic. Virtual meetings were instigated from late April 2020 to ensure decision-making was in accordance with the Constitution.

Member and Officer Relationships are mutually supportive and based on openness, honesty, trust and appropriate challenge. The latter is essential in ensuring the Authority maintains its leading position as a Co-operative Borough and are vital in making service changes to turn its 'Co-operative' vision into a reality, with its citizens more able to self-serve.

All changes to Service are supported by an Equality Impact Assessment. This results in alternative access arrangements being made where necessary, with information provided in multiple formats including on the website. This reflects the diverse nature of the wards that make-up the Authority. This is demonstrated in the Council budget meeting with high risk budget proposals being supported by an Equality Impact Assessment. It is also demonstrated in standard reports produced to support key decisions.

Principle D – Determining the interventions necessary to optimise the achievement of the intended outcome

The management structure continued to be realigned during 2020/21 to take account of both the Co-operative Vision, continual challenging financial targets of the Authority, the continuing integration of health and social care services, the part time secondment of the Chief Executive/ Oldham CCG Accountable Officer the requirement to respond to the pandemic and specific service challenges. Appropriate management arrangements were put in place to provide cover as required.

Decision making before the pandemic was based on rigorous and transparent scrutiny and an excellent relationship between Officers and Members based on mutual trust. That trust is maintained by openness and appropriate arrangements which ensure the involvement of all relevant Parties at the right level of responsibility ensuring all strategic decisions are led by Members. This has continued in 2020/21 with remote working practices instigated.

The implementation of the agreed policies at officer level is overseen by EMT. This is supported by the Senior Management Team, Joint Leadership Team (which has senior Council and NHS officer membership) and Directorate Management Teams.

In order to achieve the long-term financial targets, the Authority at its 4 March 2021 meeting set a budget for the financial year 2021/22 supported by an appropriate assessment of risk by the Director of Finance. All the expected risks post the pandemic as at 4 March 2021 were considered in the budget report. The future savings required by the Council with the planned achievement from future transformational activity were also presented.

Financial resilience was supported by an agreed Reserves Policy which pre pandemic was subject to regular review underpinning the long-term financial resilience of the Council and supporting the vision of a Co-operative Council in a Co-operative Borough.

The Authority agreed an efficiency plan during 2016/17 with Central Government. The 2016/17 to 2019/20 budgets, with associated savings, were based upon this. The efficiency plan gave certainty of the main Government grant funding streams for the period now ended.

With 2019/20 being the last year of this agreement with Government and the Government announcing a one-year settlement for 2020/21 (also for 2021/22), a key issue for the Council is the uncertainty about Government funding for 2022/23, and beyond. Whilst the Government has yet to give any clear indication of the quantum of funding or the allocation methodology, budget projections may therefore be subject to considerable variation. It is not certain given the national pandemic (and whether the restrictions linked into the opening of the economy ease) and the split from the European Union whether this certainty will be provided during the financial year 2021/22. The reserves and balances available to the Council supporting its immediate financial resilience are therefore important in the context of managing a period of potential financial turbulence.

Building on the Income Strategy, Corporate Property Investment Strategy and Corporate Property Strategy which were approved prior to 31 March 2019, the Income Strategy and the Commercial Property Investment Strategy was refreshed on 16 December 2019. These are key to ensure that the Council makes the most efficient and effective use of resources and its property assets and can deliver approved budget reductions. Recent Government and CIPFA guidance have curtailed some of the planned commercial investment anticipated within the Creating a Better Place programme meaning the Corporate Property Investment Strategy is no longer being pursued (the Creating a Better Place programme was subsequently reviewed and realigned in August 2020). The

pandemic will impact on these strategies even more and a further review will be required in 2021/22.

A Transformation Programme was already in progress pre pandemic under the joint working arrangements with the CCG, which sought to generate more effective service delivery and future efficiencies. The future workload of this programme has been influenced by the impact of the pandemic during 2020/21 and will be influenced by the forthcoming national changes to the delivery of NHS functions.

All meetings of the Cabinet and key Committees are publicised and are open to public scrutiny which has been enhanced by the virtual meetings taking place in the financial year 2020/21 only. All decisions are formally recorded. In addition, decisions taken under delegated powers are also recorded electronically and are reported via the Council's Electronic Decision Recording System. Several urgent decisions for the financial year 2020/21 were required under emergency procedures due to the nature of the pandemic.

The Audit Committee is an essential part of good governance. It reviewed the control environment for all the Council during 2020/21 and considered the progress made on issues highlighted in the Annual Governance Statement, including specific reports on certain issues such as the implementation of the payroll system.

Internal and External Audit both have direct access to and support the Committee including the ability of the External Auditor to have direct contact, without Officers of the Authority being present. To support the Committee specific training was provided in the financial year 2019/20 and as the Committee membership did not change in 2020/21, members were considered to be appropriately skilled to continue their function in 2020/21. All meetings in 2020/21 were held virtually.

The detailed matters reviewed by the Audit Committee during 2020/21 were:

- Treasury Management matters including Council borrowing including investment and loans;
- Earmarked Reserves;
- future Internal and External Audit Work;
- the findings of both External and Internal Audit on control matters, including payroll;
- key developments impacting on financial resilience of other local authorities due to poor governance such as partnership governance;
- the 2019/20 Statement and Accounts and associated external audit findings;
- issues linked into data protection and cyber security; and
- the Internal Audit Charter

The Council, in order to discharge its statutory functions in relation to overseeing all health matters in the Borough, operates a dedicated Scrutiny Committee which met throughout the year. Partnership working in the Borough with the Council, Health Services and key partners is supported by the Health and Wellbeing Board which met on a number of

occasions virtually during 2020/21. This Committee has an objective to improve the

public health in the area and to oversee integration of health and local authority service provision under the Locality Plan which is produced under the Greater Manchester devolution remit. In order to improve Scrutiny a specific committee to review health matters was created during 2019/20.

The Standards Committee reviews Members' conduct following the receipt of any complaints about official conduct on Council business by commissioning independent investigations. Where appropriate matters are reported and considered by full Council. The Standards Committee operated as expected throughout 2020/21.

All Directors prepare Divisional Plans that contain key actions and performance targets necessary to deliver the co-operative objectives of the Council.

Independent service reviews are carried out under the performance management frameworks which results in formal quarterly reports to both the Cabinet and the PVFM Select Committee. Where performance is perceived to be below corporate standards, specific reports are presented to the PVFM Select Committee or in the case of Educational attainment at schools, a special session is arranged to discuss issues including Academies. In addition, in 2020/21 the PVFM Select Committee reviewed the impact of budget monitoring reports with increased frequency given the pressure on both income, expenditure and the impact of receipt of government financial support which was notified at different points in the financial year.

Educational attainment in the Borough is acknowledged as a particular priority and the Oldham Education and Skills Commission has been set up with a vision to create a "Self-improving education system where schools, colleges and all interested parties work together in a new collaborative partnership". The aim is to improve results in this area for the longer term, so children and young people will be School Ready, Work Ready and Life Ready.

Additional resources were agreed within the 2020/21 budget as funded growth to implement associated improvements identified by the January 2019 Ofsted inspection of Children's Social Care Services and the September 2019 Ofsted and Care Quality Commission inspection (revisit) of the Special Educational Needs and Disabilities service provision. These reports found services had improved from the previous inspections, but further work was required.

The Council was subject to an Ofsted focused visit during 2020/21 to review the performance of the children's social care system within the context of the restrictions during the COVID-19 pandemic. The majority of findings were positive. Also, during the year, the Special Educational Needs and Disabilities Strategy and Development Plan was reviewed to consider the impact of the pandemic on services. All of these reviews are influencing current and future service delivery.

Scrutiny of budget matters including those of the administration and opposition were, again, during 2020/21, carried out by the PVFM Select Committee. This ensures openness and transparency in the way in which Officers/Members engage and have ownership in the budget challenge process. The MTFs approved for 2020/21 to 2024/25 reflected the view of the resources available to the Authority in the context of the best

estimate of Government grants supported by the revenue it can generate itself. In order to improve its long-term financial sustainability, the Authority agreed once again for 2020/21 to continue to be part of the Greater Manchester Business Rates Retention pilot scheme. Taking part in this pilot scheme has enabled the ten Greater Manchester Authorities to test and shape the new financing regime for Local Government which is expected to be based on the retention of business rates, whilst at the same time benefitting from funding gains offered to pilot scheme Authorities. This is in addition to the benefits arising from business rates pooling which has been in operation for several financial years. It had been anticipated that a new national business rates funding regime would be implemented in 2021/22. This has not proved possible and for the financial year 2021/22 the existing scheme has remained unchanged before its expected replacement in 2022/23.

The Contract Procedure Rules (CPR) within the Constitution alongside the Co-operative Values and Behaviours set out in the Corporate Plan, clearly establish the Authority's requirements on social value. These have been subject to revision in 2020/21 with Council agreeing the revised CPR's at its first meeting during the municipal year 2021/22.

Principle E – Developing the entity's capacity including the capability of its leadership and the individuals within it.

To support the achievement of its strategic priorities, the Authority reviews the organisational framework annually to ensure it has the right people with the right skills. The Authority has an agreed Workforce Strategy, working in partnership with NHS partners. This was refreshed in 2020 recognising that staff are the Council's greatest asset. This is supported within a performance framework covering all officers including an appraisal system with targeted, relevant training.

The Human Resources Policy and Procedures applicable to the appointments process. This is transparent, and available to staff via the Council's intranet site.

There are targeted programmes often utilising E-Learning with the Organisational Development team supporting these policies ensuring appropriate consideration is given to the future capacity of the organisation. These training courses are aligned to the co-operative ambition and underpinned by the Council's co-operative values and behaviours. There are regular team meetings and one to ones (1:1s).

The Authority implements the national agreement on pay and conditions of service. The Authority has achieved its commitment to pay the Foundation Living Wage for its entire staff and is seeking to also achieve that through its contractual arrangements. It has a further ambition over a two-year period to implement the principles of the Living Wage Foundation in line with its Co-Operative Values.

A full training programme for both established and recently elected Members (the Local Leaders' Programme) continued to be delivered in 2020/21 to support the vision of a Co-operative Council. The content of the programme changes annually but the emphasis remains on all Members demonstrating community leadership. The planned programme is supported by ad hoc training for Members who have specific Committee

responsibilities. Individual Members produce information published on the website which outlines their role in the Authority and achievements.

The Authority, to ensure an independent review of its systems, operates an Internal Audit Service complying with best practice as set out by Public Sector Internal Audit Standards. The findings of Internal Audit are reported to the Audit Committee which includes an annual opinion on the internal control environment. The overall opinion, based on more limited assurance for 2020/21 is adequate, indicating the continuation of a well-managed Council.

Delegated decisions for all matters are publicly available on the internet. Certain key partners who provide essential Council Services are subject to independent oversight by the Overview and Scrutiny Performance and Value for Money Select Committee.

To support decision making the Authority works with its Partners to maintain accurate and timely data to ensure decisions are based on a comprehensive understanding of financial costs and performance. Monthly data reported through the agreed partnership monitoring process is used to assess performance against the Cooperative objectives.

The Constitution is reviewed on an annual basis and key updates were undertaken in 2020/21 including a comprehensive review of the Contract Procedure Rules and the protocols for holding meetings remotely.

Arrangements and processes are in place to safeguard Members and employees against conflicts of interest. An annual reminder to complete declarations of interest is sent to all Members and followed up as needed. A gift/hospitality register and complaints procedures are also in place and are actively used. Appropriate matters identified are investigated with regard to due Council Process.

Principle F – Managing risks and performance through robust internal control and strong public management

The Council's Risk Management Framework which was refreshed during 2019/20 has been set out under Principle C. This ensures there is continuous monitoring and reporting of risk.

Each year in the electoral cycle, new Members of the Council are inducted prior to the Authority's Annual General Meeting (AGM). This is of vital importance, given the technical complexity of the Council's core operations, the decision-making structure and the financial value of the transactions controlled by the Authority. There were no elections in 2020/21 resulting in no new members requiring specific training.

All Statutory Officers are appropriately skilled and experienced, undertake training and support to carry out their duties effectively and, as appropriate, participate in continuous professional development.

The Cabinet meets on a monthly basis at set times to consider key matters including those on performance and risk. Items for decision are published in the Key Decision

Document to enable the public to be aware of future decisions. All reports include reference to the corporate objectives of the Council. In the event of an urgent item requiring a decision not published in the Key Decision Document, the agreement of the Chair of the Overview and Scrutiny Board must be obtained to exempt the decision from agreed scrutiny protocols.

In addition to the quarterly performance reports, Cabinet receives financial monitoring reports. During 2020/21, the frequency of financial monitoring reports was increased to a monthly basis (months 3-9) to highlight the changing financial position and present the estimated outturn against the approved budget. The 2020/21 month 9 budget monitoring report highlighted that the Council outturn would be in line with the agreed budget. The final outturn overall increased the surplus compared to the projection although the outturn on Adult Social Care was lower than projected due to the increased financial support from Oldham CCG.

During 2020/21, management of the use of reserves was in accordance with the agreed Reserves Policy and careful financial stewardship has ensured that in year an overall underspend against the budget was achieved which will be used to increase balances and support the short to medium-term financial resilience of the Council. Overall, there has been an increase in Earmarked Reserves and the level remains appropriate to support the present budget strategy as set out at the meeting on 4 March 2021.

The annual budget is supported by the Director of Finance commenting upon its deliverability and is availability of an appropriate reserves policy. The final accounts, of which this Statement is an integral part, outline the outturn of the Authority and are prepared in accordance with professional standards and are subject to external audit review.

In order to demonstrate robust internal control, the Authority has:

- a Risk Management Framework linked into the Authority Structure;
- an appropriate suite of Anti-Fraud and Corruption Policies;
- a balanced budget supported by appropriate reserves to underpin financial resilience; and
- Audit and Standards Committees, which are supported by independent Members.

The Council undertook a survey of all its staff in 2016/17 to assess their views on the management of the organisation. The findings have been considered in the production of service plans and priorities from 2017/18 onwards. A further survey was planned for the first quarter of 2020/21 but had to be deferred due to the longevity of the pandemic.

Principle G – Implementing good practices in transparency, reporting and audit to deliver effective accountability

The Authority is proactive in engaging with citizens and other key stakeholders, and the pandemic which has dominated the Council's working practices since mid-February 2020

drove ever closer working relationships with the National Health Service and accelerated integrated working.

The Authority in 2020/21 has demonstrated it was proactive in engaging and communicating with key stakeholders to boost and support the public. Key examples include setting up a hub at the Civic Centre to co-ordinate and distribute Personal Protective Equipment across all sectors with a staff redeployed to assist, facilitating external funding to provide a COVID Emergency response panel to provide support to self-isolating residents.

The Council has a key role in the Greater Manchester Agenda including devolution initiatives by:

- taking part in the monthly meetings of the Combined Authority with the Leader representing the Council;
- agreeing to both innovation and risk by piloting new initiatives at a regional level such as 100% business rates retention;
- locality working with the NHS at both a Greater Manchester wide level and Oldham area; and
- supporting new initiatives such as increased devolution of Adult Education

As part of the Transparency Agenda the Authority publishes Senior Officer Salaries over £50,000 and payments for works, goods and services over £500 on its web site. As part of this process, improvements have been made to internal control procedures on procurement, which ensure Commissioning and Procurement is fair, transparent, ethical and based on the needs of the community and an understanding of the marketplace. The Authority is attentive to the need to meet wider social and economic objectives whilst achieving value for money (VfM). Consistent decisions are sustained through an e-procurement system (the Chest), supported by internal Policies and Procedures.

The Authority, as part of the 2011 Localism Act and accountability in local pay, agreed its annually updated Pay Policy Statement at the Budget Council meeting prior to the start of 2020/21 to further support the Authority's preference for openness and transparency.

Apart from regular liaison with key Government bodies the Authority is also fully engaged with the Local Government Association (LGA), Greater Manchester Association of Municipal Treasurers and specialist region wide initiatives such as the Association of Greater Manchester Authorities (AGMA) Low Carbon Hub.

Internally there are well established and clear routes on how staff and their representatives are consulted and involved in decision making. These includes programmed staff surveys, regular staff briefings, internal briefings, and team meetings and staff appraisals.

During 2018/19 there was a handover of External Audit responsibilities from Grant Thornton (UK) LLP to Mazars LLP. Mazars LLP undertook the audit for the last two financial years and will undertake the 2020/21 audit. The audit of the Housing Benefit

subsidy claims, and Teachers Pension Service Return are being undertaken via arrangements agreed as a collaborative procurement across all Greater Manchester Councils and is being undertaken by KPMG LLP.

All External audit work is conducted with regard to the Code of Practice produced by the National Audit Office. Going forward certain changes are expected to external oversight as the recommendations from the Redmond Review are considered.

Partnership Arrangements

The Authority currently delivers a wide range of services, which often involve working in partnership with others, many of which involve considerable levels of funding. The financial year 2019/20 was the first full year that the Council wholly owned the Unity Partnership Ltd. and the benefits of acquisition have continued as planned.

The Council has another wholly owned Company MioCare Community Interest Company (CIC) to assist it to provide key Adult Social Care Services. This company has operated for a number of years since becoming operational on 1 December 2013.

The Authority has continued its plans to integrate with NHS services to improve the efficiency of public services. The increased contribution to adult social care services by Oldham CCG in 2020/21 highlights the joint working taking place.

In response to governance failures reported elsewhere in the public domain the Audit Committee commissioned a review of risks associated with the governance of wider partnerships linked into the Council. This review reported that the risk, as at 31 March 2021 from the Council's involvement in partnerships, was currently being well managed.

It is a requirement of the Code of Practice on Local Authority Accounting in the United Kingdom 2019/20 that, "Where an authority is in a group relationship with other entities and undertakes significant activities through the group, the review of the effectiveness of the system of internal control should include its group activities". This has been undertaken via the production of the partnership dashboard and a report submitted to the Audit Committee highlighting the risks. This has been incorporated into the production of this Statement of Accounts and issues for consideration in the Annual Governance Statement.

Risks on Current Significant Projects

The Authority has completed some significant projects, over the last 3 years, which were included in the capital programme. An on-going strategy, Creating a Better Place, is a complex initiative which will involve working in partnership with others. Some elements of partnership working require considerable levels of one-off and recurrent funding from the Council. The Reserves Policy supports the resilience of the Council to deliver its aspirations as set out in the capital programme.

Given the complexity of some projects there remains an on-going risk to manage in case of an oversight on the long-term financial commitments arising from these projects. The

Director of Finance has considered the latest position on this financial risk in both the Statement of Accounts and Reserves Policy. Individual reports to support investment in projects have been prepared in 2020/21 for consideration by Cabinet with appropriate comments by key officers to enable appropriate review of the issues including risks before a decision is made. This analysis of risk reflects the expenditure incurred on Town Centre Developments and new schools in the financial year 2020/21.

The issues on both partnership risk and current project risk have been incorporated into this Annual Governance Statement where necessary.

Review of Effectiveness

The Authority annually reviews the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the senior managers within the Authority who have responsibility for the development and maintenance of the governance environment; The Annual Report of the Head of Internal Audit and comments made by the External Auditors and other review agencies and inspectorates.

The Authority's strategy and objectives are established and embedded through an annual refined Business Planning process, which also sets out the framework for the work programme focusing predominantly on achieving efficiencies and the transformation of services where the most significant savings may be made. This is developed in tandem with the Annual Budget Cycle, and the MTFs, underpinned by the Reserves Policy to evidence and support financial resilience.

An internal audit programme is undertaken, which in 2020/21 has focused on key items in the Audit Plan such as financial systems, systems assurance, grant audit and providing data for the National Fraud Initiative. This is reported to the Audit Committee in relation to the Governance, Treasury Management, Fundamental Financial systems and operational controls. Where specific matters were brought to the attention of Internal Audit these have been investigated in accordance with the Policies of the Council.

In the financial year 2020/21 it has not been possible to deliver a full 12 months planned programme of work by the Internal Audit function. As reported to the Audit Committee the programme of work covered an 8-month period reflecting one off support required in administering grants to businesses in response to the pandemic. This is reflected in the annual opinion and has been a direct impact of the pandemic.

An external audit of the accounts for the year ending 31 March 2020 was undertaken by Mazars LLP and was reported to the Audit Committee on 21 July 2020. At the time of the meeting there remained outstanding some technical issues not under the control of the Council. It took some time for the audit to be finalised with the accounts being finally agreed via delegation authorised by the Audit Committee on 10 November 2020. Despite the challenges in finalising sign off, the Auditor commented positively about the standard of the accounts and working papers were considered to be of high quality. The accounts were approved within the extended statutory deadline. It is planned that the 2020/21

accounts will be presented for approval at the Audit Committee at a meeting to be arranged on 22 July 2021.

Significant Governance Issues

The Annual Governance Statement identifies the following governance issues and major risks for the Authority. These are:

2020/21 Issues	Planned Management Action to Reduce Risk
The internal control environment on Adult Social Care systems did not sustain the improvements in the financial year 2020/21 for the third year compared to 2017/18. Issues identified in the 2020/21 internal audits need to be implemented as a priority to improve internal control.	Added impetus will be given to strengthen the financial processes linked into the Mosaic system when the pressures on the service due to the COVID-19 pandemic reduce. This will involve regular meetings of key staff responsible for the implementation of improvements identified. This will include a six-monthly report to the Director of Finance on the progress made on emerging issues and any improvements identified throughout the year.
There are future changes to the Council's financial resilience (from the previous certainty guaranteed by the efficiency plan) due to uncertainty on matters outside of the Council's control such as Brexit, the longer term costs of the COVID-19 pandemic, the future level of government support for areas of high deprivation and indirectly or the impacts of commitments made under devolution. An added pressure is that the Council's previous plans to deliver savings by Transformation may continue to be constrained by the pandemic.	During 2021/22, despite continuing to deal with the COVID response, there are plans to improve efficiency around: • Delivering further Transformation in the Authority via the plans to deliver budget savings. • Continued integration and co-operation with the NHS. • Collection of revenues due to the Council. • Funding available to support the capital programme. • Realising the value of entities in which the Council has a financial interest. This will be supported by: • The Policy Team reviewing on-going updates of national and local policy. • An agreed Reserves Policy subject to regular review.

2020/21 Issues	Planned Management Action to Reduce Risk
	Joint working with key partners such as the NHS to better align resources. The Director of Finance considers the risks as part of the closure of accounts and during the financial monitoring arrangements for 2021/22.
The Council has a number of key regeneration projects planned for the future as detailed in the Creating A Better Place Programme. Should one of these high-profile projects not be delivered as planned it is likely to result in reputational damage to the Council or increase the financial pressure on the Council for the future made more challenging due to the COVID-19 pandemic	The Capital Investment Programme Board receives bimonthly reports on the high value projects once construction is underway. The Council's Reserves Policy is reviewed on a regular basis by the Director of Finance to reflect the agreed risks linked into the capital strategy. An annual review of the major Regeneration Projects included within the agreed Capital Programme will be undertaken by the Council during 2021/22 to assess the affordability of the capital programme in light of the COVID-19 pandemic and continued uncertainty over long term funding. The Director of Finance considers the risks as part of the closure of accounts and during the future financial monitoring arrangements for 2021/22.
The audit opinion of the internal control environment for the operation of payroll including pension's administration continued to improve as at 31 March 2021 although it could not be upgraded to adequate. Further improvements to both the internal control environment and efficiency of the service are required which in part are linked into the implementation of the new integrated HR system cannot yet be fully demonstrated.	The administration of the payroll system will be subject to regular review by the Internal Audit Service. A report will be prepared for the Audit Committee at its meeting in September 2021 outlining the progress made in processing payroll on the new system.

The continued compliance with the National Transparency Agenda has	There are regular reviews of the internal control mechanism including documenting

2020/21 Issues	Planned Management Action to Reduce Risk
increased the risk of the Council of a future fraud enhanced by the COVID-19 pandemic as information included in the public domain and obtained from Freedom of Information Requests is used to exploit the Council	changes to procedures operated due to home working to ensuring adequate controls are in place to prevent third parties receiving inappropriate payments. The minimalist approach to publishing information which is a legislative requirement under the Transparency Agenda is maintained unless the wider public interest is served by publication. The Council led Group on Information Governance takes organisational responsibility for the risk.
The future reforms to Health Integration do not result in the efficiencies anticipated due to increased demand due to a number of factors including the residual impact of the pandemic.	The Council can with Cabinet approval increase its flexibility to increase/ decrease the contribution to the pooled budget managed under Section 75 of the NHS Act 2006. This is on the assumption this flexibility will enable the whole health and care system to implement future efficiencies to generate overall savings/ improved service. This flexibility will be kept under continued review to maximise future opportunities for efficiency in Adult Social Care. The Director of Finance considers the emerging risks arising from the transformation as part of the closure of accounts for 2020/21, ongoing review of the council's reserves/ financial resilience and ongoing budget monitoring for 2021/22.
Dedicated Schools Grant is in a deficit position which has a Recovery Plan agreed by the Department for Education with the aim that it will be brought back to break-even over a three-year timeframe.	The recovery plan submitted and agreed by the Department for Education in the financial year 2019/20 has supported the stabilisation of the deficit. The actions identified in this Recovery Plan have begun to be implemented during 2020/21 and will continue to reduce the deficit over the three-year period. The implementation of these actions was initially delayed by the wider Council response to the COVID-19 pandemic and the need to assist schools to re-open from 1 June 2020. A

2020/21 Issues	Planned Management Action to Reduce Risk
	review by the DfE is being undertaken in 2021/22 to assess the progress made in reducing the deficit and any recommendations made from this will be implemented by the Council The deficit position and the progress made to address the deficit will be subject to regular updates as part of the budget monitoring reports to be submitted to Cabinet and Schools Forum by the Director of Finance. Should it not be possible to reduce the deficit as envisaged then there is a risk a further Recovery Plan may need to be submitted to the Schools Forum and Department for Education for approval.
The financial resilience of key partners who provide services to the Council have deteriorated due to the COVID-19 pandemic which cannot be supported by the Council to guarantee continuity of service due to our reduction in financial resilience.	Each instance will be considered by the Council on a case by case basis as the long-term financial impact on key partners caused by COVID-19 becomes clear. Each request for assistance will be subject to a report with appropriate due diligence undertaken. Emergency support agreed under the urgent arrangements for COVID 19 will be regularised as normal working under the new business as usual is implemented.
The present contractual arrangements with a number of key suppliers needs to be reviewed and better documented so any amendments required in a future emergency can be streamlined.	A group of key officers led by the Director of Finance meets on a minimum of a weekly basis to review the present contract documentation in place for contracted suppliers. This will ensure that appropriate revisions are made to ensure future improvements are made. Should the Director of Finance require it, a report will be prepared by a Service Area to be presented to the Audit Committee outlining plans to contract and commission future services.
There are outstanding legal matters linked into ongoing action against other local authorities which have the potential to	Key cases will be subject to regular review by key Statutory Officers within the Council

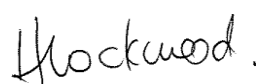
2020/21 Issues	Planned Management Action to Reduce Risk
impact on past custom and practice within the Authority which could have a significant future financial impact.	to assess the risk of an adverse financial impact. Regular monitoring reports of the Annual Governance Statement will assess the risk to the Council and be reported to the Audit Committee

Summary

The Authority has in place strong governance arrangements which we are confident protect its interests and provide necessary assurances to our citizens and stakeholders. However, like all organisations we cannot stand still and thus we propose to continue to take steps to address the above matters to enhance further our governance arrangements. We are satisfied that the steps described address the need for improvement identified in the Authority's review of effectiveness and will monitor their implementation and operation, not only as part of our next annual review, but also continuously throughout the year.



Councillor Arooj Shah
Leader of Oldham Council



Helen Lockwood
Deputy Chief Executive
Oldham Council

7.0 Glossary of Terms

Accruals Basis

The accruals principle is that income is recorded when it is earned rather than when it is received, and expenses are recorded when goods or services are received rather than when the payment is made.

Actuarial Gains and Losses

For a defined benefit pension scheme, the changes in actuarial deficits or surpluses that arise because events have not coincided with the actuarial assumptions made for the last valuation (experience gains and losses) or the actuarial assumptions have changed.

Agency Services

These are services that are performed by or for another Authority or public body, where the principal (the Authority responsible for the service) reimburses the agent (the Authority carrying out the work) for the costs of the work.

Amortisation

A charge to the comprehensive income and expenditure statement which spreads the cost of an intangible asset over a number of years in line with the Council's accounting policies.

Appointed Auditors

The appointment of External Auditors to Local Authorities is undertaken by the Public Sector Audit Appointments Limited (PSAA), an independent company limited by guarantee and incorporated by the Local Government Association in August 2014. Mazars LLP is the Council's appointed auditor.

Asset

Items of worth that are measurable in terms of value. Current assets may change daily, but the Council is expected to yield the benefit within the one financial year (e.g. short term debtors). Non-current assets yield benefit to the Council for a period of more than one year (e.g. land).

Associate Companies

An associate is an entity over which the Council has significant influence.

Association of Greater Manchester Authorities (AGMA)

AGMA represents the ten local authorities in Greater Manchester and works in partnership with Central Government, regional bodies and other Greater Manchester public sector bodies.

Balances

The balances of the Authority represent the accumulated surplus of income over expenditure on any of the Funds.

Better Care Fund (BCF)

The BCF was announced by Government in the June 2013 spending round to ensure a transformation in health and social care.

Capital Adjustment Account

The Account accumulates (on the debit side) the write-down of the historical cost of non-current assets as they are consumed by depreciation and impairments or written off on disposal. It accumulates (on the credit side) the resources that have been set aside to finance capital expenditure. The same process applies to capital expenditure that is only capital by statutory definition (revenue expenditure funded by capital under statute). The balance on the account thus represents timing differences between the amount of the historical cost of non-current assets that

has been consumed and the amount that has been financed in accordance with statutory requirements.

Capital Expenditure

This is expenditure on the acquisition of a non-current asset, or expenditure, which adds to, and not merely maintains, the value of an existing non-current asset.

Capital Financing Charges

This is the annual charge to the revenue account in respect of interest and principal repayments and payments of borrowed money, together with leasing rentals.

Capital Receipts

Income received from the sale of land or other capital assets, a proportion of which may be used to finance new capital expenditure, subject to the provisions contained within the Local Government Act 2003.

Carrying Amount

The Balance Sheet value recorded of either an asset or a liability.

Chartered Institute of Public Finance and Accountancy (CIPFA)

CIPFA is the leading professional accountancy body for public services.

Collection Fund

The Council as a billing authority has a statutory obligation to maintain a separate Collection Fund. This shows the transactions relating to the collection of Council Tax and Business Rates and its distribution to Local Government bodies.

Community Assets

These are non-current assets that the Council intends to hold in perpetuity which have no determinable finite useful life and, in addition, may have restrictions on their disposal. Examples include parks and historical buildings not used for operational purposes.

Contingency

This is money set aside in the budget to meet the cost of unforeseen items of expenditure, or shortfalls in income, and to provide for inflation where this is not included in individual budgets.

Contingent Liabilities or Assets

These are amounts potentially due to or from individuals or organisations which may arise in the future but which at this time cannot be determined accurately, and for which provision has not been made in the Council's accounts.

Co-operative Council

This is the ethos of the Council embodied by the desire that citizens, partners and staff work together to improve the borough and create a confident and ambitious place.

Council Tax Requirement

This is the estimated revenue expenditure on General Fund services that will be financed from the Council Tax after deducting income from fees and charges, General Fund Balances, specific grants and any funding from reserves.

Creditors

Amounts owed by the Council for work done, goods received or services rendered, for which payment has not been made at the date of the balance sheet.

Current Service Cost

Current Service Cost is the increase in the present value of a defined benefit pension scheme's liabilities expected to arise from employee service in the current period, i.e. the ultimate pension benefits "earned" by employees in the current year's employment.

Current Value

The current value of an asset reflects the economic environment prevailing for the service or function the asset is supporting at the reporting date.

Curtailment

Curtailments will show the cost of the early payment of pension benefits if any employee has been made redundant in the previous financial year.

Debtors

These are sums of money due to the Council that have not been received at the date of the Balance Sheet.

Dedicated Schools Grant Adjustment Account

A temporary ringfenced reserve established by the 2020/21 Code to hold any DSG deficit separately from the Council's General Fund Earmarked reserves.

Deferred Capital Receipts

These represent capital income still to be received after disposals have taken place and wholly consists of principal outstanding from the sale of council houses.

Defined Benefit Scheme

This is a pension or other retirement benefit scheme other than a defined contribution scheme. Usually, the scheme rules define the benefits independently of the contributions payable and the benefits are not directly related to the investments of the scheme. The scheme may be funded or unfunded (including notionally funded).

Defined Contribution Scheme

A Defined Contribution Scheme is a pension or other retirement benefit scheme into which an employer pays regular contributions as an amount or as a percentage of pay and will have no legal or constructive obligation to pay further contributions if the scheme does not have sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

Ministry of Housing, Communities and Local Government (MHCLG)

MHCLG is a Central Government department with the overriding responsibility for determining the allocation of general resources to Local Authorities.

Depreciation

This is the measure of the wearing out, consumption, or other reduction in the useful economic life of property, plant and equipment assets.

Depreciated Replacement Cost (DRC)

A method of valuation that provides a proxy for the market value of specialist assets.

Derecognition

Financial assets and liabilities will need to be removed from the Balance Sheet once performance under the contract is complete or the contract is terminated.

Discounts

Discounts represent the outstanding discount received on the premature repayment of Public Works Loan Board loans. In line with the requirements of the Code, gains arising from the repurchase or early settlement of borrowing have been written back to revenue. However, where the repurchase or borrowing was coupled with a refinancing or restructuring of borrowing with

substantially the same overall economic effect when viewed as a whole, gains have been recognised over the life of the replacement loan.

Earmarked Reserves

The Council holds a number of reserves earmarked to be used to meet specific, known or predicted future expenditure.

External Audit

The independent examination of the activities and accounts of Local Authorities to ensure the accounts have been prepared in accordance with legislative requirements and proper practices and to ensure the Authority has made proper arrangements to secure value for money in its use of resources.

Fair Value

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fees and Charges

Income arising from the provision of services e.g. the use of trade waste services

Finance Lease

A finance lease is a lease that transfers substantially all of the risks and rewards of ownership of a non-current asset to the lessee.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another. The term 'financial instrument' covers both financial assets and financial liabilities and includes both the most straightforward financial assets and liabilities such as trade receivables and trade payables and the most complex ones such as derivatives and embedded derivatives.

Financial Management Code

Provides guidance for good and sustainable financial management in local authorities. By complying with the principles and standards within the code authorities will be able to demonstrate their financial sustainability.

Financial Regulations

These are the written code of procedures approved by the Council, intended to provide a framework for proper financial management. Financial regulations usually set out rules on accounting, audit, administrative and budgeting procedures.

General Fund

This is the main revenue fund of the Authority and includes the net cost of all services financed by local taxpayers and Government grants.

Greater Manchester Combined Authority (GMCA)

Created by the Local Government, Economic Development and Construction Act, the Greater Manchester Combined Authority (GMCA) assumed its powers and duties on 1 April 2011. It took over the functions previously the responsibility of the Greater Manchester Integrated Transport Authority (GMITA), which it replaced. It also took over responsibility for transport planning, traffic control and wide loads, assumed responsibility for the transportation resources allocated to the Greater Manchester region and regional economic development functions. From 1 April 2018 it took over responsibilities for activities previously undertaken by the Greater Manchester Waste

Disposal Authority, the Greater Manchester Fire and Rescue Service, and the Greater Manchester Police and Crime Commissioner.

Heritage Asset

A tangible asset with historical, artistic, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture.

Housing Benefit

This is an allowance to persons receiving little or no income to meet, in whole or part, their rent. Benefit is allowed or paid by Local Authorities but Central Government refunds part of the cost of the benefits and of the running costs of the services to Local Authorities. Benefits paid to the Authority's own tenants are known as rent rebate and that paid to private tenants as rent allowance.

Housing Revenue Account (HRA)

Local Authorities are required to maintain a separate account - the Housing Revenue Account - which sets out the expenditure and income arising from the provision of social housing. Other services are charged to the General Fund.

Impairment

A reduction in the value of assets below its value brought forward in the Balance Sheet. Examples of factors which may cause such a reduction in value include general price decreases, a significant decline in a non-current asset's market value and evidence of obsolescence or physical damage to the asset.

Infrastructure Assets

Non-current assets which generally cannot be sold and from which benefit can be obtained only by continued use of the asset created. Examples of such assets are highways, footpaths, bridges and water and drainage facilities.

Intangible Assets

These are assets that do not have physical substance but are identifiable and controlled by the Council. Examples include software, licenses and patents.

Interest Cost (Pensions)

For a defined benefit scheme, the expected increase during the period on the present value of the scheme liabilities which arises from the passage of time.

International Financial Reporting Standard (IFRS)

Defined Accounting Standards that must be applied by all reporting entities to all financial statements in order to provide a true and fair view of the entity's financial position, and a standardised method of comparison with financial statements of the other entities.

Inventories

Amounts of unused or unconsumed stocks held in expectation of future use. Inventories are comprised of the following categories:

- Goods or other assets purchased for resale
- Consumable stores
- Raw materials and components
- Products and services in intermediate stages of completion
- Finished goods

Investment Properties

Property, which can be land or a building or part of a building or both, that is held solely to earn rentals or for capital appreciation or both, rather than for operational purposes.

Joint Venture

A joint venture is a joint arrangement whereby the parties who have joint control of the arrangement have rights to the net assets of the arrangement.

Leasing Costs

This is where a rental is paid for the use of an asset for a specified period of time. Two forms of lease exist: finance leases and operating leases.

Lender Option Borrower Option (LOBO)

A LOBO is a type of loan instrument. The borrower borrows a principal sum for the duration of the loan period (typically 20 to 50 years), initially at a fixed interest rate. Periodically (typically every six months to 3 years), the lender has the ability to alter the interest rate. Should the lender make this offer, the borrower then has the option to continue with the instrument at the new rate or alternatively to terminate the agreement and pay back the principal sum without penalty.

Lessor and Lessee

The **lessor** is the legal owner of the asset or property, and he gives the **lessee** the right to use or occupy the asset or property for a specific period. Although the **lessor** retains ownership of the asset, they have reduced rights to the asset during the course of the agreement.

Liabilities

These are amounts due to individuals or organisations which will have to be paid at some time in the future. Current liabilities are usually payable within one year of the Balance Sheet date.

Loss Allowance

The allowance for expected credit losses on financial assets, such as debtors.

Materiality

Information is material if omitting it or misstating it could influence the decisions that users make on the basis of financial information about the Council.

Medium Term Financial Strategy (MTFS)

This is a financial planning document that sets out the future years' financial forecasts for the Council. It considers local and national policy influences and projects their impact on the general fund revenue budget, capital programme and HRA. In Oldham it usually covers a four or five year timeframe.

Minimum Revenue Provision (MRP)

MRP is the minimum amount which must be charged to an Authority's revenue account each year and set aside as provision for credit liabilities, as required by the Local Government and Housing Act 1989.

Non Domestic Rates (NDR) (also known as Business Rates)

NDR is the levy on business property, based on a national rate in the pound applied to the 'rateable value' of the property. The Government determines national rate poundage each year which is applicable to all Local Authorities.

Net Book Value (NBV)

The amount at which non-current assets are included in the balance sheet, i.e. their historical cost or current value less the cumulative amounts provided for depreciation.

Net Debt

Net debt is the Council's borrowings less cash and liquid resources.

Outturn

Actual expenditure and income compared to the budget.

Pooled Aligned Budget

A pooled fund, arising from a Section 75 Agreement between Oldham Council and Oldham CCG, but the partners' respective financial contributions to such a fund are held in their own bank accounts.

Pooled Budget

A pooled fund, arising from a Section 75 Agreement between Oldham Council and Oldham CCG, comprising financial contributions from both partners hosted by one of the partners in its bank account.

Pooled Fund

This can be either a Pooled Budget or a Pooled Aligned Budget.

Precept

The amount collected by the Council on behalf of other bodies. For 2020/21 the major precepts were payable in relation to the GM Mayor as Police and Crime Commissioner and the Mayoral General Precept (including Fire Services).

Premiums

These are discounts that have arisen following the early redemption of long term debt, which are written down over the lifetime of replacement loans where applicable.

Prior Period Adjustments

These are material adjustments which are applicable to an earlier period arising from changes in accounting policies or for the correction of fundamental errors.

Private Finance Initiative (PFI)

A Central Government initiative which aims to increase the level of funding available for public services by attracting private sources of finance. The PFI is supported by a number of incentives to encourage Authorities' participation.

Property, Plant and Equipment (PPE)

PPE are tangible assets (i.e. assets that have physical substance) that are held for use in the production or supply of goods and services, for rental to others, or for administrative purposes, and are expected to be used during more than one year.

Provisions

Amounts set aside to meet liabilities or losses which it is anticipated will be incurred but where the amount and/or the timing of such costs are uncertain.

Public Works Loan Board (PWLb)

An arm of Central Government which is the major provider of loans to finance long term funding requirements for Local Authorities

Related Parties

Related parties are Central Government, other Local Authorities, precepting and levying bodies, subsidiary and associated companies, Elected Members, and all senior officers. For individuals identified as related parties, the following are also presumed to be related parties:

- members of the close family, or the same household; and
- partnerships, companies, trusts or other entities in which the individual, or member of their close family or the same household, has a controlling interest.

Remeasurement of the Net Defined Benefit Liability

Remeasurement of the Net Defined Benefit Liability (asset) comprises:

- a) actuarial gains and losses
- b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset), and
- c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

Reporting Standards

The Code of Practice prescribes the accounting treatment and disclosures for all normal transactions of a Local Authority. It is based on International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and International Financial Reporting Interpretations Committee (IFRIC) plus UK Generally Accepted Accounting Practice (GAAP) and Financial Reporting Standards (FRS).

Reserves

Amounts set aside to help manage future risks, to provide working balances or that are earmarked for specific future expenditure priorities.

Revaluation Reserve

The Reserve records the accumulated gains on the non-current assets held by the Authority arising from increases in value as a result of inflation or other factors (to the extent that these gains have not been consumed by subsequent downward movements in value).

Revenue Contributions

The method of financing capital expenditure directly from revenue.

Revenue Expenditure Funded from Capital Under Statute (REFCUS)

Expenditure incurred during the year that may be capitalised under statutory provision but that does not result in the creation of a non-current asset that has been charged as expenditure to the Comprehensive Income and Expenditure Statement.

Section 75 (S.75) Agreement

An agreement made between a Local Authority and an NHS body under the powers of the National Health Service Act 2006 which facilitates the pooling of resources to improve the delivery of health and social care. Locally the agreement is between Oldham Council and Oldham CCG

Subsidiary

A subsidiary is an entity, including an unincorporated entity such as a partnership, which is controlled by the Council.

Treasury Management

This is the process by which the Authority controls its cash flow and its borrowing and lending activities.

Treasury Management Strategy (TMS)

A strategy prepared with regard to legislative and CIPFA requirements setting out the framework for treasury management activity for the Council.

Trust Funds

These are funds administered by the Council on behalf of charitable organisations and/or specific organisations.

Unsupported (Prudential) Borrowing

This is borrowing for which no financial support is provided by Central Government. The borrowing costs are to be met from current revenue budgets.

This page is intentionally left blank

Appendix 2 - Changes to the Draft Statement of Accounts

Change Reason	Statements/Notes Section Affected	Change Made
Disclosure	Note 2 - Expenditure and Income Analysed by Nature / CIES	Note 2 has been amended to remove expenditure and Income with schools which is internal to the Council. This has impacted the Gross Income & Gross Expenditure on the Net Costs of Services but the Net Expenditure of the Council remains unchanged.
Disclosure	Note 3 – Financing and Investment Income & Expenditure / CIES - Prior Year adjustment (2019/20)	A prior year amendments have been made to both Note 3 and the CIES to remove the prior year impact of the loss on disposal of academy schools which is now included in Other Operating Expenditure in the CIES.
Group Accounts	Group Accounts - Core Statements and additional notes	The Group Accounts have been updated to present the latest position. The changes relate to Miocare Group Accounts to reflect updated financial information. An additional disclosure has been included within the Group Accounts detailing the Audit Fees paid to Mazars LLP by the Group Entities.
Narrative	Narrative Statement	Minor amendments have been made to the Narrative Statement to ensure the most up-to-date information has been provided reflecting the passage of time since the preparation of the draft Statement of Accounts.
Disclosure/Presentation	Various - Throughout the Document	Improvements to disclosures, narrative and presentation have been made where required.

This page is intentionally left blank

Audit Completion Report

Oldham Metropolitan Borough Council
Year ended 31 March 2021

Page 359
July 2021



Contents

Page 360

01	Executive summary
02	Status of the audit
03	Audit approach
04	Significant findings
05	Internal control recommendations
06	Summary of misstatements
07	Value for Money

Appendix A: Draft management representation letter

Appendix B: Draft audit report

Appendix C: Independence

Appendix D: Other communications

Our reports are prepared in the context of the 'Statement of Responsibilities of auditors and audited bodies' and the 'Appointing Person Terms of Appointment' issued by Public Sector Audit Appointments Limited.
Reports and letters prepared by appointed auditors and addressed to the Council are prepared for the sole use of the Council and we take no responsibility to any member or officer in their individual capacity or to any third party.
Mazars LLP is the UK firm of Mazars, an international advisory and accountancy group. Mazars LLP is registered by the Institute of Chartered Accountants in England and Wales.



Audit Committee
Oldham Metropolitan Borough Council
Civic Centre
West Street
Oldham
OL1 1UT

Mazars LLP
One St Peter's Square
Manchester
M2 3DE

27 July 2021

Dear Audit Committee Members

Audit Completion Report – Year ended 31 March 2021

We are pleased to present our Audit Completion Report for the year ended 31 March 2021. The purpose of this document is to summarise our audit conclusions.

The scope of our work, including identified significant audit risks, key audit matters and other areas of management judgement, was outlined in our Audit Strategy Memorandum which we presented on 10 June 2021. We have reviewed our Audit Strategy Memorandum and concluded that the original significant audit risks, key audit matters and other areas of management judgement remain appropriate. We would like to express our thanks for the assistance of your team during our audit.

If you would like to discuss any matters in more detail then please do not hesitate to contact me on 07721 234043.

Yours faithfully

Signed: {{_es_.signer1:signature }}

Karen Murray

Partner, Mazars LLP

01

Section 01: **Executive summary**

1. Executive summary

Principal conclusions and significant findings

The detailed scope of our work as your appointed auditor for 2020/21 is set out in the National Audit Office's (NAO) Code of Audit Practice. Our responsibilities and powers are derived from the Local Audit and Accountability Act 2014 and, as outlined in our Audit Strategy Memorandum, our audit has been conducted in accordance with International Standards on Auditing (UK) and means we focus on audit risks that we have assessed as resulting in a higher risk of material misstatement.

Section 4 of this report we have set out our conclusions and significant findings from our audit. This section includes our conclusions on the audit risks, key audit matters and areas of management judgement. The key audit matters that were of most significance in our audit of the Financial Statements for disclosure in our auditor's report:

- Valuation of Land & Buildings
- Valuation of Investment Property
- Valuation of the Defined Benefit Pension Liability

Section 4 also includes our conclusions on the audit risks and areas of management judgement in our Audit Strategy Memorandum, which include:

- Management override of control
- Valuation of the Council's investment in Manchester Airport Holdings Limited

Section 5 sets out internal control recommendations and section 6 sets out audit misstatements; of which unadjusted misstatements total £1.1m. Section 7 outlines our work on the Council's arrangements to achieve economy, efficiency and effectiveness in its use of resources.

Status and audit opinion

We have substantially completed our audit in respect of the financial statements for the year ended 31 March 2021.

At the time of preparing this report there are some matters remaining outstanding as outlined in section 2. We will provide an update to you in relation to the significant matters outstanding through a follow up letter.

Subject to the satisfactory conclusion of the remaining audit work, we have the following conclusions:



Audit opinion

We anticipate issuing an unqualified opinion, without modification, on the financial statements. Our proposed audit opinion is included in the draft auditor's report in Appendix B.



Value for Money

We have not yet completed our value for money arrangements work and will report our findings in our Auditor's Annual Report later in the year. On the basis of the work completed to date we do not anticipate having significant weaknesses in arrangements to report in relation to the arrangements that the Council has in place to secure economy, efficiency and effectiveness in its use of resources. Further detail on our value for money arrangements work is provided in section 7 of this report.



Whole of Government Accounts (WGA)

We have not yet received group instructions from the National Audit Office in respect of our work on the Council's WGA submission. We are unable to commence our work in this area until such instructions have been received.



Wider powers

The 2014 Act requires us to give an elector, or any representative of the elector, the opportunity to question us about the accounting records of the Council and to consider any objection made to the accounts. We have received correspondence and questions from a member of the public. We are currently considering the matter raised.

1. Executive summary

COVID-19 impacts

The impact of the COVID-19 pandemic on the audit was significant for a second audit year. Although we have had the full co-operation of the finance team and Council management through the audit, the remote working of our audit team and the Council's staff has inevitably meant that the audit work took longer to complete and finalise than would ordinarily be the case.



02

Section 02: **Status of the audit**

2. Status of the audit

Our work is nearing completion and there are currently no matters of which we are aware that would require modification of our audit opinion, subject to the outstanding matters detailed below.

Audit area	Status	Description of the outstanding matters
Income and Expenditure testing		We are awaiting the final elements of evidence for our testing of the Council's other income, payroll expenditure and non-pay expenditure.
Property, Plant & Equipment testing		We are resolving queries relating to the valuation of the Council's property, plant & equipment and the disclosure of capital expenditure and financing.
Pension liability		We are awaiting the final evidence for our testing of the Council's defined benefit pension liability. In addition we have requested confirmation from the Pension Fund auditor on areas relating to their audit of the Greater Manchester Pension Fund. Their audit is not yet complete and the confirmations will be received when that audit is completed.
PFI		We are completing our work on the Council's PFI liabilities and the Unitary Payments
Financial instruments		We are completing our work on the Council's Financial Instruments disclosures
IT general controls testing		Our IT auditors are awaiting requested information from the Council to complete their testing of the Council's general IT controls
Group consolidation		Based on our discussions the Council has updated its group accounts and we have only recently received the supporting working papers. We are still completing our work on the Council's consolidation as a result.
Related party transactions		We are completing the final elements of our work on the related party transactions
Financial statements, Annual Governance Statement and letter of representation		We will complete our final review of the financial statements upon receipt of the signed version of the accounts and letter of representation.



Likely to result in material adjustment or significant change to disclosures within the financial statements.



Potential to result in material adjustment or significant change to disclosures within the financial statements.



Not considered likely to result in material adjustment or change to disclosures within the financial statements.

03

Section 03: **Audit approach**

3. Audit approach

Changes to our audit approach

We provided details of our intended audit approach in our Audit Strategy Memorandum presented to Audit Committee in June 2021. We have not made any changes to our audit approach since we presented our Audit Strategy Memorandum.

Materiality

Our provisional materiality at the planning stage of the audit was set at £13.9m for the Group financial statements and £13.8m for the Council single-entity statements using a benchmark of 2% of gross expenditure at the Surplus/Deficit at Net Cost of Services level. Our final assessment of materiality, based on the final financial statements and qualitative factors is £13.61m for the Group financial statements and £13.6m for the Council single-entity statements using the same benchmark.

Service organisations

We set out in our Audit Strategy Memorandum our approach to auditing the Council's service organisations. We confirm there have been no changes to those arrangements during the audit.

Items of account	Service organisation	Audit approach
Payroll, non-pay expenditure and other transactional items of account	The Unity Partnership Ltd	We obtained assurance by understanding the controls that the Council has in place to assure itself that transactions are processed materially correctly. Our testing included sample testing of transactions based on evidence available from the Council rather than the service organisation.

Use of experts

We set out in our Audit Strategy Memorandum our planned use of experts to assist in our audit procedures. We confirm there have been no changes to those arrangements during the audit

Item of account	Management's expert	Our expert
Defined benefit pension assets and liabilities	Hyman Robertson actuaries	PwC – NAO's consulting actuary
Property, Plant and Equipment and Investment Property valuation	Unity Partnership Ltd	We used available third party information to challenge the key valuation assumptions
Valuation of Manchester Airport land	Jacobs Ltd	Mazars in-house valuation team
Valuation of shareholding in Manchester Airport Holding Limited	BDO LLP	Mazars in-house valuation team
Valuation of Financial Instruments	Link Asset Services	We reviewed Link's methodology for providing the fair value disclosures

3. Audit approach

Group audit approach

The Council's group structure for 2020/21 includes two wholly owned subsidiary companies, Miocare Group Community Interest Company Ltd and The Unity Partnership Ltd. In auditing the accounts of the Council's Group financial statements we obtained assurance over the transactions in the Group relating to the Council's subsidiary companies.

Our approach reflected the size and complexity of the transactions from the subsidiary companies that are consolidated into the Council's Group financial statements. Our approach is outlined below and we confirm there are no changes to the planned approach set out in our Audit Strategy Memorandum.

Group component	Approach adopted	Key points or other matters to report
Oldham MBC		The Mazars audit team undertook the full audit of the Council
Miocare CIC Ltd		The Mazars audit team undertook testing of Miocare's defined benefit pension liability and carried out review procedures of the remaining consolidated accounting entries. The component materiality used for these procedures was £5m.
Unity Partnerships Ltd		The Mazars audit team undertook testing of Unity Partnership's defined benefit pension liability and carried out review procedures of the remaining consolidated accounting entries. The component materiality used for these procedures was £6m.

Full audit
Performance of an audit of the component's financial information prepared for group reporting purposes using component materiality

Audit of balances and/or disclosures
Performance of an audit of specific balances and/or disclosures included in the component's financial information prepared for group reporting purposes, using component materiality

Specific audit procedures
Performance of specific audit procedures on the component's financial information

Review procedures
Review of the component's financial information prepared for group reporting purposes using the component materiality assigned

3. Audit approach

The table below summarises our significant risks and other areas of audit focus. The key findings from our audit work in these areas are detailed in section 4.

Page 370

	Risk description	Risk of fraud	Risk of error	Management judgement	Key Audit Matter	Audit approach	Control observations	Identified misstatements	Overall conclusion
Significant risks	Management override of controls	●				Substantive testing	O/S	O/S	Work is still to be completed on some areas of testing but based on the work completed there are no matters to bring to the Committee's attention at this stage.
	Valuation of Land & Buildings		●	●	●	Substantive testing	O/S	O/S	Work is still to be completed but based on the work completed there are no matters to bring to the Committee's attention at this stage.
	Valuation of Investment Properties		●	●	●	Substantive testing	No	No	No matters to bring to the Committee's attention.
	Valuation of the defined benefit pension liability		●	●	●	Substantive testing	O/S	O/S	Work is still to be completed but based on the work completed there are no matters to bring to the Committee's attention at this stage.
Key areas of management judgement and enhanced risks	Valuation of the Council's investment in MAHL		●	●		Substantive testing	No	No	No matters to bring to the Committee's attention.

04

Section 04: **Significant findings**

4. Significant findings

In this section we outline the significant findings from our audit. These findings include:

- our findings on key audit matters, including:
 - why the matter was considered;
 - why the matter was considered to be one of the most significance in the audit and therefore determined to be a key audit matter;
 - how the matter was addressed in the audit including a summary of the auditor’s response to those risks;
 - where relevant, key observations arising with respect to those risks; and
 - a clear reference to the relevant disclosures in the financial statements.
- if applicable (only in exceptional cases), depending on the facts and circumstances of the entity and the audit (these facts must be clearly explained), the auditor’s determination that there are no key audit matters to communicate in the auditor’s report. [ISA 701 Para. A60–A63]
- our audit conclusions regarding other significant risks, key audit matters and key areas of management judgement outlined in the Audit Strategy Memorandum;
- our comments in respect of the accounting policies and disclosures that you have adopted in the financial statements. On page 20 we have concluded whether the financial statements have been prepared in accordance with the financial reporting framework and commented on any significant accounting policy changes that have been made during the year;
- any further significant matters discussed with management; and
- any significant difficulties we experienced during the audit.

Page 372



4. Significant findings

Key audit matters

Valuation of Council

Property, Plant & Equipment

Description of the key audit matter

The CIPFA Code requires that where assets are subject to revaluation, their year-end carrying value should reflect the current value at that date. The Council has adopted a rolling revaluation model which sees all such property, plant & equipment revalued in a five-year cycle. The valuation of property, plant & equipment involves the use of a management expert (the valuer) and incorporates assumptions and estimates which impact materially on the reported value. There are risks relating to the valuation process. The Council employs a valuation expert to provide valuations, however there remains a high degree of estimation uncertainty associated with the valuations of property, plant and equipment due to the significant judgements and number of variables involved. As a result of the rolling programme of revaluations, there is a risk that individual assets which have not been revalued for up to four years are not valued at the current value at the balance sheet date. In addition, as the valuations are undertaken through the year there is a risk that the current value of the assets could be materially different at the year end.

Council Dwelling valuations are based on Existing Use Value, discounted by a factor to reflect that the assets are used for Social Housing (EUV-SH). The Social Housing adjustment factor is prescribed in MHCLG guidance, but this guidance indicates that where a valuer has evidence that this factor is different in the Council's area they can use their more accurate local factor. There is a risk that the Council's application of the valuer's assumptions is not in line with the statutory requirements and that the valuation is not supported by detailed evidence.

How our audit addressed the key audit matter and our observations

Our audit procedures included:

- Obtaining an understanding of the skills, experience and qualifications of the valuer, and considering the appropriateness of the Council's instructions to the valuer.
- Obtaining an understanding of the basis of valuation applied by the valuer in the year.
- Obtaining an understanding of the Council's approach to ensure that assets not subject to revaluation in 2020/21 are materially fairly stated.
- Obtaining an understanding of the Council's approach to ensure that assets revalued through 2020/21 are materially fairly stated at the year end.
- Sample testing the completeness and accuracy of underlying data provided by the Council and used by the valuer as part of their valuations.
- Using relevant market and cost data to assess the reasonableness of the valuation as at 31 March 2021.
- Testing the accuracy of how valuation movements were presented and disclosed in the financial statements. Testing a sample of items of capital expenditure in 2020/21 to confirm that the additions are appropriately valued in the financial statements.

There are elements of our work that are still to be completed in this area. Based on the work carried out to date there are no matters to bring to the Committee's attention.

4. Significant findings

Key audit matters

Valuation of investment properties

Description of the key audit matter

The CIPFA Code requires that where Investment Property assets are subject to revaluation, their year-end carrying value should reflect the fair value at that date. The valuation of Investment Property involves the use of a management expert (the valuer) and incorporates assumptions and estimates which impact materially on the reported value. There are risks relating to the valuation process. The Council employs valuation experts to provide valuations, however there remains a high degree of estimation uncertainty associated with the valuations of property, plant and equipment due to the significant judgements and number of variables involved.

How our audit addressed the key audit matter and our observations

Our audit procedures included:

- Obtaining an understanding of the skills, experience and qualifications of the valuer, and considering the appropriateness of the Council’s instructions to the valuer.
- Obtaining an understanding of the basis of valuation applied by the valuer in the year.
- Obtaining assurance on the appropriateness of the methodology and assumptions adopted by the Council’s valuer.
- Comparing the valuation to our valuation expert’s estimate of the valuation.
- Sample testing the completeness and accuracy of underlying data provided by the Council and used by the valuer as part of their valuations.

Our work is complete and based on the results of our testing there are no matters to bring to the Committee’s attention.

4. Significant findings

Key audit matters

Valuation of the Council's and the Group's defined benefit pension liability

Description of the key audit matter

The net pension liability represents a material element of the Council and the Group balance sheet. The Council and its consolidated subsidiaries are admitted bodies of Greater Manchester Pension Fund, which had its last triennial valuation completed as at 31 March 2019. The valuation of the Local Government Pension Scheme relies on a number of assumptions, most notably around the actuarial assumptions, and actuarial methodology which results in the Council's and the subsidiaries' overall valuations. There are financial assumptions and demographic assumptions used in the calculation of the valuation, such as the discount rate, inflation rates and mortality rates. The assumptions should also reflect the profile of the Council's and the subsidiaries' employees, and should be based on appropriate data. The basis of the assumptions is derived on a consistent basis year to year, or updated to reflect any changes.

There is a risk that the assumptions and methodology used in valuing the pension obligations are not reasonable or appropriate to the Council's or the subsidiaries' circumstances. This could have a material impact to the Council and Group net pension liability in 2020/21.

How our audit addressed the key audit matter and our observations

Our audit procedures included:

- Obtaining an understanding of the skills, experience and qualifications of the actuary, and considering the appropriateness of the instructions to the actuary from the Council and the Group components.
- Obtaining confirmation from the auditor of the Greater Manchester Pension Fund that the controls in place at the Pension Fund are free from material deficiencies.
- Reviewing a summary of the work performed by the Pension Fund auditor on the Pension Fund investment assets, and evaluating whether the outcome of their work would affect our consideration of the Council's and the Group's share of Pension Fund assets.
- Reviewing the actuarial allocation of Pension Fund assets to the Council and the Group by the actuary, including comparing the Council's and the Group's share of the assets to other corroborative information.
- Reviewing the appropriateness of the Pension Asset and Liability valuation methodology applied by the Pension Fund Actuary, and the key assumptions included within the valuation. This includes comparing them to expected ranges, utilising information provided by PwC, consulting actuary engaged by the National Audit Office.
- Agreeing the data in the actuarial valuation reports provided by the Pension Fund Actuary for accounting purposes to the pension accounting entries and disclosures in the Council's and the Group's financial statements.

There are elements of our work that are still to be completed in this area, most notably the confirmations from the Pension Fund auditor based on their audit work. Based on the work carried out to date there are no matters to bring to the Committee's attention.

4. Significant findings

Significant risks

Management override of controls

Description of the risk

This is a mandatory significant risk on all audits due to the unpredictable way in which such override could occur. Management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur, we consider there to be a risk of material misstatement due to fraud and thus a significant risk on all audits.

How we addressed this risk

We addressed this risk through performing audit work over:

- Accounting estimates impacting amounts included in the financial statements;
- Consideration of identified significant transactions outside the normal course of business; and
- Journals recorded in the general ledger and other adjustments made in preparation of the financial statements.

Audit conclusion

We have completed our work on the Council's journals and there are no matters to bring to the Committee's attention.

Our work on the management estimates is still to be completed and we have not to date identified any significant transactions outside the normal course of business.

4. Significant findings

Key areas of management judgement

Valuation of investment in Manchester Airport Holdings Limited

Description of the management judgement

The Council uses an external valuation expert to determine the value of its investment in Manchester Airport Holdings Limited at 31 March 2021. The valuation is determined according to a methodology and applying assumptions. Council officers challenge the valuation assumptions and reach judgements on the valuation to include in the financial statements.

How our audit addressed this area of management judgement

Our approach to auditing the investment in Manchester Airport Holdings Limited includes the involvement of the Mazars in-house valuation team.

The Mazars in-house valuation team reviewed the methodology and key assumptions used by management's expert, considering the appropriateness of the methodology and the reasonableness of the assumptions used.

Audit conclusion

Our work is complete and based on the results of our testing there are no matters to bring to the Committee's attention.

Page 377

Executive summary

Status of audit

Audit approach

Significant findings

Internal control recommendations

Summary of misstatements

Value for Money

Appendices

4. Significant findings

Qualitative aspects of the Council’s accounting practices

We have reviewed the Council’s accounting policies and disclosures and concluded they comply with the 2020/21 Code of Practice on Local Authority Accounting, appropriately tailored to the Council’s circumstances.

Draft accounts were received from the Council on 6th June 2021 and were of a good quality. Good quality supporting working papers have been made available in a timely manner and these have assisted our audit progress. Council finance officers have been very helpful in promptly answering our detailed audit queries and ensuring that Council officer colleagues have prioritised responding to our audit queries.

Significant matters discussed with management

During the audit we maintained a regular dialogue with Council officers. Among the matters discussed through these conversations were:

Accounting treatment for the Council’s loan made to Manchester Airport in the year

We discussed the Council’s treatment of its loan as capital expenditure in the context of the Capital Financing regulations and the specific requirements to be met in order to treat loans to other organisations as capital expenditure. The Council provided a detailed explanation and supporting evidence to confirm that the loan was provided for capital purposes and the expenditure incurred by the Airport would have been capital had the Council incurred it itself.

Impairments of financial assets

We discussed the Council’s approach in considering impairments of its financial assets and in particular those impacted by the Covid-19 pandemic. We obtained explanations and evidence to support the Council’s approach to impairing its assets including those assets, such as the loans to Manchester Airport, which it has not impaired.

Accounting treatment of government grants

The Council has received material amounts of government grant income in the year, particularly relating to the government’s financial support to the Council and business in response to the impact of Covid-19. We had discussions with the Council in respect of their consideration of whether the Council was acting as an agent of the government or as a principal and whether there were any grant conditions which the Council should take into account in recognising the income in its accounts.

Significant difficulties during the audit

During the course of the audit we did not encounter any significant difficulties and we have had the full co-operation of management.

Wider responsibilities

Our powers and responsibilities under the 2014 Act are broad and include the ability to:

- issue a report in the public interest;
- make statutory recommendations that must be considered and responded to publicly;
- apply to the court for a declaration that an item of account is contrary to law; and
- issue an advisory notice under schedule 8 of the 2014 Act.

We have not exercised any of these powers as part of our 2020/21 audit.

The 2014 Act also gives rights to local electors and other parties, such as the right to ask questions of the auditor and the right to make an objection to an item of account. We received questions from one member of the public. We are continuing our consideration of the questions, but we are satisfied that there are no material impacts on the 2020/21 financial statements.

05

Section 05:

Internal control recommendations

5. Internal control recommendations

The purpose of our audit was to express an opinion on the financial statements. As part of our audit we have considered the internal controls in place relevant to the preparation of the financial statements in order to design audit procedures to allow us to express an opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of internal control or to identify any significant deficiencies in their design or operation.

The matters reported are limited to those deficiencies and other control recommendations that we have identified during our normal audit procedures and that we consider to be of sufficient importance to merit being reported. If we had performed more extensive procedures on internal control we might have identified more deficiencies to be reported or concluded that some of the reported deficiencies need not in fact have been reported. Our comments should not be regarded as a comprehensive record of all deficiencies that may exist or improvements that could be made.

Our findings and recommendations are set out below. We have assigned priority rankings to each of them to reflect the importance that we consider each poses to your organisation and, hence, our recommendation in terms of the urgency of required action. In summary, the matters arising fall into the following categories:

Priority ranking	Description	Number of issues
1 (high)	In our view, there is potential for financial loss, damage to reputation or loss of information. This may have implications for the achievement of business strategic objectives. The recommendation should be taken into consideration by management immediately.	0
2 (medium)	In our view, there is a need to strengthen internal control or enhance business efficiency. The recommendations should be actioned in the near future.	0
3 (low)	In our view, internal control should be strengthened in these additional areas when practicable.	1

5. Internal control recommendations

Other recommendations in internal control – Level 3

Description of deficiency

As part of the interim audit in August 2020 we requested the Housing Benefit to General Ledger reconciliations. When we received the reconciliation we noted that the reconciliation was completed in March 2021, 7 months after the period end. We also noted that the subsequent months reconciliations were also completed in March 2021.

Potential effects

The potential impacts are that imbalances are not identified in a timely manner; that there are unexplained items that do not have an adequate investigation, leading to difficulty in identifying and clearing any reconciling items; and discrepancies are not able to be rectified in a timely manner and any unusual activity is not identified.

Recommendation

Ensure that the Housing Benefit system is reconciled to the General Ledger on a prompt monthly timetable within an agreed time frame from month end.

Management response

Page 381

06

Section 06:

Summary of misstatements

Page 382

6. Summary of misstatements

This section outlines the misstatements identified during the course of the audit, above the trivial threshold for adjustment of £408,000. The first table outlines the misstatements that were identified during the course of our audit which management has assessed as not being material either individually or in aggregate to the financial statements and does not currently plan to adjust.

The following page outlines the misstatements that have been adjusted by management during the course of the audit.

Unadjusted misstatements		Comprehensive Income and Expenditure Statement		Balance Sheet	
		Dr (£'000)	Cr (£'000)	Dr (£'000)	Cr (£'000)
Page 383	1	Dr: Short Term Debtors	1,174		
		Cr: Cost of Services Income			1,174
	Our testing of income received after the year end identified one government grant for £228k which related to a 2020/21 grant but was received in May 2021. The Council was already progressing through its closedown arrangements and recognised this income in 2021/22. Applying our audit methodology we extrapolated this £228k error, and if the error was representative of the whole population Short Term Debtors and Cost of Services Income would be understated by £1,174k.				
	2	Dr:			
		Cr:			
		[Insert description]			
	3	Dr:			
		Cr:			
		[Insert description]			
Total unadjusted misstatements		1,174	-	-	1,174
Executive summary > Status of audit > Audit approach > Significant findings > Internal control recommendations > Summary of misstatements > Value for Money > Appendices					

6. Summary of misstatements

Adjusted misstatements

Based on the work completed to date there are no significant adjusted misstatements to bring to the Committee’s attention.

Disclosure amendments

During our audit we identified a small number of adjustments to the disclosures in the accounts. These have been adjusted by management. The more significant impacts include:

- Note 2 – Expenditure & income Analysed by Nature has been amended to remove expenditure and income with schools which is internal to the Council
- Note 3 – Financing and Investment Income & Expenditure has been amended to remove the prior year impact of the loss on disposal of academy schools which is now included in Other Operating Expenditure in the I&E Statement

Page 384



07

Section 07: **Value for Money**

7. Value for Money

Approach to Value for Money

We are required to consider whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The NAO issues guidance to auditors that underpins the work we are required to carry out and sets out the reporting criteria that we are required to consider. The reporting criteria are:

- **Financial sustainability** - How the Council plans and manages its resources to ensure it can continue to deliver its services
- **Governance** - How the Council ensures that it makes informed decisions and properly manages its risks
- **Improving economy, efficiency and effectiveness** - How the Council uses information about its costs and performance to improve the way it manages and delivers its services

At the planning stage of the audit, we undertake work to understand the arrangements that the Council has in place under each of the reporting criteria and we identify risks of significant weaknesses in those arrangements. Although we describe this work as planning work, we keep our understanding of arrangements under review and update our risk assessment throughout the audit to reflect emerging issues that may suggest significant weaknesses in arrangements exist.

The table overleaf outlines the risks of significant weaknesses in arrangements that we have identified, the risk-based procedures we have undertaken, and the results of our work.

Where our risk-based procedures identify actual significant weaknesses in arrangements we are required to report these and make recommendations for improvement. Where such significant weaknesses are identified, we report these in the audit report.

The primary output of our work on the Council's arrangements is the commentary on those arrangements that forms part of the Auditor's Annual Report. We intend to issue the Auditor's Annual Report in [insert date].

Status of our work

We are yet to complete our work in respect of the Council's arrangements for the year ended 31 March 2021. At the time of preparing this report, we have not identified any significant weaknesses in arrangements that require us to make a recommendation, however we continue to undertake work on the Council's arrangements.

Our draft audit report at Appendix B outlines that we have not yet completed our work in relation to the Council's arrangements. As noted above, our commentary on the Council's arrangements will be provided in the Auditor's Annual Report later in the year.

Page 386



Appendices

A: Draft management representation letter

B: Draft audit report

C: Independence

D: Other communications

Appendix A: Draft management representation letter

To be provided to us on client headed note paper

[Date]

Dear Karen

Oldham Metropolitan Borough Council - audit for year ended 31 March 2021

This representation letter is provided in connection with your audit of the financial statements of Oldham Metropolitan Borough Council ('the Council') and its Group for the year ended 31 March 2021 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 (the Code) and applicable law.

I confirm that the following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, inspection of supporting documentation) sufficient to satisfy myself that I can properly make each of the following representations to you.

My responsibility for the financial statements and accounting information

I believe that I have fulfilled my responsibilities for the true and fair presentation and preparation of the financial statements in accordance with the Code and applicable law.

My responsibility to provide and disclose relevant information

I have provided you with:

- access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other material;
- additional information that you have requested from us for the purpose of the audit; and
- unrestricted access to individuals within the Council you determined it was necessary to contact in order to obtain audit evidence.

I confirm as Director of Finance that I have taken all the necessary steps to make me aware of any relevant audit information and to establish that you, as auditors, are aware of this information.

As far as I am aware there is no relevant audit information of which you, as auditors, are unaware.

Accounting records

I confirm that all transactions that have a material effect on the financial statements have been recorded in the accounting records and are reflected in the financial statements. All other records and related information, including minutes of all Council, Cabinet and committee meetings, have been made available to you.



Appendix A: Draft management representation letter (continued)

Accounting policies

I confirm that I have reviewed the accounting policies applied during the year in accordance with Code and International Accounting Standard 8 and consider these policies to faithfully represent the effects of transactions, other events or conditions on the Council 's financial position, financial performance and cash flows.

Accounting estimates, including those measured at fair value

I confirm that any significant assumptions used by the Council in making accounting estimates, including those measured at current or fair value, are reasonable.

Contingencies

There are no material contingent losses including pending or potential litigation that should be accrued where:

- information presently available indicates that it is probable that an asset has been impaired or a liability had been incurred at the balance sheet date; and
- the amount of the loss can be reasonably estimated.

There are no material contingent losses that should be disclosed where, although either or both the conditions specified above are not met, there is a reasonable possibility that a loss, or a loss greater than that accrued, may have been incurred at the balance sheet date.

There are no undisclosed contingent gains which should be disclosed.

All material matters, including unasserted claims, that may result in litigation against the Council have been brought to your attention. All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with the Code and applicable law.

Laws and regulations

I confirm that I have disclosed to you all those events of which I am aware which involve known or suspected non-compliance with laws and regulations, together with the actual or contingent consequences which may arise therefrom.

The Council has complied with all aspects of contractual agreements that would have a material effect on the accounts in the event of non-compliance.

Page 389

Appendix A: Draft management representation letter (continued)

Fraud and error

I acknowledge my responsibility as Director of Finance for the design, implementation and maintenance of internal control to prevent and detect fraud and error.

I have disclosed to you:

- all the results of my assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- all knowledge of fraud or suspected fraud affecting the Council involving:
 - management and those charged with governance;
 - employees who have significant roles in internal control; and
 - others where fraud could have a material effect on the financial statements.

I have disclosed to you all information in relation to any allegations of fraud, or suspected fraud, affecting the Council's financial statements communicated by employees, former employees, analysts, regulators or others.

Related party transactions

I confirm that all related party relationships, transactions and balances, have been appropriately accounted for and disclosed in accordance with the requirements of the Code and applicable law.

I have disclosed to you the identity of the Council's related parties and all related party relationships and transactions of which I am aware.

Future commitments

I am not aware of any plans, intentions or commitments that may materially affect the carrying value or classification of assets and liabilities or give rise to additional liabilities.

Subsequent events

I confirm all events subsequent to the date of the financial statements and for which the Code and applicable law, require adjustment or disclosure have been adjusted or disclosed.

Should further material events occur after the date of this letter which may necessitate revision of the figures included in the financial statements or inclusion of a note thereto, I will advise you accordingly.



Appendix A: Draft management representation letter (continued)

Covid-19

I confirm that the Council has carried out an assessment of the potential impact of the Covid-19 Virus pandemic on the Council, including the impact of mitigation measures and uncertainties, and that the disclosures in the Narrative Report fairly reflects that assessment.

Going concern

To the best of my knowledge there is nothing to indicate that the Council and the Group will not continue as a going concern in the foreseeable future. The period to which I have paid particular attention in assessing the appropriateness of the going concern basis is not less than twelve months from the date of approval of the accounts.

Unadjusted misstatements

I confirm that the effects of the uncorrected misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole. All uncorrected misstatements are included in the Appendix to this letter.

Yours faithfully
Anne Ryans
Director of Finance

Appendix Schedule of unadjusted misstatements

		SOCI		SOFPI	
		Dr (£'000)	Cr (£'000)	Dr (£'000)	Cr (£'000)
Dr	Short Term Debtors			1,174	
Cr	Cost of Services Income		1,174		
Total unadjusted misstatements		0	1,174	1,174	0

Appendix B: Draft audit report

The draft audit report will be included at the conclusion of the audit

Page 392



Appendix C: Independence

As part of our ongoing risk assessment we monitor our relationships with you to identify any new actual or perceived threats to our independence within the regulatory or professional requirements governing us as your auditors.

We can confirm that no new threats to independence have been identified since issuing the Audit Strategy Memorandum and therefore we remain independent.

We also confirm that we have received confirmation from our external experts regarding their independence.

Appendix D: Other communications

Other communication	Response
Compliance with Laws and Regulations	We have not identified any significant matters involving actual or suspected non-compliance with laws and regulations. We will obtain written representations from management that all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements have been disclosed.
External confirmations	We did not experience any issues with respect to obtaining external confirmations.
Related parties	We did not identify any significant matters relating to the audit of related parties. We will obtain written representations from management confirming that: a. they have disclosed to us the identity of related parties and all the related party relationships and transactions of which they are aware; and b. they have appropriately accounted for and disclosed such relationships and transactions in accordance with the requirements of the applicable financial reporting framework.
Going Concern	We have not identified any evidence to cause us to disagree with the Director of Finance that Oldham Metropolitan Borough Council will be a going concern, and therefore we consider that the use of the going concern assumption is appropriate in the preparation of the financial statements.

Appendix D: Other communications

Other communication	Response
Subsequent events	We are required to obtain evidence about whether events occurring between the date of the financial statements and the date of the auditor's report that require adjustment of, or disclosure in, the financial statements are appropriately reflected in those financial statements in accordance with the applicable financial reporting framework. We will obtain written representations from management that all events occurring subsequent to the date of the financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.
Matters related to fraud	We have designed our audit approach to obtain reasonable assurance whether the financial statements as a whole are free from material misstatement due to fraud. In addition to the work performed by us, we obtained written representations from management, and the Audit Committee, confirming that - they acknowledge their responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud; - they have disclosed to the auditor the results of management's assessment of the risk that the financial statements may be materially misstated as a result of fraud; - they have disclosed to the auditor their knowledge of fraud or suspected fraud affecting the entity involving: - Management; - Employees who have significant roles in internal control; or - Others where the fraud could have a material effect on the financial statements; and - they have disclosed to the auditor their knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.

Mazars

Karen Murray, Partner

One St Peter's Square
Manchester
M2 3DE

Mazars is an internationally integrated partnership, specialising in audit, accountancy, advisory, tax and legal services*. Operating in over 90 countries and territories around the world, we draw on the expertise of 40,400 professionals – 24,400 in Mazars' integrated partnership and 16,000 via the Mazars North America Alliance – to assist clients of all sizes at every stage in their development.

*where permitted under applicable country laws.

Members of the Audit Committee
Oldham Metropolitan Borough Council
Civic Centre
West Street
Oldham
OL1 1UH

Direct +44 (0) 161 234 9248
line

Email Karen.murray@mazars.co.uk

30 September 2021

Dear Members

Conclusion of pending matters– Audit completion report

Following on from our recent meeting and as required by International Standards on Auditing (UK and Ireland), I am writing to communicate the conclusion of those matters that were marked as outstanding within the Audit Completion Report dated 27 July 2021.

The outstanding matters and the conclusions reached are detailed below:

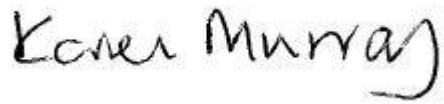
Matter	Conclusion reached
Income and Expenditure testing	We have completed our income and expenditure testing. There are no matters arising to report to the Committee.
Valuation of Property, Plant & Equipment and Investment Properties	We have completed our work on the Council's valuations of property, plant and equipment and investment property. There are no matters arising to report to the Committee.
Pension liability	We have completed our work on the Council's pension liabilities. In addition to the audit procedures listed in our Audit Completion Report we also confirmed that the Pension Fund auditor work included comparing the asset values used for the actuarial valuation to those subjected to audit by the Pension Fund auditor. There are no matters arising to report to the Committee.
PFI	We have completed our work on the Council's PFI disclosures. There are no matters arising to report to the Committee.

Matter	Conclusion reached
Financial instruments	We have completed our work on the Council's Financial Instrument disclosures. There are no matters arising to report to the Committee.
IT general controls testing	We have completed our testing of the Council's IT general controls. While there are no material issues identified we have raised two low priority recommendations for the Council to address. These are included in Appendix A to this letter.
Group consolidation	We have completed our work on the Council's consolidation of group accounts. This completion work concluded that the Council has not correctly identified the debtor and creditor intra-group consolidation adjustments for its two consolidated subsidiaries, Miocare and Unity Partnerships. In producing its group accounts the Council should remove the transactions and balances that it has with these entities and which they have with the Council. Our analysis indicates that the group debtors balance appears to be overstated and is likely to include amounts that Miocare and Unity are owed from the Council which should be removed on consolidation. The Council has been unable to identify the precise value of the overstatement but we are satisfied the error could not be material since the total amount of debtors for these two entities is itself not remotely material. We have reported the total amount of the debtors for Miocare and Unity (£2.3m) as an unadjusted audit difference in Appendix A. We have also included a low priority recommendation in Appendix A to this letter for the Council to address in its closedown arrangements for 2021/22.
Related party transactions	We have completed our work on the Council's related party transaction disclosures. There are no matters arising to report to the Committee.
Financial statements, Annual Governance Statement and letter of representation	We have received the final signed statements and the signed letter of representation. There are no matters arising to report to the Committee.

30 September 2021

If you wish to discuss these or any other points then please do not hesitate to contact me.

Yours sincerely

A handwritten signature in black ink that reads "Karen Murray". The script is cursive and fluid, with the first name "Karen" and the last name "Murray" clearly distinguishable.

Karen Murray
Partner

Appendix A – Updated Audit Findings

Unadjusted audit difference

As reported above the audit work on the group consolidation has identified that the consolidation adjustments for the debtors has led to an error. The precise quantification of the error is not possible without significant additional work. The total value of debtors which may be affected is those relating to Unity Partnership and Miocare that have been consolidated, and these total £2.3m in the final financial statements. We are reporting that the total unadjusted difference is this value – which is not material – although it is likely that the actual audit difference is lower than that level. The impact of the error is that both Group debtors and creditors are overstated by the same amount, and there is no impact on the Group Comprehensive Income & Expenditure Statement or the overall Group Net Assets.

	CIES		Balance Sheet	
	Dr	Cr	Dr	Cr
Dr Group Creditors	-	-	£2.3m	-
Cr Group Debtors	-	-	-	£2.3m

Recommendation 1

Description of deficiency

The Council's closedown arrangements for the consolidation of its group entities includes a process to identify transactions and balances within the group entities. This involves interrogating the Council records to identify transactions and balances, however it does not include interrogation of the Miocare and Unity Partnership accounts and records or agreeing the entries between the three organisations.

Potential effects

The closedown arrangements may not identify all the transactions and balances within the group that should be removed on consolidation of the group accounts. This appears to be the case in 2020/21 from our analysis which shows that the Miocare and Unity Partnership debtors consolidated into the balance sheet are a greater value than the total amount of income consolidated into the CIES.

Recommendation

The Council should review its closedown processes for the group consolidation to incorporate liaison with the Miocare and Unity Partnership finance officers to identify all transactions and balances that are within the group and remove these on consolidation.

Recommendation 2

Description of deficiency

Our testing of Council's IT general controls identified that users with access to Agresso are normally configured to use a single sign on (SSO). However this is not configured for all users, and users Agresso passwords do not expire if they are not using a SSO.

Potential effects

Regular password changes is a best practice element of good password controls and not requiring them to be changed regularly weakens the password control environment.

Recommendation

The Council should ensure consistency in the password control requirements for all Agresso users regardless of whether they use single sign on or not.

Recommendation 3

Description of deficiency

Our review of the Council's IT Service Continuity Plan confirmed that it outlined the planned response to various scenarios in the case of not being able to access services. However the plan does not incorporate a specific IT disaster recovery strategy and indicates an assumption that the servers and broader network infrastructure is unaffected.

Potential effects

The reliance on IT network and server capacity and performance means that these are critical elements of the Council's control framework and should be subject to disaster recovery procedures. Not clearly articulating those procedures increases the risk that IT failures are not promptly and accurately resolved.

Recommendation

The Council should ensure that it clearly articulates its IT disaster recovery strategy and approach and should regularly test the disaster recovery approach.

Appendix B – Proposed Audit Report

See following pages

Independent auditor's report to the members of Oldham Metropolitan Borough Council

Report on the audit of the financial statements

Opinion on the financial statements

We have audited the financial statements of Oldham Metropolitan Borough Council ('the Council') and its subsidiaries ('the Group') for the year ended 31 March 2021, which comprise the Council and Group Comprehensive Income and Expenditure Statements, the Council and Group Movement in Reserves Statements, the Council and Group Balance Sheets, the Council and Group Cash Flow Statements, the Housing Revenue Account Income and Expenditure Statement, the Statement of Movement in the Housing Revenue Account, the Collection Fund Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2020/21.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Council and the Group as at 31st March 2021 and of the Council's and the Group's expenditure and income for the year then ended; and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2020/21.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities section of our report. We are independent of the Council in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applicable to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Director of Finance's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Note 34 (1.1) of the financial statements explains how the Director of Finance formed their judgement that it is appropriate to adopt the going concern basis of preparation for the Council and the Group.

In accordance with Practice Note 10: Audit of financial statement and regularity of public sector bodies in the United Kingdom, our review of management's assessment of going concern was focused on the extent to which there are any indications that the functions of the Council and Group will not continue in operational existence for the foreseeable future.

Our audit procedures to evaluate the Director of Finance's assessment of the Council's and the Group's ability to continue to adopt the going concern basis of accounting included but were not limited to:

- undertaking an initial assessment at the planning stage of our audit to identify events or conditions that may cast significant doubt on the Council's and the Group's ability to continue as a going concern in the context of the guidance in Practice Note 10;
- obtaining an understanding of the relevant controls relating to the Director of Finance's going concern assessment;
- making enquiries of the Director of Finance to understand the period of assessment considered by them, the assumptions they considered and the implication of those when assessing the Council's and the Group's continuation of service;
- obtaining and reviewing the Director of Finance's written going concern assessment; and
- considering whether the Director of Finance's assessment is proportionate to the risks associated with going concern for the local government sector.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Council's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Director of Finance with respect to going concern are described in the relevant sections of this report.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We summarise below the key audit matters in forming our audit opinion above, together with an overview of the principal audit procedures performed to address each matter and, where relevant, key observations arising from those procedures. These matters, together with our findings, were communicated to those charged with governance through our Audit Completion Report.

Key audit matter	How our scope addressed this matter
Valuation of Council Property, Plant and Equipment <i>Note 17 to the financial statements discloses information on the Council's holding of property, plant and equipment (PP&E) which includes £77.1m of Council Dwellings and £500.4m of Other Land & Buildings held at current value at 31 March 2021.</i> The CIPFA Code of Practice requires that where assets are subject to revaluation, their year-end carrying value should reflect the current value at that date. The Council has adopted a rolling revaluation model which sees all such property, plant & equipment revalued in a five-year	Our audit procedures included, but were not limited to: • Obtaining an understanding of the skills, experience and qualifications of the valuer, and considering the appropriateness of the instructions to the valuer from the Council. • Obtaining an understanding of the basis of valuation applied by the valuer in the year. • Obtaining an understanding of the Council's approach to ensure that assets not subject to revaluation in 2020/21 are materially fairly stated.

Key audit matter	How our scope addressed this matter
cycle. The valuation of property, plant & equipment involves the use of a management expert (the valuer) and incorporates assumptions and estimates which impact materially on the reported value. There are risks relating to the valuation process. The Council employs a valuation expert to provide valuations, however there remains a high degree of estimation uncertainty associated with the valuations of property, plant and equipment due to the significant judgements and number of variables involved. As a result of the rolling programme of revaluations, there is a risk that individual assets which have not been revalued for up to four years are not valued at the current value at the balance sheet date. In addition, as the valuations are undertaken through the year there is a risk that the current value of the assets could be materially different at the year end. Council Dwelling valuations are based on Existing Use Value, discounted by a factor to reflect that the assets are used for Social Housing (EUV-SH). The Social Housing adjustment factor is prescribed in MHCLG guidance, but this guidance indicates that where a valuer has evidence that this factor is different in the Council's area they can use their more accurate local factor. There is a risk that the Council's application of the valuer's assumptions is not in line with the statutory requirements and that the valuation is not supported by detailed evidence.	• Obtaining an understanding of the Council's approach to ensure that assets revalued through 2020/21 are materially fairly stated at the year end. • Sample testing the completeness and accuracy of underlying data provided by the Council and used by the valuer as part of their valuations. • Using relevant market and cost data to assess the reasonableness of the valuation as at 31 March 2021. • Testing the accuracy of how valuation movements were presented and disclosed in the financial statements. Our observations We obtained sufficient appropriate evidence to conclude that the valuation of land & buildings included in the financial statements is reasonable.
Valuation of Investment Property <i>The Council's Balance Sheet discloses their Investment Properties to be valued at £18.8m at 31 March 2021.</i> The CIPFA Code requires that where Investment Property assets are subject to revaluation, their year-end carrying value should reflect the fair value at that date. The valuation of Investment Property involves the use of a management expert (the valuer) and incorporates assumptions and estimates which impact materially on the reported value. There are risks relating to the valuation process. The Council employs valuation experts to provide valuations, however there remains a high degree of estimation uncertainty associated with the valuations of property, plant and equipment due to the significant judgements and number of variables involved.	Our audit procedures included, but were not limited to: • Obtaining an understanding of the skills, experience and qualifications of the valuer, and considering the appropriateness of the instructions to the valuer from the Council. • Obtaining an understanding of the basis of valuation applied by the valuer in the year. • Obtaining assurance on the appropriateness of the methodology and assumptions adopted by the Council's valuer. • Comparing the valuation to our external valuation expert's estimate of the valuation.

Key audit matter	How our scope addressed this matter
Valuation of the Council's and the Group's Defined Benefit Net Pension Liability <i>The Council's balance sheet discloses the Council pension liability to be valued at £444.2m at 31 March 2021 and comprises assets of £1,094.3m and liabilities of £1,538.5m.</i> <i>The Group Balance Sheet discloses the group pension liability to be valued at £467.9m at 31 March 2021 and comprises assets of £1,225.9m and liabilities of £1,654.0m.</i> The net pension liability represents a material element of the Council and the Group balance sheet. The Council and its consolidated subsidiaries are admitted bodies of Greater Manchester Pension Fund, which had its last triennial valuation completed as at 31 March 2019. The valuation of the Local Government Pension Scheme relies on a number of assumptions, most notably around the actuarial assumptions, and actuarial methodology which results in the Council's and the subsidiaries' overall valuations. There are financial assumptions and demographic assumptions used in the calculation of the valuation, such as the discount rate, inflation rates and mortality rates. The assumptions should also reflect the profile of the Council's and the subsidiaries' employees, and should be based on appropriate data. The basis of the assumptions is derived on a consistent basis year to year, or updated to reflect any changes. There is a risk that the assumptions and methodology used in valuing the pension obligations are not reasonable or appropriate to the Council's or the subsidiaries' circumstances. This could have a material impact to the Council and Group net pension liability in 2020/21.	• Sample testing the completeness and accuracy of underlying data used by the valuer as part of their valuations. Our observations We obtained sufficient appropriate evidence to conclude that the valuation of investment properties included in the financial statements is reasonable. Our audit procedures included, but were not limited to: • Obtaining an understanding of the skills, experience and qualifications of the actuary, and considering the appropriateness of the instructions to the actuary from the Council. • Obtaining confirmation from the auditor of the Greater Manchester Pension Fund that the Pension Fund has designed and implemented controls to prevent and detect material misstatement. This included the controls in place to ensure data provided to the Actuary by the Pension Fund for the purposes of the IAS19 valuation of the gross asset and liability is complete and accurate. • Reviewing a summary of the work performed by the Pension Fund auditor on the Pension Fund investment assets, and evaluating whether the outcome of their work would affect our consideration of the council's share of Pension Fund assets. The Pension Fund auditor work included comparing the asset values used for the actuarial valuation to those subjected to audit by the Pension Fund auditor. • Reviewing the actuarial allocation of Pension Fund assets to the Council by the actuary, including comparing the Council's share of the assets to other corroborative information. • Reviewing the appropriateness of the Pension Asset and Liability valuation methodology applied by the Pension Fund Actuary, and the key assumptions included within the valuation. This included comparing

Key audit matter	How our scope addressed this matter
	them to expected ranges, utilising information provided by PWC, consulting actuary engaged by the National Audit Office. Agreeing the data in the IAS 19 valuation report provided by the Pension Fund Actuary for accounting purposes to the pension accounting entries and disclosures in the Council's and Group's financial statements. Key observations We obtained sufficient appropriate evidence to conclude that the valuation of the defined benefit pension liability included in the financial statements is reasonable.

Our application of materiality and an overview of the scope of our audit

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures, and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Council	Group
Overall materiality	£13.6m	£13.61m
Basis for determining materiality	Materiality has been determined as approximately 2% of gross expenditure at the surplus/deficit on provision of services level	
Rationale for benchmark applied	Gross expenditure at the surplus/deficit on provision of services level was chosen as the appropriate benchmark as this is a key measure of financial performance for the Council/Group and for users of the financial statements	
Performance materiality	£10.88m	£10.888m
Reporting threshold	£408,000	£408,000

As part of designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements. In particular, we looked at where the Director of Finance made subjective judgements such as making assumptions on significant accounting estimates.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of a risk assessment, our understanding of the Council and

Group, its environment, controls and critical business processes, to consider qualitative factors in order to ensure that we obtained sufficient coverage across all financial statement line items.

Our approach to auditing the Group was based on our understanding of the group structure and an assessment of the significance of individual components to the group financial statements. In summary:

- Full scope audit procedures were carried out on the Council which represents (99.2%) of the Group's total assets, (97.0%) of the Group's total liabilities, (99.8%) of the Group's income and (93.9%) of the Group's expenditure.
- Specific audit procedures were carried on the Defined Benefit Pension Liability of The Unity Partnership Limited and Miocare Group Community Interest Company which represents 2.4% of the Group's total liabilities.
- Analytical procedures were performed on the remaining entries in The Unity Partnership Limited and Miocare Group Community Interest Company which were included in the Group financial statements.

We also tested the consolidation process and carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information.

Other information

The Director of Finance is responsible for the other information. The other information comprises the information included in the Statement of Accounts, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the Director of Finance for the financial statements

As explained more fully in the Statement of the Director of Finance's Responsibilities, the Director of Finance is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2020/21, and for being satisfied that they give a true and fair view. The Director of Finance is also responsible for such internal control as the Director of Finance determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Director of Finance is required to comply with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 and prepare the financial statements on a going concern basis on the assumption that the functions of the Council will continue in operational existence for the foreseeable future.. The

Director of Finance is responsible for assessing each year whether or not it is appropriate for the Council and Group to prepare its accounts on the going concern basis and disclosing, as applicable, matters related to going concern.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Council we identified that the principal risks of non-compliance with laws and regulations related to the Local Government Act 2003 (and associated regulations made under section 21) the Local Government Finance Acts of 1988, 1992 and 2012, the Accounts and Audit Regulations 2015, the Local Government and Housing Act 1989 and we considered the extent to which non-compliance might have a material effect on the financial statements.

We evaluated the Director of Finance's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- discussing with management and the Audit Committee the policies and procedures regarding compliance with laws and regulations;
- communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the Council which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of management and the Audit Committee on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud; and
- addressing the risks of fraud through management override of controls by performing journal entry testing, reviewing management judgements and assumptions in significant accounting estimates, and reviewing any significant one-off or unusual transactions.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management and the Audit Committee. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

As a result of our procedures, we did not identify any key audit matters relating to irregularities. The risks of material misstatement that had the greatest effect on our audit, including fraud, are discussed under “Key audit matters” within this report.

We are also required to conclude on whether the Director of Finance’s use of the going concern basis of accounting in the preparation of the financial statements is appropriate. We performed our work in accordance with Practice Note 10: Audit of financial statement and regularity of public sector bodies in the United Kingdom, and Supplementary Guidance Note 01, issued by the National Audit Office in April 2021.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council’s website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

Report on the Council’s arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception

We are required to report to you if, in our view we are not satisfied that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2021.

We have not completed our work on the Council’s arrangements. On the basis of our work to date, having regard to the guidance issued by the Comptroller and Auditor General in April 2021, we have not identified any significant weaknesses in arrangements for the year ended 31 March 2021.

We will report the outcome of our work on the Council’s arrangements in our commentary on those arrangements within the Auditor’s Annual Report. Our audit completion certificate will set out any matters which we are required to report by exception.

Responsibilities of the Council

The Council is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor’s responsibilities for the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required under section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Council’s arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our work in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in April 2021.

Matters on which we are required to report by exception under the Code of Audit Practice

We are required by the Code of Audit Practice to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014;
- we make a recommendation under section 24 of the Local Audit and Accountability Act 2014; or
- we exercise any other special powers of the auditor under sections 28, 29 or 31 of the Local Audit and Accountability Act 2014.

We have nothing to report in these respects.

Other matters which we are required to address

We were appointed as the Council's auditor by Public Sector Audit Appointments Ltd, in its role as appointing person under the Local Audit (Appointing Person) Regulations 2015, on 14 December 2017. The period of total uninterrupted engagement, including previous renewals and reappointments of the firm, is three years covering the audit of the financial years ending 31 March 2019 to 31 March 2021.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Council or Group and we remain independent of the Council and Group in conducting our audit.

Our audit opinion is consistent with the additional report to the Audit Committee.

Use of the audit report

This report is made solely to the members of Oldham Metropolitan Borough Council, as a body, in accordance with part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 44 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the members of the Council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members of the Council, as a body, for our audit work, for this report, or for the opinions we have formed.

Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until we have completed:

- the work necessary to issue our assurance statement in respect of the Council's Whole of Government Accounts consolidation pack; and

- the work necessary to satisfy ourselves that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Karen Murray, Key Audit Partner
For and on behalf of Mazars LLP
One St Peter's Square
Manchester
M2 3DE
30 September 2021



Report to COUNCIL

Procurement of the Council's External Auditors 2023/24 to 2027/28

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

Officer Contact: Anne Ryans, Director of Finance

Report Author: Mark Stenson, Assistant Director of Corporate Governance and Strategic Finance.

15 December 2021

Reason for Decision

This report sets out proposals for appointing the external auditor to the Council for the accounts for the five-year period from 2023/24

Executive Summary

The current auditor appointment arrangements cover the period up to and including the audit of the 2022/23 accounts. The Council, as with the vast majority of other Council's, opted into the 'appointing person' national auditor appointment arrangements which were established by Public Sector Audit Appointments (PSAA) for the period covering the accounts for 2018/19 to 2022/23.

PSAA is now undertaking a procurement exercise for the next appointing period, covering audits for the 2023/24 to 2027/28 financial years. During Autumn 2021 all Local Government bodies need to make important decisions about their external audit arrangements from 2023/24. The other options for the procurement are to arrange their own procurement and make the appointment themselves or, in conjunction with other bodies, they can join and take advantage of the national collective scheme administered by PSAA.

This report concludes that the sector-wide procurement conducted by PSAA is the best option for the Council because:

-
- collective procurement reduces costs for those submitting bids and for individual authorities compared to a multiplicity of smaller local procurements;
 - if the Council does not use the national appointment arrangements, the Council will need to establish its own auditor panel with an independent chair and independent members to oversee a local auditor procurement exercise and ongoing management of the audit contract;
 - it is the best opportunity to secure the appointment of a qualified, registered auditor - there are only nine accredited local audit firms, and should the Council undertake our own procurement exercise, the Council would be drawing from the same limited supply of auditor resources as PSAA's national procurement, and;
 - supporting the sector-led body helps to ensure there is a continuing and sustainable public audit market into the medium and long term.

If the Council wishes to take advantage of the national auditor appointment arrangements, it is required, under the Local Audit Regulations, to make the decision at full Council. The opt-in period started on 22 September 2021 and closes on 11 March 2022. To opt into the national scheme from 2023/24, the Council must return completed opt-in documents to PSAA by 11 March 2022.

Recommendation

That the Council accepts the PSAA invitation to opt into the sector-led option for the appointment of external auditors to principal Local Government and Police Bodies for five financial years from 1 April 2023.

Procurement of the Council's External Auditors 2023/24 to 2027/28.**1 Background**

1.1 Under the Local Government Audit & Accountability Act 2014 ("the Act"), the Council is required to appoint an auditor to audit its accounts for each financial year. The Council has three options:

- To appoint its own auditor, which requires it to follow the procedure set out in the Act.
- To act jointly with other authorities to procure an auditor following the procedures in the Act.
- To opt-in to the national auditor appointment scheme administered by a body designated by the Secretary of State as the 'appointing person'. The body currently designated for this role is Public Sector Audit Appointments Limited (PSAA).

In order to opt-in to the national scheme, the Council must make a decision at a meeting of the Full Council.

1.2 The auditor appointed at the end of the procurement process will undertake the statutory audit of accounts and Best Value assessment of the Council in each financial year, in accordance with all relevant codes of practice and guidance. The appointed auditor is also responsible for investigating questions raised by electors and has powers and responsibilities in relation to Public Interest Reports and statutory recommendations.

1.3 The auditor must act independently of the Council and the main purpose of the procurement legislation is to ensure that the appointed auditor is sufficiently qualified and independent.

1.4 The auditor must be registered to undertake local audits by the Financial Reporting Council (FRC). They must also employ authorised Key Audit Partners to oversee the work. As this report sets out, there is currently a shortage of registered firms and Key Audit Partners available to undertake this work.

1.5 Auditors are regulated by the FRC, which will be replaced by a new body with wider powers, the Audit, Reporting and Governance Authority (ARGA) during the course of the next audit contract period.

1.6 As a result of these oversight arrangements, Councils therefore have limited influence over the scope of the audit services they are procuring, with the availability of firms available limited to nine.

2 Current Position

2.1 Much has changed in the local audit market since audit contracts were last awarded in 2017. At that time the audit market was relatively stable, there had been few changes in audit requirements, and local audit fees had been reducing over a long period. 98% of those bodies eligible opted into the national scheme and attracted very competitive bids from audit firms. The resulting audit contracts took effect from 1 April 2018.

2.2 During 2018, a series of financial crises and failures in the private sector led to questioning about the role of auditors and the focus and value of their work. Four independent reviews

were commissioned by Government: Sir John Kingman's review of the Financial Reporting Council (FRC), the audit regulator; the Competition and Markets Authority review of the audit market; Sir Donald Brydon's review of the quality and effectiveness of audit; and Sir Tony Redmond's review of local authority financial reporting and external audit. The recommendations are now under consideration by Government, with the clear implication that significant reforms will follow. A new audit regulator (ARGA) is proposed to be established, and arrangements for system leadership in local audit are to be introduced. Further change will follow as other recommendations are implemented.

- 2.3 The Kingman review has led to an urgent drive for the FRC to deliver rapid, measurable improvements in audit quality. This has created a major pressure for audit firms to ensure full compliance with regulatory requirements and expectations in every audit they undertake. By the time firms were conducting 2018/19 local audits during 2019, the measures they were putting in place to respond to a more focused regulator were clearly visible. To deliver the necessary improvements in audit quality, firms were requiring their audit teams to undertake additional work to gain deeper levels of assurance. However, additional assurance work requires more time, posing a threat to the firms' ability to complete all their audits for the price tendered by the target date for publication of audited accounts. Delayed opinions are not the only consequence of the FRC's drive to improve audit quality. Additional audit work must also be paid for. As a result, many more fee variation claims have been submitted than in prior years.
- 2.4 This situation has been exacerbated by growing auditor recruitment and retention challenges, the complexity of Local Government financial statements and increasing levels of technical challenges as bodies explore innovative ways of developing new or enhanced income streams to help fund services for local people. These challenges have increased in subsequent audit years, with Covid-19 creating further significant pressure for finance and audit teams.
- 2.5 None of these problems is unique to Local Government audit. Similar challenges have played out in other sectors, where increased fees and disappointing responses to tender invitations have been experienced during the past two years.

The Invitation from the PSAA

- 2.6 PSAA is specified as the 'appointing person' for principal Local Government under the provisions of the Act and the Local Audit (Appointing Person) Regulations 2015. PSAA let five-year audit services contracts in 2017 for the first appointing period, covering audits of the accounts from 2018/19 to 2022/23. It is now undertaking the work needed to invite eligible bodies to opt in for the next appointing period, from the 2023/24 audit onwards, and to complete a procurement for audit services. PSAA is a not-for-profit organisation whose costs are around 4% of the scheme with any surplus distributed back to scheme members.
- 2.7 In summary the national opt-in scheme provides the following:
- the appointment of a suitably qualified audit firm to conduct audits for each of the five financial years commencing 1 April 2023;
 - appointing the same auditor to other opted-in bodies that are involved in formal collaboration or joint working initiatives to the extent this is possible with other constraints;
 - managing the procurement process to ensure both quality and price criteria are satisfied. PSAA has sought views from the sector to help inform its detailed procurement strategy;
 - ensuring suitable independence of the auditors from the bodies they audit and managing any potential conflicts as they arise during the appointment period;

-
- minimising the scheme management costs and returning any surpluses to scheme members;
 - consulting with authorities on auditor appointments, giving the Council/Authority the opportunity to influence which auditor is appointed;
 - consulting with authorities on the scale of audit fees and ensuring these reflect scale, complexity, and audit risk; and
 - ongoing contract and performance management of the contracts once these have been let.
- 2.8 PSAA is now inviting the Council to opt in for the second appointing period, for 2023/24 to 2027/28, along with all other eligible authorities. Based on the level of opt-ins, it will enter into contracts with appropriately qualified audit firms and appoint a suitable firm to be the Council's/Authority's auditor. Details relating to PSAA's invitation are provided in Appendix 1 to this report.
- 2.9 The prices submitted by bidders through the procurement will be the key determinant of the value of audit fees paid by opted-in bodies. PSAA will:
- seek to encourage realistic fee levels and to benefit from the economies of scale associated with procuring on behalf of a significant number of bodies;
 - continue to pool scheme costs and charge fees to opted-in bodies in accordance with the published fee scale as amended following consultations with scheme members and other interested parties (pooling means that everyone within the scheme will benefit from the prices secured via a competitive procurement process – a key tenet of the national collective scheme);
 - continue to minimise its own costs, around 4% of scheme costs, and as a not-for-profit company will return any surplus funds to scheme members. In 2019 it returned a total £3.5million to relevant bodies and in 2021 a further £5.6million was returned.
- 2.10 PSAA will seek to encourage market sustainability in its procurement. Firms will be able to bid for a variety of differently sized contracts so that they can match their available resources and risk appetite to the contract for which they bid. They will be required to meet appropriate quality standards and to reflect realistic market prices in their tenders, informed by the scale fees and the supporting information provided about each audit. Where regulatory changes are in train which affect the amount of audit work suppliers must undertake, firms will be informed as to which developments should be priced into their bids.
- 2.11 The scope of a local audit is fixed. It is determined by the Code of Audit Practice (currently published by the National Audit Office)¹, the format of the financial statements (specified by the Chartered Institute of Public Finance and Accountancy (CIPFA)/ The Local Authority (Scotland) Accounts Advisory Committee (LASAAC)), and the application of auditing standards regulated by the FRC. These factors apply to all local audits irrespective of whether an eligible body decides to opt into PSAA's national scheme or chooses to make its own separate arrangements. The requirements are mandatory; they shape the work auditors undertake and have a bearing on the actual fees required.
- 2.12 There are currently nine audit providers eligible to audit local authorities and other relevant bodies under local audit legislation. This means that a local procurement exercise would seek

¹ The Governments Spring statement proposes that overarching responsibility for Code will in due course transfer to the system leader, namely ARGA, the new regulator being established to replace the FRC.

tenders from the same firms as the national procurement exercise, subject to the need to manage any local independence issues. Local firms cannot be invited to bid. Local procurements must deliver the same audit scope and requirements as a national procurement, reflecting the auditor's statutory responsibilities.

3 Options/Alternatives

- 3.1 **Option 1** is to opt into the PSAA external audit appointment arrangements as outlined in the report.
- 3.2 **Option 2** - If the Council chose not to opt-in to the PSAA appointment arrangements, there would be a need to establish an independent auditor panel to make a stand-alone appointment. The auditor panel would need to be set up by the Council itself, and the members of the panel must be wholly or a majority of independent members as defined by the Act. Independent members (who are in scarce supply) for this purpose are independent appointees, excluding current and former elected members (or officers) and their close families and friends. This means that elected members will not have a majority input to assessing bids and choosing to which audit firm to award a contract for the Council's external audit.
- 3.3 **Option 3** - The Act enables the Council to join with other authorities to establish a joint auditor panel. Again, this will need to be constituted of wholly or a majority of independent appointees. Further legal advice would be required on the exact constitution of such a panel having regard to the obligations of each Council under the Act and the Council would need to liaise with other local authorities to assess the appetite for such an arrangement.
- 3.4 Options 2 and 3 would be more resource-intensive processes to implement for the Council, and without the bulk buying power of the sector-led procurement would be likely to result in a more costly service. The Council and its auditor panel would need to maintain ongoing oversight of the contract. Under the PSAA contract this is provided at a high level by this organisation.
- 3.5 The national offer provides the appointment of an independent auditor with limited administrative cost to the Council. By joining the scheme, the Council would be acting with other councils to optimise the opportunity to influence the market that a national procurement provides.

4 Preferred Option

- 4.1 The preferred option is therefore to opt-in to the national auditor appointment scheme.
- 4.2 Regulation 19 of the Local Audit (Appointing Person) Regulations 2015 requires that a decision to opt-in must be made by a meeting of the Council (meeting as a whole), except where the authority is a corporation sole.
- 4.3 The Council then needs to respond formally to PSAA's invitation in the form specified by PSAA by the close of the opt-in period (11 March 2022).
- 4.4 PSAA will commence the formal procurement process in early February 2022. It expects to award contracts in August 2022 and will then consult with authorities on the appointment of auditors so that it can make appointments by the statutory deadline of 31 December 2022.

5 Consultation

- 5.1 At the last meeting of the Audit Committee on 2 November, a report was presented that set out the requirement to appoint an External Auditor for the period 2023/24 and the options available.

The Audit Committee was content to support the opting into the PSAA arrangements as outlined in this report.

6 Financial Implications

- 6.1 There is a risk that current external audit fee levels could increase when the current contracts end (however the external auditor is appointed). The depth of the external audit work to be undertaken has increased, requiring more resources.
- 6.2 Opting into a national scheme provides maximum opportunity to ensure fees are as realistic as possible, while ensuring the quality of contract documentation to oversee the undertaking of the audit is maintained, by entering into a large-scale collective procurement arrangement.
- 6.3 If the national scheme is not used some additional resource may be needed to establish an auditor panel and conduct a local procurement. Until a procurement exercise is completed it is not possible to state what, if any, additional resource may be required for audit fees from 2023/24.

7 Legal Services Comments

- 7.1 Section 7 of the Local Audit and Accountability Act 2014 requires a relevant Council to appoint a local auditor to audit its accounts for a financial year not later than 31 December in the preceding year.
- 7.2 Section 8 governs the procedure for appointment including that the Council must consult and take account of the advice of its auditor panel on the selection and appointment of a local auditor. Section 8 provides that where a relevant Council is a local Council operating executive arrangement, the function of appointing a local auditor to audit its accounts is not the responsibility of an executive of the Council under those arrangements.
- 7.3 Section 12 makes provision for the failure to appoint a local auditor. The Council must immediately inform the Secretary of State, who may direct the Council to appoint the auditor named in the direction or appoint a local auditor on behalf of the Council.
- 7.4 Section 17 gives the Secretary of State the power to make regulations in relation to an 'appointing person' specified by the Secretary of State. This power has been exercised in the Local Audit (Appointing Person) Regulations 2015 (SI 192) and this gives the Secretary of State the ability to enable a sector-led body to become the appointing person. In July 2016 the Secretary of State specified PSAA as the appointing person.

8 Co-operative Agenda

- 8.1 Opting into the PSAA national offer is consistent with the principles of a co-operative Council.

9 Human Resources Comments

- 9.1 None

10 Risk Assessments

- 10.1 The principal risks are that the Council:
- fails to appoint an auditor in accordance with the requirements and timing specified in local audit legislation; or
 - does not achieve value for money in the appointment process.

These risks are considered best mitigated by opting into the sector-led approach through PSAA.

11 IT Implications

11.1 None

12 Property Implications

12.1 None

13 Procurement Implications

13.1 The national offer provides the appointment of an independent auditor with limited administrative cost to the council. By joining the scheme, the Council would be acting with other councils to optimise the opportunity to influence the market that a national procurement provides.

14 Environmental and Health & Safety Implications

14.1 None

15 Equality, community cohesion and crime implications

15.1 None

16 Implications for Children and Young People

16.1 None

17 Equality Impact Assessment Completed?

17.1 N/A

18 Key Decision

18.1 No

19 Key Decision Reference

19.1 N/A

20 Background Papers

20.1 None

21 Appendices

21.1 Appendix 1 – Opt-In Invitation Issued by PSAA



22 September 2021

To: The Chief Executive,
Oldham Metropolitan Borough Council

Copied to: Ms Ryans, S151 Officer
Mr Islam, Chair of Audit Committee or equivalent

Dear Sir / Madam,

Invitation to opt into the national scheme for auditor appointments from April 2023

I want to ensure that you are aware the external auditor for the audit of your accounts for 2023/24 has to be appointed before the end of December 2022. That may seem a long way away but, as your organisation has a choice about how to make that appointment, your decision-making process needs to begin soon.

We are pleased that the Secretary of State has confirmed PSAA in the role of the appointing person for eligible principal bodies for the period commencing April 2023. Joining PSAA's national scheme for auditor appointments is one of the choices available to your organisation.

In June 2021 we issued a draft prospectus and invited your views and comments on our early thinking on the development of the national scheme for the next period. Feedback from the sector has been extremely helpful and has enabled us to refine our proposals which are now set out in the [scheme prospectus](#) and our [procurement strategy](#). Both documents can be downloaded from our website which also contains a range of useful information that you may find helpful.

The national scheme timetable for appointing auditors from 2023/24 means we now need to issue a formal invitation to you to opt into these arrangements. In order to meet the requirements of the relevant regulations, we also attach a form of acceptance of our invitation which you must use if your organisation decides to join the national scheme. We have specified the five consecutive financial years beginning 1 April 2023 as the compulsory appointing period for the purposes of the regulations which govern the national scheme.

Given the very challenging local audit market, we believe that eligible bodies will be best served by opting to join the scheme and have attached a short summary of why we believe that is the best solution both for individual bodies and the sector as a whole.

I would like to highlight three matters to you:

1. if you opt to join the national scheme, we need to receive your formal acceptance of this invitation by Friday 11 March 2022;

2. the relevant regulations require that, except for a body that is a corporation sole (e.g. a police and crime commissioner), the decision to accept our invitation and to opt in must be made by the members of the authority meeting as a whole e.g. Full Council or equivalent. We appreciate this will need to be built into your decision-making timetable. We have deliberately set a generous timescale for bodies to make opt in decisions (24 weeks compared to the statutory minimum of 8 weeks) to ensure that all eligible bodies have sufficient time to comply with this requirement; and
3. if you decide not to accept the invitation to opt in by the closing date, you may subsequently make a request to opt in, but only after 1 April 2023. We are required to consider such requests and agree to them unless there are reasonable grounds for their refusal. PSAA must consider a request as the appointing person in accordance with the Regulations. The Regulations allow us to recover our reasonable costs for making arrangements to appoint a local auditor in these circumstances, for example if we need to embark on a further procurement or enter into further discussions with our contracted firms.

If you have any other questions not covered by our information, do not hesitate to contact us by email at ap2@psaa.co.uk. We also publish answers to [frequently asked questions](#) on our website.

If you would like to discuss a particular issue with us, please send an email also to ap2@psaa.co.uk, and we will respond to you.

Yours sincerely

Tony Crawley
Chief Executive

Encl: Summary of the national scheme

Why accepting the national scheme opt-in invitation is the best solution

Public Sector Audit Appointments Limited (PSAA)

We are a not-for-profit, independent company limited by guarantee incorporated by the Local Government Association in August 2014.

We have the support of the LGA, which in 2014 worked to secure the option for principal local government and police bodies to appoint auditors through a dedicated sector-led national body.

We have the support of Government; MHCLG's Spring statement confirmed our appointment because of our "strong technical expertise and the proactive work they have done to help to identify improvements that can be made to the process".

We are an active member of the new Local Audit Liaison Committee, chaired by MHCLG and attended by key local audit stakeholders, enabling us to feed in body and audit perspectives to decisions about changes to the local audit framework, and the need to address timeliness through actions across the system.

We conduct research to raise awareness of local audit issues, and work with MHCLG and other stakeholders to enable changes arising from Sir Tony Redmond's review, such as more flexible fee setting and a timelier basis to set scale fees.

We have established an advisory panel, which meets three times per year. Its membership is drawn from relevant representative groups of local government and police bodies, to act as a sounding board for our scheme and to enable us to hear your views on the design and operation of the scheme.

The national scheme for appointing local auditors

In July 2016, the Secretary of State specified PSAA as an appointing person for principal local government and police bodies for audits from 2018/19, under the provisions of the Local Audit and Accountability Act 2014 and the Local Audit (Appointing Person) Regulations 2015. Acting in accordance with this role PSAA is responsible for appointing an auditor and setting scales of fees for relevant principal authorities that have chosen to opt into its national scheme. 98% of eligible bodies made the choice to opt-in for the five-year period commencing in April 2018.

We will appoint an auditor for all opted-in bodies for each of the five financial years beginning from 1 April 2023.

We aim for all opted-in bodies to receive an audit service of the required quality at a realistic market price and to support the drive towards a long term competitive and more sustainable market for local audit. The focus of our quality assessment will include resourcing capacity and capability including sector knowledge, and client relationship management and communication.

What the appointing person scheme from 2023 will offer

We believe that a sector-led, collaborative, national scheme stands out as the best option for all eligible bodies, offering the best value for money and assuring the independence of the auditor appointment.

The national scheme from 2023 will build on the range of benefits already available for members:

- transparent and independent auditor appointment via a third party;
- the best opportunity to secure the appointment of a qualified, registered auditor;
- appointment, if possible, of the same auditors to bodies involved in significant collaboration/joint working initiatives, if the parties believe that it will enhance efficiency;
- on-going management of any independence issues which may arise;
- access to a specialist PSAA team with significant experience of working within the context of the relevant regulations to appoint auditors, managing contracts with audit firms, and setting and determining audit fees;
- a value for money offer based on minimising PSAA costs and distribution of any surpluses to scheme members - in 2019 we returned a total £3.5million to relevant bodies and more recently we announced a further distribution of £5.6m in August 2021;
- collective efficiency savings for the sector through undertaking one major procurement as opposed to a multiplicity of smaller procurements;
- avoids the necessity for local bodies to establish an auditor panel and undertake an auditor procurement, enabling time and resources to be deployed on other pressing priorities;
- updates from PSAA to Section 151 officers and Audit Committee Chairs on a range of local audit related matters to inform and support effective auditor-audited body relationships; and
- concerted efforts to work with other stakeholders to develop a more sustainable local audit market.

We are committed to keep developing our scheme, taking into account feedback from scheme members, suppliers and other stakeholders, and learning from the collective post-2018 experience. This work is ongoing, and we have taken a number of initiatives to improve the operation of the scheme for the benefit of all parties.

Importantly we have listened to your feedback to our recent consultation, and our response is reflected in [the scheme prospectus](#).

Opting in

The closing date for opting in is 11 March 2022. We have allowed more than the minimum eight-week notice period required, because the formal approval process for most eligible bodies is a decision made by the members of the authority meeting as a whole [Full Council or equivalent], except police and crime commissioners who are able to make their own decision.

We will confirm receipt of all opt-in notices. A full list of eligible bodies that opt in will be published on our website. Once we have received an opt-in notice, we will write to you to request information on any joint working arrangements relevant to your auditor appointment, and any potential independence matters which may need to be taken into consideration when appointing your auditor.

Local Government Reorganisation

We are aware that reorganisations in the local government areas of Cumbria, Somerset, and North Yorkshire were announced in July 2021. Subject to parliamentary approval shadow elections will take place in May 2022 for the new Councils to become established from 1 April 2023. Newly established local government bodies have the right to opt into PSAA's scheme under Regulation 10 of the Appointing Person Regulations 2015. These Regulations also set out that a local government body that ceases to exist is automatically removed from the scheme.

If for any reason there is any uncertainty that reorganisations will take place or meet the current timetable, we would suggest that the current eligible bodies confirm their acceptance to opt in to avoid the requirement to have to make local arrangements should the reorganisation be delayed.

Next Steps

We expect to formally commence the procurement of audit services in early February 2022. At that time our procurement documentation will be available for opted-in bodies to view through our e-tendering platform.

Our recent webinars to support our consultation proved to be popular, and we will be running a series of webinars covering specific areas of our work and our progress to prepare for the second appointing period. Details can be found on [our website](#) and in [the scheme prospectus](#).

This page is intentionally left blank



COUNCIL

Council Calendar 2021/2022

Officer Contact: Paul Entwistle, Director of Legal Services

Report Author: Liz Droган, Head of Democratic Services
Ext. 4705

15th December 2021

Reason for Decision

This report sets out the draft calendar of meetings for the 2022/23 Municipal Year.

Recommendations

It is recommended that:

1. The current version of the Council's calendar of meetings for 2022/23 be approved, as set out at Appendix 1.
2. Approval of any outstanding dates or changes to dates be delegated to the Chief Executive in consultation with Group Leaders.

Council Calendar 2022/23

1 Background

- 1.1 This report sets out the draft Calendar for the 2022/23 Municipal Year.

2 Options/Alternatives

- 2.1 The Council is entitled to amend any of the dates in the calendar, but should note it is required to approve a version of the calendar at its annual meeting.

3 Preferred Option

- 3.1 To approve the calendar as set out in Appendix 1.

4 Consultation

- 4.1 Consultation has taken place with relevant officers and elected members.

5 Financial Implications

- 5.1 n/a

6 Legal Services Comments

- 6.1 There are no legal comments (Paul Entwistle).

7 Human Resources Comments

- 7.1 There are no human resources issues.

8 Risk Assessments

- 8.1 A risk assessment is not required.

9 IT Implications

- 9.1 There are no IT implications.

10 Property Implications

- 10.1 There are no property implications.

11 Procurement Implications

- 11.1 There are no procurement implications.

12 Environmental and Health & Safety Implications

- 12.1 There are no environmental or health and safety implications.

13 Equality, community cohesion and crime implications

13.1 There are no community cohesion implications.

14 **Equality Impact Assessment Completed?**

14.1 No

17 **Key Decision**

17.1 No

18 **Key Decision Reference**

18.1 n/a

19 **Background Papers**

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

Council's calendar of meetings 2022/23

Liz Drohan tel: 0161 770 4705

Level 4 Civic Centre

Oldham

OL1 1UL

20 **Appendices**

20.1 Appendix 1 – Council Calendar 2022/23

This page is intentionally left blank

CALENDAR OF MEETINGS

1 MAY 2022 - 28 MAY 2023

DRAFT 1

MAY, 2022				
Monday	Tuesday	Wednesday	Thursday	Friday
2 Bank Holiday	3 Eid Al Fitr	4	5 Elections	6
9	10	11	12	13
16	17	18	19	20 KDD & 28 Day Notice
23	24	25 6.00 pm (Annual), Council	26 1.00 pm Commissioning Partnership Board	27
30 Half term begins	31			

JUNE, 2022				
Monday	Tuesday	Wednesday	Thursday	Friday
		1	2 Spring Bank Holiday	3 Platinum Jubilee Bank Holiday Half term ends
6 3.30 pm Leadership	7 9.30 am Licensing Committee	8 6.00 pm Planning Committee	9 9.30 am Appeals Committee 6.00 pm Audit Committee	10
13	14 9.30 am Licensing Driver Panel 6.00 pm Policy Overview and Scrutiny Committee	15 6.00 p.m. Charitable Trust Committee	16 5.30 pm Traffic Regulation Order Panel 6.00 Standards Committee	17
20 3.30 pm Leadership 6.00 pm Cabinet	21 9.30 am Licensing Panel 2.00 pm Health and Wellbeing Board	22 5.00 pm Corporate Parenting Panel	23 1.00 pm Commissioning Partnership Board 6.00 pm Performance Overview and Scrutiny Committee	24 KDD & 28 Day Notice
27	28 6.00 pm Audit (Draft Final Accounts) LGA Conference	29 LGA Conference	30 9.30 am Appeals Committee LGA Conference	

JULY, 2022				
Monday	Tuesday	Wednesday	Thursday	Friday
				1
4	5 9.30 am Licensing Driver Panel 6.00 pm Health Scrutiny Committee	6 6.00 pm Planning Committee	7	8
11 3.30 pm Leadership Eid al Adha	12 9.30 am Licensing Panel 2.00 pm Local NJC	13 6.00 pm Council	14	15
18	19	20	21 6.00 pm Audit Committee (Final Accounts)	22 KDD and 28 Day Notice
25 3.30 pm Leadership 6.00 pm Cabinet School holiday begins	26 2.00 pm Health and Wellbeing Board 6.00 pm Policy Overview and Scrutiny Committee	27	28 1.00 pm Commissioning Partnership Board 5.30 pm Traffic Regulation Order Panel	29

AUGUST, 2022				
Monday	Tuesday	Wednesday	Thursday	Friday
1 Recess Begins	2	3	4	5
8	9	10	11	12
15	16	17	18	19 KDD and 28 Day Notice Recess Ends
22 3.30 pm Leadership 6.00 pm Cabinet	23	24 6.00 pm Planning Committee	25	26
29 Bank Holiday	30	31		

SEPTEMBER, 2022

Monday	Tuesday	Wednesday	Thursday	Friday
			1 6.00 pm Performance Overview and Scrutiny Committee	2 School holiday ends
5 3.30 pm Leadership	6 9.30 am Licensing Driver Panel 6.00 pm Health Scrutiny Committee	7 6.00 pm Council	8 9.30 am Appeals Committee 6.00 pm Audit Committee	9
12	13 9.30 am Licensing Panel 2.00 pm Health and Wellbeing Board	14 6.00 pm Planning Committee	15	16
1 3.30 pm Leadership 6.00 pm Cabinet	2 6.00 pm Policy Overview and Scrutiny Committee	21 5.00 pm Corporate Parenting Panel	22	23
26	27 2.00 pm Local NJC	28 6.00 pm Charitable Trust Committee	29 1.00 pm Commissioning Partnership Board 5.30 pm Traffic Regulation Order Panel	30

OCTOBER, 2022				
Monday	Tuesday	Wednesday	Thursday	Friday
3 3.30 pm Leadership	4 9.30 am Licensing Driver Panel	5	6 6.00 pm Performance Overview and Scrutiny Committee	7
10	11 9.30 am Licensing Panel	12 6.00 pm Planning Committee	13	14
17 3.30 pm Leadership 6.00 pm Cabinet	18 6.00 pm Health Scrutiny Committee	19	20 1.00 pm Commissioning Partnership Board 6.00 pm Standards Committee	21
24 Half term begins	25	26	27	28 Half term ends
31 3.30 pm Leadership				

NOVEMBER, 2022				
Monday	Tuesday	Wednesday	Thursday	Friday
	1 9.30 am Licensing Committee 6.00 pm Audit Committee	2 6.00 pm Council	3	4
	8 9.30 am Licensing Driver Panel 6.00 pm Policy Overview and Scrutiny Committee	6.00 pm Planning Committee	10 6.00 pm Policy Overview and Scrutiny Committee (Admin. Budget Tranche 1 (if required))	11
14 3.30 pm Leadership 6.00 pm Cabinet	15 9.30 am Licensing Panel 2.00 pm Health and Wellbeing Board	16	17 6.00 pm Performance Overview and Scrutiny Committee	18
21	22 6.00 pm Policy Overview and Scrutiny Committee (Opposition Budget Tranche 1 (if required))	23 5.00 pm Corporate Parenting Panel	24 1.00 pm Commissioning Partnership Board 5.30 pm Traffic Regulation Order Panel	25
28 3.30 pm Leadership 6.00 pm Budget Cabinet	29 2.00 pm Local NJC	30 6.00 pm Charitable Trust Committee		

DECEMBER, 2022				
Monday	Tuesday	Wednesday	Thursday	Friday
			1	2
5	6 9.30 am Licensing Driver Panel 6.00 pm Health Scrutiny Committee	7 6.00 pm Planning Committee	8 6.00 Standards Committee	9
12 3.30 Leadership 6.00 Cabinet	13 9.30 am Licensing Panel 2.00 pm Health and Wellbeing Board (Development Session) 6.00 pm Policy Overview and Scrutiny Committee	14 6.00 pm Council	15 6.00 pm Performance Overview and Scrutiny Committee	16
19 School holiday begins	20	21	22	23
26 Bank Holiday	27 Bank Holiday (in lieu of Christmas Day)	28	29	30

JANUARY, 2023				
Monday	Tuesday	Wednesday	Thursday	Friday
2 Bank Holiday School holiday ends	3	4	5	6
9 3.30 pm Leadership	10 9.30 am Licensing Driver Panel	11	12	13
16 10.00 am Independent Remuneration Panel 6.00 pm Audit Committee	17 9.30 am Licensing Panel 6.00 pm Health Scrutiny Committee	18 6.00 pm Planning Committee	19 5.30 pm Traffic Regulation Order Panel 6.00 pm Policy Overview and Scrutiny Committee	20
23 3.30 pm Leadership 6.00 pm Cabinet	24 2.00 pm Health and Wellbeing Board	25 5.00 pm Corporate Parenting Panel	26 1.00 pm Commissioning Partnership Board 6.00 pm Policy Overview and Scrutiny Committee (Administration Budget)	27
30	31			

FEBRUARY, 2023				
Monday	Tuesday	Wednesday	Thursday	Friday
		1	2	3
6 3.30 pm Leadership (Budget)	7 9.30 am Licensing Driver Panel 6.00 pm Policy Overview and Scrutiny Committee (Opposition Budget)	8	9 6.00 pm Performance Overview and Scrutiny Committee	10
13 3.30 pm Leadership 6.00 pm Budget Cabinet Half term begins	14 9.30 am Licensing Panel	15 6.00 pm Planning	16 1.00 pm Commissioning Partnership Board	17 Half term ends
20	21	22	23	24
27 3.30 pm Leadership 6.00 pm Cabinet	28 9.30 am Licensing Committee			

MARCH, 2023				
Monday	Tuesday	Wednesday	Thursday	Friday
		1 6.00 Budget Council	2	3
3.30 pm Leadership	7 9.30 am Licensing Driver Panel 6.00 pm Health Scrutiny Committee	8 6.00 pm Planning Committee	9 6.00 pm Audit Committee	10
13	14 9.30 am Licensing Panel 2.00 pm Local NJC	15 6.00 pm Council	16 5.30 pm Traffic Regulation Order Panel 6.00 pm Standards	17
20 3.30 pm Leadership 6.00 pm Cabinet	21 2.00 pm Health and Wellbeing Board 6.00 pm Policy Overview and Scrutiny Committee	22 6.00 pm Charitable Trust Committee	23 6.00 pm Performance Overview and Scrutiny Committee Ramadan begins	24
27	29	29 5.00 pm Corporate Parenting Panel	30 1.00 pm Commissioning Partnership Board	31

APRIL, 2023				
Monday	Tuesday	Wednesday	Thursday	Friday
3 School holiday begins	4 9.30 am Licensing Driver Panel	5 6.00 pm Planning Committee		7 Bank Holiday – Good Friday
10 Bank Holiday – Easter Monday	11 9.30 am Licensing Panel	12	13	14 School holiday ends
17	18	19	20	21 Ramadan ends
24 Eid Al-Fitr	25	26	27 1.00 pm Commissioning Partnership Board	28

MAY, 2023				
Monday	Tuesday	Wednesday	Thursday	Friday
1 Bank Holiday Eid Al Fitr	2	3	4 Elections	5
8	9	10	11	12
1	16	17	18	19
2	2	24 12.00 noon Annual Council	25	26
29 Bank Holiday Half term begins – ends 2 nd June	30	31		

Report to Council

Gambling Policy Review

Portfolio Holder:

Councillor A. Chadderton - Cabinet Member for Neighbourhoods

Officer Contact: Director of Environment

Report Author: John Garforth – Trading Standards & Licensing Manager

Ext. 5026

15 December 2021

Reason for the Report

The reason for this report is to update members on the recent review of the Council's Gambling Policy and to seek approval of a revised policy to take effect from 1st January 2022.

Executive Summary

The Council, acting in its position as Licensing Authority, has a statutory duty to uphold the licensing objectives within the Gambling Act 2005. In setting its local policy the Council must show how we will seek to promote the licensing objectives under the Act which are:

- Preventing gambling from being a source of crime and disorder, being associated with crime or disorder or being used to support crime;
- Ensuring gambling is conducted in a fair and open way; and
- Protecting children and other vulnerable people from being harmed or exploited by gambling.

Recommendations

That Members approve the proposed Gambling Policy.

1 Background

- 1.1 The Gambling Act 2005 created a new system of licensing and regulation for commercial gambling in this Country. Amongst other changes it gave local authorities new and extended responsibilities for licensing premises for gambling and associated permissions.
- 1.2 In setting its local policy the Council must show how we will seek to promote the licensing objectives under the Act which are:
- Preventing gambling from being a source of crime and disorder, being associated with crime or disorder or being used to support crime;
 - Ensuring gambling is conducted in a fair and open way; and
 - Protecting children and other vulnerable people from being harmed or exploited by gambling.
- 1.3 The role of the licensing authority covers:
- Be responsible for the licensing of premises where gambling activities are to take place by issuing Premises Licences
 - Issue Provisional Statements
 - Regulate members' clubs and miners' welfare institutes who wish to undertake certain gaming activities via issuing Club Gaming Permits and/or Club Machine Permits
 - Issue Club Machine Permits to Commercial Clubs
 - Grant permits for the use of certain lower stake gaming machines at unlicensed Family Entertainment Centres
 - Receive notifications from alcohol licensed premises (under the Licensing Act 2003) for the use of two or fewer gaming machines
 - Issue licensed Premises Gaming Machine Permits for premises licensed to sell/supply alcohol for the consumption on the licensed premises, under the Licensing Act 2003, where there are more than two machines
 - Register small society lotteries below prescribed thresholds
 - Issue Prize Gaming Permits
 - Receive and Endorse Temporary Use Notices
 - Receive Occasional Use Notices
 - Provide information to the Gambling Commission regarding details of licences issued
 - Maintain registers of the permits and licences

2 Current Position

- 2.1 The current policy was adopted in January 2019 and has to be reviewed every 3 years by law. In the attached proposed policy at appendix 1 the ten Greater Manchester Authorities have worked collaboratively to develop of common policy framework and content. Local issues and profiling have been added in addition to the common policy text.
- 2.2 The content of the policy centres around the regulatory responsibilities of both operators and the Council in how it administers the gambling system. This includes:
- General principles of the Gambling Act 2005
 - Determining licences
 - Relevant factors to consider
 - Specific considerations for business types
 - Permits and permissions
- 2.3 The Gambling Act defines which statutory bodies are to be consulted on a new premises application and these are:
- Gambling Commission

-
- Greater Manchester Police
 - GM Fire & Rescue
 - Planning Authority
 - Environmental Health
 - Safeguarding Partnership
 - HMRC
 - The Licensing Authority

2.4 Significant attention has been paid to the public health concerns surrounding gambling additions in the revised policy. Data suggest that in Oldham there are around three thousand problem gamblers and nine thousand at risk gamblers. A Greater Manchester Gambling Harm Reduction Strategy has been compiled with funding allocated to support pathways and research.

2.5 The proposed policy also asks operators to submit a return to the Licensing Authority in order to measure the amount of interventions they are taking to assist customers and self exclude those who require that option.

2.6 The attached policy has been considered by the Licensing Committee and the Policy Overview and Scrutiny Committee prior to this meeting.

3 **Options/Alternatives**

3.1 Option 1: To approve the implementation of the updated policy.

3.2 Option 2: No to approve the policy.

4 **Preferred Option**

4.1 Option 1.

5 **Consultation**

5.1 The proposed Gambling Policy Statement was drafted for the purposes of consulting in July 2021.

The Consultation lasted for an eight week period and copies of the consultation were circulated widely amongst licence holders, trade organisations and interested parties within the trade. A total of three responses were received including Betting & Gaming Council, Director of Public Health for Oldham and the National Association of Bookmakers.

6 **Financial Implications**

6.1 None

7 **Legal Services Comments**

7.1 The Gambling Policy Statement sets out the principles the Council proposes to apply in exercising its functions under the Gambling Act during the three year period covered by the Statement. Under section 153 of the Gambling Act, the Council should aim to permit the use of premises for gambling in so far as the Council think it in accordance with the Gambling Policy Statement, any relevant code of practice or guidance issued by the Gambling Commission and it is reasonably consistent with the licensing objectives. (A Evans)

8. **Co-operative Agenda**

8.1 Not applicable

9	Human Resources Comments
9.1	Not applicable
10	Risk Assessments
10.1	Not applicable
11	IT Implications
11.1	None
12	Property Implications
12.1	None
13	Procurement Implications
13.1	None
14	Environmental and Health & Safety Implications
14.1	None
15	Equality, community cohesion and crime implications
15.1	None
16	Implications for Children and Young People
16.1	None
17	Equality Impact Assessment Completed?
17.1	Yes
17	Key Decision
17.1	No
18	Key Decision Reference
18.1	N/A
19	Background Papers
19.1	None
20	Appendices
20.1	Appendix 1 – Gambling Policy Statement (draft) November 2021

Licensing Policy

Statement of Principles under the Gambling Act 2005



Table of Contents

1. Foreword	4
2. Introduction.....	5
Publication of this Policy.....	6
Description of the Area.....	7
3. General principles	8
Other regulatory regimes	8
Responsible Authorities.....	8
Public Health & Gambling Related Harm.....	Error! Bookmark not defined.
Determining whether a person is an interested part in relation to a premises licence, or an application for or in respect of a premises licence	11
Exchange of information between the licensing authority and the Gambling Commission (s29 and s30 of GA2005), and the exchange of information between the licensing authority and other persons listed in Schedule 6 of the Act	12
Functions of the licensing authority under Part 15 of the GA2005 with respect to the inspection of premises and the power under s346 of the Act to institute criminal proceedings in respect of the offences specified in that section.....	13
Commenting on a licence application	14
Factors that will not be relevant.....	14
Split Premises	15
Premises “ready for gambling”	15
Applications and plans	16
Tracks	16
4. Determining Premises Licences.....	18
How the Licensing Authority decides whether to grant or refuse an application	18
How the licensing committee decides what conditions to apply to premises licences.....	18
Determining whether to review a licence	19
5. Relevant factors when considering applications and reviews	21
Location of the premises.....	21
Gambling-related harm	
Local risk assessments.....	22
Local Area Profile	24
How the premises will operate consistent with the licensing objectives	24
Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime:	25
Ensuring that gambling is conducted in a fair and open way.....	26
Protecting children and other vulnerable persons from being harmed or exploited by gambling.....	26
Expectations of operators: Staffing provision.....	28
Expectations of operators: Data gathering and sharing	29
Expectation of applicants: Staff Training and Knowledge.....	29
Expectation of applicants: Gaming machines / layouts	30
6. Premises-specific considerations.....	31
Adult Gaming Centres	31

Casinos.....	31
'No Casinos' resolution	31
Bingo premises	31
Electronic bingo gaming machines	32
Gaming machines at bingo premises	32
'Entertainment' Bingo	34
Betting Premises.....	34
(Licensed) Family Entertainment Centres	35
Occasional use notices	35
7. Permits and other permissions	36
Alcohol Licensed Premises Gaming Machine Permits	36
Prize Gaming Machine Permits.....	36
Unlicensed FECs (uFEC)	36
Small Society Lotteries.....	37
8. Appendix 1 – Responsible Authorities	38
9. Appendix 2 – Template for data collection.....	39
10. Appendix 3 - Glossary	40

Foreword

- 1.1 In Greater Manchester we are thinking differently about gambling with a shared aim to prevent and reduce the negative impacts of gambling on individuals, families and communities. As part of our innovative public service reform and population health agenda we are working with partners across Greater Manchester to ensure that gambling is a safe and enjoyable activity for all who choose to take part. Our priorities are:
 - Developing our understanding of gambling related harms
 - Improving access to high quality treatment and support
 - Supporting interventions to prevent gambling from becoming a harmful activity
 - Engaging with people and communities to co-design our work
- 1.2 This policy reflects collaboration across Greater Manchester with, for the first time, a joint Statement of Gambling Principles approved at local level.
- 1.3 This statement of Policy in relation to the Gambling functions that this Authority regulates sets out the approach that will be taken when dealing with permissions it grants and enforces thereafter.
- 1.4 It also identifies how the Authority will seek to promote the licensing objectives under the Act, namely: -
 - Preventing gambling from being a source of crime or disorder, being associated with crime and disorder or being used to support crime.
 - Ensuring gambling is conducted in a fair and open way.
 - Protecting children and other vulnerable people from being harmed or exploited by gambling.
- 1.5 The Greater Manchester Gambling Harm Reduction Programme aims to prevent harm from arising and to ensure that the individuals, families and communities experiencing harm as a result of gambling have access to the right treatment and support.
- 1.6 The Greater Manchester model “doing things differently” means integrating policies around people, places and their needs, focusing on prevention, developing new models of support and sharing information to design and deliver better services. Working across disciplines will provide the skills to understand gambling harm, recognise it and signpost specialists where required.

2. Introduction

- 2.1 As the licensing authority, we are required to perform the following functions under the Gambling Act:
- 1) Be responsible for licensing premises where gambling activities are to take place by issuing premises licences
 - 2) Issue provisional statements where it is proposed that gambling activities will take place but a premises is not yet ready for use
 - 3) Regulate members' clubs and miners' welfare institutes who wish to undertake certain gaming activities by issuing club gaming permits and/or club machine permits
 - 4) Issue club machine permits to commercial clubs
 - 5) Issue permits for unlicensed Family Entertainment Centres where Category D machines may be used
 - 6) Receive notifications from premises licensed for on-sales of alcohol for use of two or fewer Category C or D gaming machines
 - 7) Issue licensed premises gaming machine permits for premises licensed for on-sales of alcohol for use of two or more Category C or D machines
 - 8) Register small society lotteries
 - 9) Issue prize gaming permits
 - 10) Receive and endorse Temporary Use Notices for temporary use of premises for gambling
 - 11) Receive Occasional Use Notices for betting at tracks
- 2.1. Gambling is defined in the Act as either gaming, betting or taking part in a lottery
- 2.2. Gaming' means playing a game for the chance to win a prize.
- 2.3. 'Betting' means making or accepting a bet on:
- the outcome of a race, competition or other event
 - the likelihood of anything occurring or not occurring
 - whether anything is true or not.
- 2.4. A 'Lottery' is where participants are involved in an arrangement where prizes are allocated wholly by a process of chance.
- 2.5. The responsibility for regulating gambling is shared between the Gambling Commission and local authorities. The Gambling Commission is responsible for issuing operating licences to organisations and individuals who provide facilities for gambling and personal licences to persons working in the gambling industry. The Commission takes the lead role on ensuring that gambling is conducted in a fair and open way through the administration and enforcement of operating and personal licence requirements. The Commission is also responsible for remote gambling activities such as facilities provided via the internet, television or radio.

2.6. We are also required to:

- Provide information to the Gambling Commission regarding details of licences issued
- Maintain a register of the permits and licences that are issued under the functions above.

2.7. The Council has a responsibility under the Gambling Act 2005 to decide whether to grant or reject applications and in the case of premises licence applications to decide any conditions to apply where the decision is taken to grant. All decisions made by the licensing authority in relation to premises licences (and some other authorisations – see specific sections for details) are based on the Act, relevant guidance, Codes of Practice, our Gambling Policy and the three licensing objectives. These objectives are:

- Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime
- Ensuring that gambling is conducted in a fair and open way
- Protecting children and other vulnerable persons from being harmed or exploited by gambling

2.8. In the case of premises licences (and some other authorisations – see specific sections for details), the licensing committee will permit gambling only so far as it is reasonably consistent with these three objectives.

Publication of this Policy

2.9. Licensing authorities have a requirement to develop, consult on, and publish a statement of licensing policy every three years with regards to the principles they propose to apply in exercising functions under the Gambling Act 2005.

2.10. The policy statement forms the licensing authority's mandate for managing local gambling provision and sets out how the licensing authority views the local risk environment and therefore its expectations in relation to operators with premises in the locality.

2.11. The authority is one of the 10 Metropolitan Districts of Greater Manchester. In Greater Manchester we have a shared aim reducing gambling related harms, our approach focuses on preventing gambling harms from occurring, as well as improving how we support our residents who are already experiencing harms, either directly or as a result of someone else's gambling. The renewal of licensing policies presents an opportunity for local authorities to embed these principles. Licensing leads across Greater Manchester have agreed to take a common approach to refreshing gambling licensing policies.

- 2.12. In drafting this policy we consulted widely with licence holders, trade organisations and responsible authorities
- 2.13. Three responses were received from Betting & Gaming Council (via their solicitors) Director of Public Health- Oldham Council and National association of Bookmakers. Due consideration has been given to comments made via the consultation and, where felt appropriate to do so, amendments have been made.
- 2.14. The Authority consulted upon this Policy before finalising at a full Council meeting held on the 15th December 2021 and it comes into force on the 1st January 2022.

Description of the Area

- 2.15. The authority is one of the ten Metropolitan Districts of Greater Manchester. The Borough of Oldham occupies an area of 56 square miles to the north east of Manchester. About one third of the Borough consists of the area occupied by the majority of towns 224,900 residents (2011 census). Another third of the Borough consists of moorland, which is largely uninhabited. The final third consists of small rural towns and villages.
- 2.16 Oldham currently has a range of premises that offer gambling facilities, which include one bingo hall, twenty three betting offices and five adult gaming centres. In addition to this there are various permits and permissions granted to alcohol licensed premises and private members clubs.

3. General principles

- 3.1 In making decisions on premises licences, the licensing authority shall aim to permit the use of premises for gambling in so far as it thinks it:
- In accordance with any relevant code of practice issued by the Gambling Commission;
 - In accordance with any relevant guidance issued by the Gambling Commission;
 - Reasonably consistent with the licensing objectives; and
 - In accordance with the authority's statement of licensing policy
- 3.2 As the licensing authority, we will regulate gambling in the public interest, which will be reflected in this policy statement.
- 3.3 This policy statement does not undermine the right of any person to make representations on an application or to seek a review of a licence where provision has been made for them to do so.
- 3.4 This policy does not override anybody's right to make an application, make representations about an application, or apply for a review of a licence.
- 3.5 Each application will be considered on its merits in accordance with the requirements of the Gambling Act and without regard to demand.

Other regulatory regimes

- 3.6 The licensing authority will avoid duplication with other regulatory regimes, so far as possible. A range of general duties are imposed on the self-employed, employers and operators of gambling premises, both in respect of employees and of the general public, by legislation governing health and safety at work and fire safety. Therefore, such requirements do not need to be included in the policy statement.

Responsible Authorities

- 3.7 Responsible Authorities are generally public bodies that must be notified of all applications and who are entitled to make representations to the Council if they are relevant to one or more of the licensing objectives.
- 3.8 Section 157 of the Act defines those authorities. For this area they are: -
- The Gambling Commission
 - Greater Manchester Police
 - Greater Manchester Fire and Rescue
 - The Planning Authority
 - The authority which has functions in relation to pollution to the environment or harm to human health
 - Oldham Safeguarding Partnership
 - HM Revenue and Customs
 - The Licensing Authority.

- 3.9 The contact details of all the Responsible Authorities are available are set out in Appendix 1.
- 3.10 The licensing authority has designated the Oldham Safeguarding Partnership as the body that is competent to advise it about the protection of children from harm. The principles that have been used in making this designation is that the board is:
- responsible for the whole of the licensing authority's area
 - answerable to democratically elected persons

Gambling Related Harm & Public Health

- 3.11 While gambling is an enjoyable leisure activity for many, previous research has shown that harms associated with gambling are wide-ranging. These include not only harms to the individual gambler but their families, close associates and wider society. [1] [2]
- 3.12 Research suggests that in a city-region like Greater Manchester there are approximately 39,000 people living with a gambling disorder, with a further 118,000 at risk. This is the most up to date data we have available and incorporated an estimate based on GM population demographics using analysis conducted by Leeds Beckett University specifically looking at urban areas. However, we know that self-reported surveys underestimate true prevalence of harm given the unfortunately shame and stigma associated with gambling disorder. For every person who gambles, it is estimated that between six and ten people are 'affected others' and experience similar harms. These may be dependents, parents, partners, friends or colleagues[3]

Area	Estimate of Adult Population 2016	Estimated number of problem gamblers	Estimated number of 'at risk' gamblers
Greater Manchester	2,148,660	38,676	118,176
Bolton	216,920	3,905	11,931
Bury	145,880	2,626	8,023
Manchester	416,480	7,497	22,906
Oldham	173,900	3,130	9,565
Rochdale	164,820	2,967	9,065
Salford	192,840	3,471	10,606
Stockport	227,920	4,103	12,536

¹ Citizens Advice (2018) Out of Luck. An exploration of the causes and impacts of problem gambling.

² IPPR (2016) Cards on the table. The cost to government associate with people who are problem gamblers in Britain. IPPR
<https://www.gov.uk/government/publications/gambling-related-harms-evidence-review/gambling-related-harms-evidence-review-summary>

³ Kenyon (2017) Problem Gambling in Leeds. Report to Leeds City council. Leeds Beckett

Area	Estimate of Adult Population 2016	Estimated number of problem gamblers	Estimated number of 'at risk' gamblers
Tameside	173,960	3,131	9,568
Trafford	179,920	3,239	9,896
Wigan	256,020	4,608	14,081

- 3.13 Anyone who gambles is vulnerable to harm. Men, younger adults (aged 18-34) and adults from a lower socioeconomic or black and minority ethnic backgrounds are more likely to be classified as gamblers experiencing some level of harm. Gambling related harms are often described at an individual level, however these harms have a wider impact on communities and society with costs to the UK as a whole estimated at being between £260m and £1.16bn.
- 3.14 People living with, or at risk of developing, a gambling disorder may experience stress, anxiety and depression, financial losses, debts and exhibit compulsive behaviours, such as chasing losses. Gambling related harms may accrue over a long period of time or very quickly at a time of crisis, many harms have a lasting legacy beyond initial recovery from gambling disorder. Harms associated with gambling include poor mental health and wellbeing, relationship breakdown, neglect of other priorities in life, poor performance at work or school and criminal activity. The Public Health Gambling Harms Evidence Review⁴ sets out an overview of the prevalence, risk factors and public health harms associated with gambling and the economic and social burden.
- 3.15 Awareness of gambling harms as an emerging public health problem has increased in recent years, however Public Health are not a responsible authority under the Gambling Act 2005. Nonetheless, the licensing authority will consult the Director of Public Health on all premises licence applications and will advise the Director of Public Health to consider the use of the Gambling Commission's toolkit for public health and safeguarding: <https://www.gamblingcommission.gov.uk/for-licensing-authorities/Licensingauthority-toolkit/Public-health-and-Safeguarding-toolkit.aspx>
- 3.16 Greater Manchester has a gambling harms reduction programme (which aims to reduce the harms caused by gambling to the population. Licence applicants and holders will be expected to show how they are actively protecting the local population from gambling harms with their processes and operations, and consider how the location, opening hours and promotion of their activities can minimize opportunities for harm to the vulnerable groups listed above.
- 3.17 The licensing authority recognises that local authority public health teams can offer insights from those impacted by gambling harms and offer contextual information about treatment and support in the local area and can add value to the licensing application

1.1 ⁴ <https://www.gov.uk/government/publications/gambling-related-harms-evidence-review>

process where there are concerns raised about risk of harm to vulnerable groups locally.

- 3.18 Greater Manchester's gambling harms reduction programme is listening to residents with lived experience of gambling and is commissioning its own research to better understand problem gambling in the region. As findings from this research emerge, licence holders will be expected to support the delivery of recommendations to help minimize gambling harms to the local populations.

Determining whether a person is an interested party in relation to a premises licence, or an application for or in respect of a premises licence

- 3.19 For the purposes of the Gambling Act, an 'interested party' is:

- a) Someone who lives sufficiently close to the premises to be likely to be affected by the gambling premises
- b) Has business interests that might be affected by the authorised activities
- c) Represents persons who satisfy paragraph (a) or (b)

- 3.20 Whether or not a person is an 'interested party' is ultimately the decision of the Licensing Authority which issues the licence or to which the application is made.

- 3.21 To determine who lives 'sufficiently close to the premises to be likely to be affected by the gambling premises', we will consider the following on a case-by-case basis:

- The size of the gambling premises
- The nature of the gambling premises
- The distance of the premises from the address of the person making the representation
- The potential impact of the premises (number of customers, routes likely to be taken by those visiting the premises)
- the circumstances of the person who lives close to the premises. This is not their personal characteristics, but their interests which may be relevant to the distance from the premises e.g. 'sufficiently close to be likely to be affected' could have a different meaning for (a) a private resident (b) a residential school for children with truanting problems and (c) a residential hostel for vulnerable adults
- The 'catchment' area of the premises (i.e. how far people travel to visit it).

- 3.22 Having a 'business interest' will be given the widest possible interpretation and include community and voluntary groups, schools, charities, faith groups and medical practices. The licensing authority will consider the following factors relevant when determining whether a person's business interests may be affected:

- The size of the premises
- The 'catchment' area of the premises (i.e. how far people travel to visit it)
- whether the person making the representation has business interests in the affected catchment area

3.23 In so far as who represents persons who satisfy paragraphs (a) or (b), this would include for example:

- i. Residents' associations and tenants' associations
- ii. Trade associations and trade unions
- iii. Any other person with written permission from somebody who satisfies paragraph (i) or (ii)
- iv. Local councillors and MPs

Exchange of information between the licensing authority and the Gambling Commission (s29 and s30 of GA2005), and the exchange of information between the licensing authority and other persons listed in Schedule 6 of the Act (s350 of GA2005)

3.24 The licensing authority may share application information received in the course of processing applications with the Gambling Commission, a constable or police force, an enforcement officer, another Licensing Authority, her Majesty's Commissioners of Customs & Excise, The First Tier Tribunal, The Secretary of State or Scottish Ministers.

3.25 We will abide by the Freedom of Information Act and the General Data Protection Regulation (GDPR) in its safeguarding/release of information or data.

3.26 In the context of the Gambling Act, we will retain only that information which relates to the processing of applications for licences, permits, permissions and representations. Applications and representations in respect of applications are both in the public domain and are therefore available on request and may be published as part of our web register. Personal addresses/contact numbers attached with representations may also be released. Information may also be shared with other Gambling Act regulators or other parties prescribed by the Secretary of State.

3.27 Licensing authorities have statutory duties to notify the Commission as well as the applicant and other responsible authorities of the grant/rejection of applications (new, variations, transfers etc) as well as the revocation, surrender or lapse of a premises licence using the correct statutory forms.

3.28 We will inform the Gambling Commission without delay if:

- The Licensing Authority receives information that causes it to question the suitability of the person holding/applying to hold an operating licence
- There are persistent or serious disorder problems that an operator could or should do more to prevent, so that the Commission may consider the continuing suitability of the operator to hold an operating licence
- If it comes to our attention that: alcohol-licensed premises or clubs or institutes are playing bingo during the course of a week which involves significant stakes and prizes and makes it possible that the £2,000 in seven days is being exceeded.

- 3.29 The licensing authority will act in accordance with the relevant legislation and guidance from the Commission and will adopt the principles of better regulation.

Functions of the licensing authority under Part 15 of the GA2005 with respect to the inspection of premises and the power under s346 of the Act to institute criminal proceedings in respect of the offences specified in that section

- 3.30 Our principal enforcement role under the Gambling Act is to ensure compliance with the conditions of the premises licence and legal requirements in respect of other permissions the licensing authority regulates. However, we will also ensure that any unlicensed premises which are operating illegally are dealt with appropriately to ensure compliance. Where appropriate, we will work with the Gambling Commission in our enforcement activity. The Council will adopt a risk-based inspection and enforcement programme, which will mean giving greater attention to high-risk premises and a lighter touch for low-risk premises. In all cases we will ensure our inspection and enforcement programme is operated in accordance with any codes of practice issued by the Gambling Commission, in accordance with the Government's Enforcement Concordat and the Compliance Code.
- 3.31 The Council will take account of the Gambling Commission's guidance document issued in February 2015 (or any subsequent amendments) 'Approach to Test Purchasing' when considering making test purchases at gambling premises. The Council will also follow its own policies and procedures regarding the use of underage test purchasers.
- 3.32 This licensing authority will be guided by the Gambling Commission's Guidance for local authorities and will endeavour to be:

Proportionate	regulators should only intervene when necessary: remedies should be appropriate to the risk posed, and costs identified and minimised
Accountable	regulators must be able to justify decisions, and be subject to public scrutiny
Consistent	rules and standards must be joined up and implemented fairly
Transparent	regulators should be open, and keep regulations simple and user friendly
Targeted	regulation should be focused on the problem, and minimise side effects

- 3.33 Where there is a Primary Authority scheme in place, the Council will seek guidance from the Primary Authority before taking any enforcement action. At the time of the publication of this policy there were seven Primary Authority arrangements with host local authorities:

Operator	Primary Authority local authority
BACTA	Reading
Coral Racing	Milton Keynes
Ladbrokes	Milton Keynes
Paddy Power	Reading
Rank Group	City of Westminster
Sky Betting & Gaming	Wakefield
William Hill	Reading

- 3.34 Further information, including an index of all Primary Authority arrangements can be found at <https://primaryauthorityregister.info/par>

Commenting on a licence application

- 3.35 If 'interested parties' (see below for definition) or 'responsible authorities' wish to comment on an application for a premises licence relating to the licensing objectives, they can make a 'representation'. The Licensing Authority can only consider representations if made by either an 'interested party' or 'responsible authority'.
- 3.36 A representation is a statement that outlines any comments that the party making the representation wants to be taken into consideration by the Licensing Authority when determining the application. In all cases representations will need to be 'relevant'. The only representations likely to be relevant are those that meet one or more of the following criteria:
- Relate to the licensing objectives
 - Relate to relevant matters in our gambling policy
 - Relate to relevant matters in the Gambling Commission's Guidance to Local Authorities
 - Relate to relevant matters in the Gambling Commission's Codes of Practice
 - Relate to the premises that are the subject of the application
 - Are neither frivolous nor vexatious nor will certainly not influence the authority's determination of the application.

Factors that will not be relevant

- 3.37 Any objections to new premises or requests for a review should be based on the licensing objectives of the Act. Unlike the Licensing Act 2003, the Act does not include the prevention of public nuisance as a specific licensing objective.
- 3.38 The licensing authority will not take into account representations that are:
- repetitive, vexatious or frivolous
 - from a rival gambling business where the basis of the representation is unwanted competition
 - moral objections to gambling
 - concerned with expected demand for gambling
 - anonymous

- 3.39 Details of applications and representations referred to a licensing sub- Committee for determination will be published in reports that are made publicly available and placed on the Council's website in accordance with the Local Government Act 1972 and the Freedom of Information Act 2000. Personal details will however be removed from representations in the final website version of reports.
- 3.40 Names and addresses of people making representations will be disclosed to applicants and only be withheld from publication on the grounds of personal safety where the licensing authority is specifically asked to do so.

Split Premises

- 3.41 The Licensing Authority will always give the closest consideration to whether a sub-division has created separate premises meriting a separate machine entitlement. The Authority will not automatically grant a licence for sub- divided premises even if the mandatory conditions are met, particularly where the Authority considers that this has been done in order to sidestep controls on the number of machines which can be provided in a single premise. The Authority will consider if the sub-division has harmed the licensing objective of protecting the vulnerable. The Authority may also take into account other relevant factors as they arise on a case-by-case basis.

Premises “ready for gambling”

- 3.42 A licence to use premises for gambling will only be issued in relation to premises:
- that the Authority can be satisfied are going to be ready to be used for gambling in the reasonably near future, consistent with the scale of building or alterations required before the premises are brought into use
 - where they are expected to be used for the gambling activity named on the licence.
- 3.43 If the construction of a premises is not yet complete, or if they need alteration, or if the applicant does not yet have a right to occupy them, then an application for a provisional statement should be made instead.
- 3.44 In deciding whether a premises licence can be granted where there are outstanding construction or alteration works at a premises, this authority will determine applications on their merits, applying a two-stage consideration process: -
- 1) Whether the premises ought to be permitted to be used for gambling
 - 2) Whether appropriate conditions can be put in place to cater for the situation that the premises are not yet in the state in which they ought to be before gambling takes place.
- 3.45 Applicants should note that this Authority is entitled to decide that it is appropriate to grant a licence subject to conditions, but it is not obliged to grant such a licence.
- 3.46 When dealing with a premises licence application for finished buildings, the licensing authority will not take into account:
- whether those buildings have to comply with the necessary planning or building consents;

- fire or health and safety risks.
- 3.47 Those matters should be dealt with under relevant planning control, building and other regulations, and must not form part of the consideration for the premises licence.
- 3.48 It is noted that s.210 of the Act prevents licensing authorities taking into account the likelihood of the proposal by the applicant obtaining planning or building consent when considering a premises licence application. Equally, the grant of a gambling premises licence does not prejudice or prevent any action that may be appropriate under the law relating to planning or building.

Applications and plans

- 3.49 The Gambling Act (s51) requires applicants to submit plans of the premises with their application, in order to ensure that the Licensing Authority has the necessary information to make an informed judgement about whether the premises are fit for gambling. The plan will also be used for the Authority to plan future premises inspection activity.
- 3.50 It is the local authority's policy that it will expect applicants for new premises licences and variations to provide a plan showing the indicative layout of the premises including, but not limited to:
- Machines, specified by category
 - Staff counters
- 3.51 We consider that this information is appropriate, in conjunction with the premises' risk assessment, to effectively assess the provision of gambling facilities at the premises. Where this information is not provided, it is more likely that a representation will be made in order to enable the licensing authority to accurately assess the likely effect of granting the application relative to the Licence conditions and code of practice and licensing objectives.
- 3.52 The premises plan in itself is only one means by which the licensing authority may seek reassurance that the requirements will be met. It may be that conditions attached to the premises licence regarding lines of sight between the counter and the gaming machines, staffing arrangements or security devices are a more effective method of doing so. Local circumstances and concerns and the layout of a particular premises may well determine what is most appropriate for an individual application.

Tracks

- 3.53 Plans for tracks do not need to be in a particular scale but should be drawn to scale and should be sufficiently detailed to include the information required by regulations. Some tracks may be situated on agricultural land where the perimeter is not defined by virtue of an outer wall or fence, such as point-to-point racetracks. In such instances, where an entry fee is levied, track premises licence holders may erect temporary structures to restrict access to premises. In the rare cases where the outer perimeter cannot be defined, it is likely that the track in question will not be specifically designed for the frequent holding of sporting events or races. In such cases betting facilities may be better provided through occasional use notices where the boundaries of the premises do not need to be defined.

- 3.54 This authority appreciates that it is sometimes difficult to define the precise location of betting areas on tracks. The precise location of where betting facilities are provided is not required to be shown on track plans, both by virtue of the fact that betting is permitted anywhere on the premises and because of the difficulties associated with pinpointing exact locations for some types of track.
- 3.55 Applicants should provide sufficient information that this authority can satisfy itself that the plan indicates the main areas where betting might take place. For racecourses in particular, any betting areas subject to the “five times rule” (commonly known as betting rings) must be indicated on the plan.

4. Determining Premises Licences

How the Licensing Authority decides whether to grant or refuse an application

- 4.1 Where we receive an application for a gambling premises licence, we will aim to permit the use of premises for gambling where it is considered:
- a) In accordance with any relevant code of practice issued by the Gambling Commission
 - b) In accordance with any relevant guidance issued by the Gambling Commission
 - c) Reasonably consistent with the licensing objectives (subject to a and b) and
 - d) In accordance with this policy (subject to a – c).
- 4.2 The Licensing Authority has no discretion to either grant or refuse premises licences in circumstances that would mean departing from the above e.g. the committee cannot reject applications on moral grounds.
- 4.3 Each case will be decided on its merits.
- 4.4 The Licensing Authority will not have regard to any demand issues for the premises.
- 4.5 Where an area has known high levels of organised crime the licensing authority will consider carefully whether gambling premises are suitable to be located there and whether conditions may be suitable such as the provision of door supervisors.
- 4.6 Rather than reject applications outright, wherever possible the Licensing Authority will look to work with gambling premises and tackle concerns with licence conditions that uphold the licensing objectives. However, where there are reasons why granting a licence would not be consistent with (a) - (d) above, the application will normally be refused.
- 4.7 In accordance with the Guidance from the Gambling Commission, we will circulate 'clear and comprehensive' reasons for any decision to all parties. We will also cite the extent to which decisions have been made in accordance with the Council's gambling policy and the Guidance from the Gambling Commission.

How the licensing committee decides what conditions to apply to premises licences

- 4.8 Premises Licences may be subject to any or all of the following:
- Conditions specified in the Gambling Act 2005
 - Conditions specified in the regulations issued by the Secretary of State
 - Conditions attached by Oldham Council's Licensing Committee following a hearing (where necessary).
- 4.9 With respect to conditions, licensing authorities are able to:
- Issue licences without modifying conditions set out in the Act and by the Secretary of State

- Exclude default conditions
- Attach conditions where it is believed to be appropriate
- Conditions may be general in nature (i.e. they attach to all licences of a particular premises type e.g. all casinos) or they may be specific to a particular licence.

4.10 We will ensure that any conditions we impose are:

- Proportionate to the circumstances which they are seeking to address
- Relevant to the need to make the proposed building suitable as a gambling facility
- Directly related to the premises and the type of licence applied for
- Fairly and reasonably related to the scale and type of premises
- Reasonable in all other respects.

4.11 There are also conditions, which the licensing authority cannot attach to premises licences:

- Conditions on a premises licence which make it impossible to comply with an operating licence condition
- Conditions relating to gaming machine categories, numbers, or method of operation
- Conditions that require membership of a club or body. (The Gambling Act specifically removes the membership requirement for casino and bingo clubs and this provision prevents it being reinstated)
- Conditions relating to stakes, fees, winnings or prizes
- Conditions relating to demand for the premises.

4.12 Decisions about conditions will be taken on a case-by-case basis considering Gambling Commission guidance, Gambling Commission Codes of Practice, the Licensing Objectives and our policy.

Determining whether to review a licence

4.13 After a licence is granted, where the day to day operation of a gambling premises is not felt to be 'reasonably consistent with the licensing objectives', a review of the premises licence can be requested at any time.

4.14 A review may be initiated by the Licensing Authority or as a result of an application for review from an interested party or responsible authority. Where it is the Licensing Authority that initiate the review, they may do this for a whole class of premises e.g. all Adult Gaming Centres or in relation to particular premises. The Licensing Authority can review a licence for any reason it thinks appropriate.

4.15 Where an application for review is received from an interested party or responsible authority, as a licensing authority we must decide whether to go ahead with the review. The application for review will be considered based on the following:

- Does the request raise issues other than those found under the Gambling Commission's Guidance, Codes of Practice, the Licensing Objectives or our gambling policy?
- Is it irrelevant, frivolous or vexatious?
- Is it so minor that the authority will certainly not wish to revoke or suspend the licence or remove, amend or attach conditions?

- Is it substantially the same as a previous application for review relating to the same premises?
 - Is the application for review substantially the same as a representation made at the time the application for a premises licence was considered?
- 4.16 If the answer to ANY of the above questions is 'yes', the request for review may be rejected. The purpose of the review is to determine if the licensing committee should take any action in relation to the licence. If action is needed, the options are to either:
- Revoke the premises licence
 - Suspend the premises licence for a period not exceeding three months
 - Exclude a default condition imposed by the Secretary of State (relating to, for example, opening hours) or remove or amend such an exclusion
 - Add, remove or amend a licence condition previously imposed by the Licensing Authority
- 4.17 To decide what action, if any, needs to be taken following an application for review, the licensing committee will make its determination:
- In accordance with any relevant code of practice issued by the Gambling Commission
 - In accordance with relevant guidance issued by the Gambling Commission
 - In so far as it is reasonably consistent with the licensing objectives
 - In accordance with the authority's statement of licensing policy
- 4.18 The committee will also consider any relevant representations and information given at the hearing. Codes of practice and the guidance referred to above may be obtained from the Gambling Commission.

5. Relevant factors when considering applications and reviews

5.1 In considering applications for new gambling licences, variations to existing licences and licence reviews the licensing authority will consider the following matters:

- the location of the premises
- the Local Area Profile
- the Local Risk Assessment (LRA)
- the views of responsible authorities
- the views of interested parties
- compliance history of current management
- the hours of operation
- the type of premises
- the operation of the premises in accordance with the expectations of the licensing authority, as set out in this policy
- the physical suitability of the premises
- the levels of crime and disorder in the area
- the level of deprivation and ill health in the area

5.2 The Licensing Authority believes that this list is not exhaustive and there may be other factors which may arise that could be considered relevant. The Licensing Authority will consider the relevance of any additional factors raised on a case-by-case basis.

Location of the premises

5.3 The location of the premises will be an important factor as it can impact on all three of the licensing objectives. The Licensing Authority will consider very carefully applications for premises licences that are located in close proximity to sensitive premises such as:

- Schools, including universities
- Parks, stations, other transport hubs and places where large numbers of school children might be expected
- other premises licensed for gambling
- premises licensed for alcohol
- children's and vulnerable persons' centres and accommodation
- youth and community centres
- health and treatment centres
- leisure centres used for sporting and similar activities by young persons and/or vulnerable persons
- religious centres and public places of worship

5.4 The Licensing Authority expects each premises to produce and keep on the premises a local risk assessment, covering the areas set out in this policy.

Gambling related harm

- 5.5 The council, as the Licensing Authority under the Act has a duty to consider applications relating to allowing gambling facilities within the Borough to ensure that they meet the fundamental principles of the Act. In doing so, the authority must balance the needs of business to profit and grow with the potential impact on those who are vulnerable to being exploited or susceptible to gambling related harm. Therefore, the local context in relation to vulnerability to gambling-related harm will be an important consideration.

Local risk assessments

- 5.6 Licensees are required to undertake a local risk assessment when applying for a new premises licence. Their risk assessment must also be updated:
- when applying for a variation of a premises licence
 - to take account of significant changes in local circumstances, including those identified in a licensing authority's policy statement
 - when there are significant changes at a licensee's premises that may affect their mitigation of local risks.
- 5.7 Licensees must assess the local risks to the licensing objectives posed by the provision of gambling facilities at each of their premises, and have policies, procedures and control measures to mitigate those risks. In undertaking their risk assessments, they must take into account relevant matters identified in the licensing authority's policy statement.
- 5.8 In conducting their risk assessment, the Licensing Authority will expect operators to follow the general principles of risk assessment:
- 1) Identify hazards (think about what may cause harm using the information provided below as a guide and any other matters you consider relevant)
 - 2) Assess the risks (decide how likely it is that someone could be harmed and how serious it could be. This is assessing the level of risk). Decide:
 - i) Who might be harmed and how
 - ii) What you are already doing to control the risks
 - iii) What further action you need to take to control the risks
 - iv) Who needs to carry out the action
 - v) When the action is needed by
 - 3) Control the risks (Look at what you are already doing, and the controls you already have in place.) Ask yourself:
 - i) Can I get rid of the hazard altogether?
 - ii) If not, how can I control the risks so that harm is unlikely?
 - 4) Record your findings (record your significant findings), including:
 - i) the hazards (things that may cause harm)
 - ii) who might be harmed and how
 - iii) what you are doing to control the risks
 - 5) Review the controls. (You must review the controls you have put in place to make sure they are working.) You should also review them if:
 - i) they may no longer be effective
 - ii) Also consider a review if your workers have spotted any problems or there have been any accidents or near misses.

- iii) to take account of significant changes in local circumstances, including those identified in this policy statement
- iv) when there are significant changes at the premises that may affect your mitigation of local risks
- v) Update your risk assessment record with any changes you make.

5.9 The Licensing Authority considers the following as significant changes at the premises that may affect your mitigation of local risks:

- Staffing changes
- Layout of the premises
- Changes to gaming facilities provided

5.10 The Authority will expect the local risk assessment to consider the urban setting:

- The proximity of the premises to schools
- The commercial environment
- Factors affecting the footfall
- Whether the premises is in an area of deprivation
- Whether the premises is in an area subject to high levels of crime and/or disorder
- The ethnic profile of residents in the area.
- The demographics of the area in relation to vulnerable groups
- The location of services for children such as schools, playgrounds, toy shops, leisure centres and other areas where children will gather
- The range of facilities in the local area such as other gambling outlets, banks, post offices, refreshment and entertainment type facilities
- Known problems in the area such as problems arising from street drinkers, youths participating in anti-social behaviour, drug dealing activity, etc.
- The proximity of churches, mosques, temples or any other place of worship

5.11 The local risk assessment must show how vulnerable people, including people with gambling dependencies, are protected through:

- The training of staff in brief intervention when customers show signs of excessive gambling, the ability of staff to offer brief intervention and how the staffing of premises affects this.
- Information held by the licensee regarding self-exclusions and incidences of underage gambling.
- Arrangements in place for local exchange of anonymised information regarding self-exclusion and gaming trends.
- Gaming trends that may mirror days for financial payments such as pay days or benefit payments.
- Arrangements for monitoring and dealing with underage people and vulnerable people, which may include:
 - dedicated and trained personnel
 - leaflets and posters
 - self-exclusion schemes
 - window displays and advertisements designed to not entice children and vulnerable people.
- The provision of signage and documents relating to games rules, gambling care providers and other relevant information be provided in both English and the other prominent first language for that locality

- The proximity of premises that may be frequented by vulnerable people such as hospitals, residential care homes, medical facilities, doctor surgeries, Council community hubs, addiction clinics or help centres, places where alcohol or drug dependent people may congregate

5.12 The local risk assessment should show how children are to be protected:

- The proximity of institutions, places or areas where children and young people frequent such as schools, youth clubs, parks, playgrounds and entertainment venues such as bowling allies, cinemas, etc.
- The proximity of places where children congregate such as bus stops, cafes, shops.
- Areas that are prone to issues of youths participating in anti-social behaviour, including activities such as graffiti, tagging, underage drinking etc.

5.13 Other matters that the assessment will include as appropriate: -

- Details as to the location and coverage of working CCTV cameras, and how the system will be monitored.
- The layout of the premises so that staff have an unobstructed view of people using the premises.
- The number of staff that will be available on the premises at any one time. If at any time that number is one, confirm the supervisory and monitoring arrangements when that person is absent from the licensed area or distracted from supervising the premises and observing those people using the premises.
- Where the application is for a betting premises licence, other than in respect of a track, the location and extent of any part of the premises which will be used to provide facilities for gambling in reliance on the licence.

5.14 Such information may be used to inform the decision the Authority makes about whether to grant the licence, to grant the licence with special conditions, or to refuse the application.

5.15 This policy does not preclude any application being made and each application will be decided on its merits, with the onus being upon the applicant to show how the concerns can be overcome.

Local Area Profile

5.16 The Greater Manchester Gambling Harms Reduction programme is listening to residents with lived experience of gambling and is commissioning its own research to better understand problem gambling in the region. As findings from this research emerge, licence holders will be expected to support the delivery of recommendations to help minimize gambling harms to the local populations. This research and evidence will be available online at: <https://www.greatermanchester-ca.gov.uk/what-we-do/health/gambling/understanding-gambling-related-harms/> and should be referred to in Local Risk Assessments.

How the premises will operate consistent with the licensing objectives

- 5.17 We expect high standards from all gambling premises. Operators will be expected to demonstrate that they have given careful consideration to the licensing objectives and have appropriate measures in place to uphold them.
- 5.18 The following paragraphs indicate the physical and management factors that the licensing authority may take into account when considering applications for new or varied licence applications and reviews. These are not mandatory requirements but should be used as a guide to applicants and licensees as to the sort of arrangements that it should have in place and demonstrate these are in place through their bespoke risk assessment. Where an applicant or licensee can demonstrate that these factors are not relevant, or alternative arrangements are more appropriate, the licensing authority will take these into account.

Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime:

- 5.19 The Gambling Commission play a leading role in preventing gambling from being a source of crime, through maintaining rigorous procedures that aim to prevent criminals from providing facilities for gambling, or being associated with doing so, as a result of the operating licence procedure.
- 5.20 However, as a Licensing Authority, we will take into account any local considerations that may impact with regard to this licensing objective, particularly in respect to the location of the premises, to ensure the suitability of the gambling premises. When considering whether a disturbance was serious enough to constitute disorder, we will have regard to the individual merits of the situation including, but not limited to, whether police assistance was required and how threatening the behaviour was to those who could see or hear it. We acknowledge that the Gambling Commission highlights in its guidance to local authorities that “disorder is intended to mean activity that is more serious and disruptive than mere nuisance”.
- 5.21 Whilst regulatory issues arising from the prevention of disorder are likely to focus almost exclusively on premises licensing, rather than on operating licences, if there are persistent or serious disorder problems that we consider an operator could or should do more to prevent, we will bring this to the attention of the Commission so that it can consider the continuing suitability of the operator to hold an operating licence.
- 5.22 Licensees and applicants will be expected to demonstrate that they have given careful consideration to preventing gambling from being a source of crime and disorder, being associated with crime or disorder or being used to support crime.
- 5.23 In addition to the need to consult a local Crime Reduction Officer, the operators of new premises/premises undergoing a refurbishment should also engage with the police’s architectural liaison unit at the design stage to ensure crime prevention and detection.
- 5.24 We encourage premises to liaise with their Neighbourhood Policing Team to develop relationships at a local level and promote effective communication and co-operation. Additionally, operators are expected to actively support and participate in any local business partnership schemes, where any such schemes are in operation, and where such schemes are reasonably consistent with the licensing objectives.

5.25 The measures to be considered should include:

- The arrangements in place to control access (preventing unauthorised access shall not be limited to the provision of supervisory personnel; other options may include, but are not limited to, time-lock or maglock entrances)
- The opening hours
- The provision of registered door supervisors*
- The provision of CCTV
- The number of staff on duty and effective staff training, especially in relation to lone working
- The provision of toilet facilities
- Prevention of antisocial behaviour associated with the premises, such as street drinking, litter, activity outside the premises including the management of clients leaving the premises
- Adequate lighting inside and out (appropriate to the premises in question) to ensure against robbery and other covert activity.

* Only staff directly employed by Casinos and Bingo Clubs have an exemption from SIA registration. Where door supervisors are provided at these premises the operator should ensure that any people employed in this capacity are fit and proper to carry out such duties. Possible ways to achieve this could be to carry out a criminal records (DBS) check on potential staff and for such personnel to have attended industry recognised training.

Ensuring that gambling is conducted in a fair and open way

5.26 Generally, this objective will be addressed by:

- The management of the gambling business (in conjunction with the Gambling Commission, who are responsible for issuing and enforcement of the operating licence).
- The personal licence holders proving their suitability and actions (which again is the responsibility of the Gambling Commission)

5.27 Where we suspect that gambling is not being conducted in a fair and open way, we will bring this to the attention of the Gambling Commission, for their further consideration, and work in partnership with their officers. In the case of those premises that do not hold an operating licence such as tracks, additional conditions may be required dependent on the risks outlined in the application.

Protecting children and other vulnerable persons from being harmed or exploited by gambling

5.28 The Gambling Act defines 'children' as those persons under 16 years of age and 'young persons' as those persons aged 16 or 17 years of age. The term 'vulnerable persons' is not defined and what constitutes harm or exploitation will have to be considered on a case-by-case basis.

- 5.29 Gambling-related harms are the adverse impacts from gambling on the health and wellbeing of individuals, families, communities and society. These harms are diverse, affecting resources, relationships and health, and may reflect an interplay between individual, family and community processes. The harmful effects from gambling can have longer- term and enduring consequences that can exacerbate existing inequalities.
- 5.30 Regard will be had to current evidence in relation to vulnerability to gambling-related harm. In 2015, Manchester City Council in partnership with Westminster City Council commissioned research into this issue and published a report: Exploring area-based vulnerability to gambling-related harm: Who is vulnerable? Findings from a quick scoping review by Heather Wardle, Gambling and Place Research Hub, Geofutures 13th July 2015. Similarly, In 2016 Leeds City Council commissioned Leeds Beckett University to undertake research into Problem Gambling (Problem Gambling in Leeds; Kenyon, Ormerod, Parsons and Wardle, 2016) looking specifically at identifying groups of the society that could be considered (more) vulnerable to problem gambling:
- Younger people, including students
 - Those who are unemployed and/or with constrained financial circumstances
 - Those from minority ethnic groups
 - Those under the influence of alcohol or drugs
 - Problem gamblers seeking treatment
 - Homeless people
 - Those living in areas of greater deprivation
 - Those with other mental health issues and substance abuse/misuse disorders
 - Those with poorer intellectual functioning
 - Custodial and non-custodial offenders
- 5.31 Licensees and applicants will be expected to demonstrate they have carefully considered how to protect children and vulnerable persons from harm and have adequate arrangements for preventing underage gambling on their premises. The measures that should be considered where appropriate are:
- The provision of CCTV
 - Location of entrances
 - Restricted opening and closing times to protect residents vulnerable to harm
 - Supervision of entrances
 - Controlled access to the premises by children under the age of 18
 - Dealing with pupils who are truanting, and policies to address seasonal periods where children may more frequently attempt to gain access to premises and gamble such as pre and post school hours, half term and school holidays
 - Design layout/lighting/fit out to not attract children or vulnerable persons
 - Having a nationally-recognised proof of age scheme – Think 21/25
 - The provision of registered door supervisors
 - Clear segregation between gaming and non-gaming areas in premises frequented by children
 - The provision of adequate signage and notices
 - Supervision of machine areas in premises, particularly areas to which children are admitted
 - Controlled opening hours
 - Effective self-barring schemes

- The provision of materials for GamCare, Betknowmore UK or similar, Citizens Advice Bureau information, local public and mental health and housing/homeless associations, printed in languages appropriate to the customer base.
 - Advertising local support services in the area such as Beacon Counselling Trust or the NHS Gambling Clinic.
 - The number of staff on duty and effective staff training, especially in relation to the ability to effectively identify and engage with vulnerable persons, including primary intervention and escalation
 - A requirement that children must be accompanied by an adult (in premises where children are allowed)
 - Enhanced DBS checks of staff
 - Obscuring windows where appropriate and labelling premises so it is clear that they are gambling premises
 - Self-exclusion schemes
- 5.32 With reference to those persons with a mental impairment or mental health difficulties, operators would be well-advised to consult a suitable Mental Health Advisor and formulate a policy to protect this category of vulnerable person from being harmed or exploited by gambling.
- 5.33 For multi-occupied premises consideration should be given to the arrangements for controlling access by children and the compatibility of the different uses. Separate and identifiable entrances may be required to ensure that people do not drift inadvertently into a gambling area.
- 5.34 Children are not permitted to use Category C or above machines and in premises where these machines are available and children are permitted on the premises the licensing authority will require:
- all Category C and above machines to be located in an area of the premises which is separated from the remainder of the premises by a physical barrier to prevent access other than through a designated entrance
 - adults only admitted to the area where these machines are located
 - adequate supervised access to the area where the machines are located
 - the area where these machines are located is arranged so that it can be observed by the staff or the licence holder
 - prominent notices displayed at the entrance to, and inside, any such areas there indicating that access to the area is prohibited to persons under 18

Expectations of operators: Staffing provision

- 5.35 Staff in licensed gambling premises are recognised as being subject to risk in the workplace from violence and verbal abuse, especially if working alone. In addition, lone workers may not be able to sufficiently serve and supervise the customers, identify and prevent young people from gambling, protect vulnerable persons, deal with customers who may be consuming alcohol and prevent the premises being used as a source of crime or supporting crime.
- 5.36 We expect premises management to recognise and address this as part of their management arrangements, especially at times where it has been identified that there is a spike in crimes around the premises.

- 5.37 We expect there to be an adequate number of staff and managers on the premises to cover key points throughout the day, especially where premises are close to schools/colleges/universities, pubs, bars, shopping centres and stadia.

Expectations of operators: Data gathering and sharing

- 5.38 Keeping track of the incidence and handling of problem gambling in Greater Manchester is a key part of promoting the licensing objectives. We expect all gambling premises to maintain a log and share this and other information with the Licensing Team upon request.
- 5.39 Data that we consider should be recorded and shared includes (but is not exclusive to):
- 1) Customer interventions
 - 2) Cases where persons who have decided to voluntarily exclude themselves from the premises have tried to gain entry
 - 3) Mandatory exclusions needing enforcement
 - 4) Attempts to enter by those underage in a calendar month
 - 5) Attempts to enter by those underage in the company of adults
 - 6) Attempts to enter by those underage with complicit adults
 - 7) Incidents of 'at risk behaviour'
 - 8) Incidents of 'behaviour requiring immediate intervention'
- 5.40 We would expect that all records include time and date along with a short description of the incident and action taken.
- 5.41 Where appropriate, we may look to impose premises specific conditions to require this information to be provided to the licensing authority annually. However, we strongly encourage operators to share this information with the licensing authority voluntarily.
- 5.42 A template for this information to be provided is at Appendix 2.

Expectation of applicants: Staff Training and Knowledge

- 5.43 We expect all customer-facing and management staff in premises licensed under the Gambling Act 2005 to have sufficient knowledge to tackle risks associated with gambling and know how to promote responsible gambling. Amongst other elements, staff knowledge should include (where appropriate):
- 1) The importance of social responsibility (Premises may wish to seek an audit from GamCare in order to obtain a certificate of Social Responsibility)
 - 2) Causes and consequences of problem gambling
 - 3) Identifying and communicating with vulnerable persons: primary intervention and escalation, supported by high quality training given the challenging nature of these conversations.
 - 4) Dealing with problem gamblers: exclusion (mandatory and voluntary) and escalating for advice/treatment including local treatment providers
 - 5) Refusal of entry (alcohol and drugs)
 - 6) Age verification procedures and need to return stakes/withdraw winnings if under age persons found gambling
 - 7) Importance and enforcement of time/spend limits

- 8) The conditions of the licence
 - 9) Maintaining an incident log
 - 10) Offences under the Gambling Act
 - 11) Categories of gaming machines and the stakes and odds associated with each machine
 - 12) Types of gaming and the stakes and odds associated with each
 - 13) Ability to signpost customers to support services with respect to problem gambling, financial management, debt advice etc.
 - 14) Safe cash-handling/payment of winnings
 - 15) Identify forged ID and bar those using forged ID from the premises
 - 16) Knowledge of a problem gambling helpline number (for their own use as well as that of customers)
 - 17) The importance of not encouraging customers to:
 - (a) Increase the amount of money they have decided to gamble
 - (b) Enter into continuous gambling for a prolonged period
 - (c) Continue gambling when they have expressed a wish to stop
 - (d) Re-gamble winnings
 - (e) Chase losses.
- 5.44 Above and beyond this we expect managers to have an in-depth knowledge of all of the above and be able to support staff in ensuring the highest standards with regard to protecting children and other vulnerable persons from being harmed or exploited by gambling. In relation to training, we do not intend to duplicate any existing training requirement, such as may be required by the Gambling Commission's Code of Practice.

Expectation of applicants: Gaming machines / layouts

- 5.45 It is an operator's responsibility to ensure staff are able to effectively monitor gaming machine play for a number of reasons that are part of the operator's licence conditions. Age verification, customer interaction and self-exclusion policies all require operators to take into account the structure and layout of their gambling premises.
- 5.46 The Licence conditions and code of practice (LCCP) state: 'Facilities for gambling must only be offered in a manner which provides for appropriate supervision of those facilities by staff at all times'.
- 5.47 A screen or pod around a gaming machine, designed to increase the privacy of the player, could prevent staff in a gambling premises from effectively monitoring gaming machine play
- 5.48 Operators will be expected to be able to evidence to the licensing authority how they have considered the risk to the licensing objectives and implemented effective controls, prior to the introduction of any new machine arrangements.
- 5.49 It will be important to consider the means by which gaming machines are supervised (e.g. line of sight to counter, effective CCTV, mirrors or floor staff) and consider whether that is appropriate for that premises.
- 5.50 Whether amendments to a premises amount to a 'material change' warranting an application to vary the premises licence under s.187 of the Gambling Act is a matter for local determination and the licensing authority will adopt a common-sense approach.

6. Premises-specific considerations

Adult Gaming Centres

- 6.1 Adult gaming centres (AGCs) are premises able to make category B, C and D gaming machines available to their customers. Persons operating an AGC must hold a gaming machines general operating licence from the Commission as well as a premises licence from the Council.
- 6.2 This licensing authority will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will expect the applicant to satisfy the authority that there will be sufficient measures to, for example, ensure that under 18 year olds do not have access to the premises.
- 6.3 Where gambling facilities are provided at premises as a supplementary activity to the main purpose of the premises; e.g. motorway service areas and shopping malls, the Council will expect the gambling area to be clearly defined to ensure that customers are fully aware that they are making a choice to enter into the gambling premises and that the premises is adequately supervised at all times.

Casinos

- 6.4 Oldham has no licensed casinos.
- 6.5 The Gambling Act states that a casino is an arrangement whereby people are given the opportunity to participate in one or more casino games whereby casino games are defined as a game of chance which is not equal chance gaming. This means that casino games offer the chance for multiple participants to take part in a game competing against the house or bank at different odds to their fellow players. Casinos can also provide equal chance gaming and gaming machines.

'No Casinos' resolution

- 6.6 This licensing authority has not passed a 'no casino' resolution under Section 166 of the Gambling Act 2005, but is aware that it has the power to do so. Should this licensing authority decide in the future to pass such a resolution, it will update this policy statement with details of that resolution. Any such decision will be made by the Full Council.

Bingo premises

- 6.7 The Gambling Act 2005 does not contain a definition of bingo. It is to have its ordinary and natural meaning and the Act does stipulate that "bingo" means any version of that game, irrespective of how it is described. Two types of bingo may be offered:
 - Cash bingo, where the stakes panel made up the cash prize that is won; or
 - Prize bingo, where various forms of prizes are won, not directly relating to the stakes panel

- 6.8 Subject to the rules of individual operators, children and young people are allowed into bingo premises. However, they are not permitted to participate in the bingo and if category B or C machines are made available for use these must be separated from areas where children and young people are allowed.
- 6.9 Where category C or above machines are available in premises to which children are admitted then the Council will ensure that:
- all such machines are located in an area of the premises separate from the remainder of the premises by a physical barrier which is effective to prevent access other than through a designated entrance. For this purpose a rope, floor markings or similar provision will not suffice and the Council may insist on a permanent barrier of at least one metre high
 - only adults are admitted to the area where the machines are located
 - access to the area where the machines are located is supervised at all times
 - the area where the machines are located is arranged so that it can be observed by staff
 - at the entrance to, and inside any such area there are prominently displayed notices indicating that access to the area is prohibited to people under 18
 - children will not be admitted to bingo premises unless accompanied by an adult.
- 6.10 The Gambling Commission has provided Guidance for Licensing Authorities and Licence Conditions and Code of Practice which are applied to Operator's Licences. The Council will take this into consideration when determining licence applications for bingo premises.
- 6.11 Where certain measures are not already addressed by the mandatory/default conditions, the Gambling Commission Code of Practice or the applicant, the Council may consider licence conditions to address such issues.

Electronic bingo gaming machines

- 6.12 Where a premises intends on providing electronic terminals to play bingo, we will expect operators (as part of their application) to provide a breakdown of the number of electronic bingo terminals that will be provided at the premises

Gaming machines at bingo premises

- 6.13 In addition to bingo, the holder of a bingo premises licence may make available for use a number of category B gaming machines not exceeding 20% of the total number of gaming machines on the premises. For example, a premises with a total of 25 gaming machines available for use can make five or fewer category B3 gaming machines available on that premises. Premises that were licensed before 13 July 2011 are entitled to make available eight category B gaming machines, or 20% of the total number of gaming machines, whichever is the greater. There are no restrictions on the number of category C or D machines that can be made available.
- 6.14 Bingo facilities in bingo premises may not be offered between the hours of midnight and 9am. However, there are no restrictions on access to gaming machines in bingo premises.

- 6.15 The LCCP requires (Social Responsibility Code Provision 9) that gaming machines are only made available in combination with the named non-remote activity of the operating licence. So, unless a bingo premises operator offers substantive facilities for non-remote bingo it should not make gaming machines available for use on the premises in question. This does not restrict the provision of gaming machines in line with 6.14 above.
- 6.16 As the licensing authority, we will need to satisfy ourselves that a premises applying for or licensed for bingo is operating or will operate in a manner which a customer would reasonably be expected to recognise as a premises licensed for the purposes of providing facilities for bingo. Equally, we must ensure that a premises licensed for the purposes of providing facilities for bingo is operating as such and is not merely a vehicle to offer higher stake and prize gaming machines.
- 6.17 Therefore, we will expect operators (as part of their application) to provide information on:
- any times they intend to provide gaming machines at any times that bingo facilities are not provided
 - how the premises will be recognised as a premises licensed for providing facilities for bingo
 - A breakdown of gaming machine numbers (by category)
- 6.18 The licensing authority is concerned that later opening hours will attract the more vulnerable, such as those who are intoxicated or who have gambling addictions. The licensing authority will expect that applicants can demonstrate that robust measures will be in place to protect the vulnerable and the additional hours are not being sought to take advantage of the gaming machine entitlement.
- 6.19 The licensing authority will use their power to restrict the circumstances in which they are available for use when appropriate by way of conditions. When considering imposing conditions, the licensing authority will take into account, among other factors:
- the size and physical layout of the premises
 - the number of counter positions and staff on the premises
 - the ability of staff to monitor the use of machines by children, young persons under the age of 18 or vulnerable people
- 6.20 The licensing authority will not seek to limit the number of gambling machines by category as this entitled provision is defined in the Gambling Act. However, we will seek to ensure that the number and provision of gaming machines are only provided in a manner which a customer would reasonably be expected to recognise as a premises licensed for the purposes of providing facilities for bingo.
- 6.21 To contain the unavoidable risk to the licensing objectives associated with gaming machines, premises which offer machines must be appropriately supervised.
- 6.22 The licensing authority will require information from an applicant for a new premises or for a variation to an existing premises licence in order to satisfy themselves as to the matters set out at s153 of the Act. This includes the codes of practice and the Gambling Commission's guidance to licensing authorities.

'Entertainment' Bingo

- 6.23 A phenomenon over recent years has been the evolution of businesses, such as Bongo's Bingo, providing facilities for high turnover bingo (the aggregate stakes or prizes for bingo in any seven day period may exceed £2,000); typically providing equal chance gaming at pubs and nightclubs, in reliance on the alcohol licence held by the premises, and therefore doing so under the rules for exempt gaming.
- 6.24 We note that it is a condition of some such companies' operator's licence that they must notify both the Commission and the relevant local authority at least 28 days before any event takes place in new premises, by providing a description of the event taking place, a copy of the premises contract and any amendment to the rules of the bingo.
- 6.25 We would encourage venues hosting such events to promote responsible gambling messaging at them.

Betting Premises

- 6.26 We encourage operators to participate in the Safebet Alliance in order to help ensure the highest standards for the safety and security of staff working at betting premises. Where an operator does not participate in the scheme, it is expected that they can satisfactorily demonstrate the security measures they incorporate are adequate.
- 6.27 Licensed betting premises are only permitted to offer gambling facilities between 7am and 10pm, unless the licensing authority has granted a variation application to extend these hours. The licensing authority is concerned that later opening hours will attract the more vulnerable, such as those who are intoxicated or who have gambling addictions. The licensing authority also has concerns that licensed betting premises operators may seek to extend the permitted hours for the primary purpose of making gaming machines available to customers for longer.
- 6.28 As a consequence, the licensing authority is unlikely to grant variation of hours' applications unless applicants can demonstrate that robust measures will be in place to protect the vulnerable and the additional hours are not being sought to take advantage of the gaming machine entitlement.
- 6.29 The licensing authority will use their power to restrict the number of betting machines (bet receipt terminals), their nature and the circumstances in which they are available for use when appropriate by way of conditions. When considering imposing conditions, the licensing authority will take into account, among other factors:
- the size and physical layout of the premises
 - the number of counter positions and staff on the premises
 - the ability of staff to monitor the use of machines by children, young persons under the age of 18 or vulnerable people
- 6.30 Betting machines - This licensing authority will, as per the Gambling Commission's Guidance, take into account the size of the premises, the number of counter positions available for person-to-person transactions, and the ability of staff to monitor the use of the machines by children and young persons (it is an offence for those under 18 to bet) or by vulnerable people, when considering the number/nature/circumstances of betting

machines an operator wants to offer. It is noted that that children are not able to go into premises with the benefit of a Betting Premises Licence.

(Licensed) Family Entertainment Centres

- 6.31 The Act creates two classes of family entertainment centre (FEC). Licensed FEC's provide category C and D machines and require a premises licence. Unlicensed FEC's provide category D machines only are regulated through FEC gaming machine permits.
- 6.32 This licensing authority will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will expect the applicant to satisfy the authority, for example, that there will be sufficient measures to ensure that under 18-year-olds do not have access to the adult only gaming machine areas. Operators should ensure that a proof of age scheme is in force.
- 6.33 This licensing authority will, as per the Gambling Commission's guidance, refer to the Commission's website to see any conditions that apply to operating licences covering the way in which the area containing the category C machines should be delineated. This licensing authority will also make itself aware of any mandatory or default conditions on these premises licences, when they have been published.

Occasional use notices

- 6.34 Occasional Use Notices (OUN) are designed to allow licensed betting operators to provide betting facilities at genuine sporting events, such as point-to point racecourses and golf courses for major competitions, within the boundaries of the identified venue on a specific date.
- 6.35 An OUN must be submitted for EACH day that the betting activity will be conducted on the premises. For example, four notices for four consecutive days of betting and not one notice covering the four days.
- 6.36 We will liaise with the Gambling Commission should we receive an OUN that does not relate to a genuine recognised sporting event to ensure that OUN's are not misused, for example, venues seeking to become tracks through a contrived sporting event, utilising OUNs to solely or primarily facilitate betting taking place on events occurring away from the identified venue.

7. Permits and other permissions

Alcohol Licensed Premises Gaming Machine Permits

- 7.1 Premises licensed to sell alcohol that have a bar and the alcohol is not ancillary to food for consumption on the premises, having more than two gaming machines, will need to apply for a permit and must also notify the Licensing Authority if they have one or two machines. In considering whether to grant a permit, the licensing authority will have regard to the licensing objectives, guidance issued by the Gambling Commission and any other relevant matters. Permits will not be granted to licensees who have failed to demonstrate compliance with the Gambling Commission's Code of Practice.
- 7.2 In addition to the requirements of the Gambling Commission's Code of Practice, the Licensing Authority expects applicants to:
- display adequate notices and signs, advertising the relevant age restrictions
 - position machines within view of the bar in order for staff to be able to monitor the machines for use by under age or misuse of the machines
 - challenge anyone suspected of being under age and refuse access
 - provide information leaflets and / or help-line numbers for organisations such as GamCare and Betknowmore UK.

Prize Gaming Machine Permits

- 7.3 Prize gaming premises will appeal to children and young persons and weight will be given to child protection issues. Therefore, the licensing authority will expect the applicant to demonstrate that they are suitable to hold a permit (i.e. if the applicant has any convictions which would make them unsuitable to operate prize gaming) and the suitability of the premises.
- 7.4 The licensing authority expects applicants to set out the types of gaming machines that they intend to offer and be able to demonstrate that:
- they understand the limits to stakes and prizes that are set out in regulations
 - that the gaming offered is within the law
- 7.5 The Gambling Commission website gives advice on types of permits, conditions, stakes and prizes. See <https://www.gamblingcommission.gov.uk>

Unlicensed FECs (uFEC)

- 7.6 Unlicensed family entertainment centres (FEC's) will perhaps be most commonly located at places such as airports and at motorway service centres, and will cater for families, including unaccompanied children and young persons. Unlicensed FEC's will be able to offer only category D machines in reliance on a gaming machine permit.
- 7.7 Where a premises does not hold a premises licence but wishes to provide gaming machines, it may apply to the licensing authority for this permit. It should be noted that the applicant must show that the premises will be wholly or mainly used for making

gaming machines available for use (Section 238). As a result, it is generally not permissible for such premises to correspond to an entire shopping centre, airport, motorway service station or similar. Typically, the machines would be in a designated, enclosed area.

- 7.8 Given that the premises is likely to appeal particularly to children and young persons, when considering applications for permits we will give weight to matters relating to protection of children from being harmed or exploited by gambling and are keen to ensure that staff supervision adequately reflects the level of risk to this group. Therefore, we will generally expect such risks to be addressed through effective:

- Staff supervision and training
- Detailed plan
- Social responsibility policies
- Staff being easily identifiable
- Clear signage

- 7.9 As part of an application for a uFEC, it is our policy that a plan for the uFEC must be submitted.

Small Society Lotteries

- 7.10 A lottery is small if the total value of tickets put on sale in a single lottery is £20,000 or less and the aggregate value of the tickets put on sale in a calendar year is £250,000 or less.

- 7.11 To be 'non-commercial' a society must be established and conducted:

- for charitable purposes,
- for the purpose of enabling participation in, or supporting, sport, athletics or a cultural activity; or
- for any other non-commercial purpose other than that of private gain.

- 7.12 This licensing authority will adopt a risk-based approach towards its enforcement responsibilities for small society lotteries. This authority considers that the following list, although not exclusive, could affect the risk status of the operator:

- Submission of late returns (returns must be submitted no later than three months after the date on which the lottery draw was held)
- Submission of incomplete or incorrect returns
- Breaches of the limits for small society lotteries
- The eligibility of the society as 'non-commercial'

8. Appendix 1 –Responsible Authorities

The Fire Safety Team Greater Manchester Fire & Rescue Oldham Command Headquarters, Broadway Chadderton Oldham, OL9 0JX	HM Revenue & Customs Excise Processing Teams BX9 1GL United Kingdom
Safeguarding Children Board Oldham Council Rock Street Centre Rock Street Oldham, OL1 3UJ	Planning Section Oldham Council Level 3 Civic Centre West Street, Oldham, OL1 1UQ
Greater Manchester Police Police Licensing Officer Sir Robert Peacock House Vulcan Street Oldham, OL1 4LA	Environmental Health Oldham Council Chadderton Town Hall Middleton Road, Chadderton Oldham, OL9 6PP
Gambling Commission Victoria Square House Victoria Square Birmingham, B2 4BP	

Applications must be sent to:

Oldham Council

Sir Robert Peacock House

Vulcan Street,

Oldham, OL1 4LA

E: licensing@oldham.gov.uk

The data collection template is available as an Excel file upon request from the Licensing Unit. The screenshots below demonstrate the information to be collected.

Licence Holder	
Licence Type	
Named Person Responsible for Safeguarding Vulnerable and Children/Young Persons	
Licence Number	
Enter Calendar Year	2021

[illegible]

Licencee Interventions

Record a short description of the cause and effect of each intervention made (e.g. challenging excessive gambling, advising of gambling help services etc).

[illegible]

10. Appendix 3 - Glossary

Term	Description
ATM	Auto teller machine or cash machine.
Betting	Betting is defined as making or accepting a bet on the outcome of a race, competition or other event or process or on the outcome of anything occurring or not occurring or on whether anything is or is not true. It is irrelevant if the event has already happened or not and likewise whether one person knows the outcome or not. (Spread betting is not included within this definition).
Betting Machines / Bet Receipt Terminal	Betting machines can be described as automated betting terminals where people can place bets on sporting events removing the need to queue up and place a bet over the counter.
Bingo	There are essentially two types of bingo: cash bingo, where the stakes paid make up the cash prizes that can be won and prize bingo, where various forms of prizes can be won, not directly related to the stakes paid.
Book	Running a 'book' is the act of quoting odds and accepting bets on an event. Hence the term 'Bookmaker'.
Casino games	A game of chance, which is not equal chance gaming. Casino games include Roulette and black jack etc.
Chip	Casinos in the UK require you to use chips to denote money. They are usually purchased and exchanged at a cashier's booth.
Coin pusher or penny falls machine	A machine of the kind which is neither a money prize machine nor a non-money prize machine
Crane grab machine	A non-money prize machine in respect of which every prize which can be won consists of an individual physical object (such as a stuffed toy) won by a person's success in manipulating a device forming part of the machine so as to separate, and keep separate, one or more physical objects from a group of such objects.
Default condition	These are prescribed in regulations and will be attached to all classes of premises licence, unless excluded by the Authority.
Equal Chance Gaming	Gaming which does not involve playing or staking against a bank.
Fixed odds betting	If a gambler is able to establish what the return on a bet will be when it is placed, (and the activity is not 'gaming' see below), then it is likely to be betting at fixed odds.
Fixed Odds betting terminals (FOBTs)	FOBTs are a type of gaming machine which generally appear in licensed bookmakers. FOBTs have 'touch-screen' displays and look similar to quiz machines familiar in pubs and clubs. They normally offer a number of games, roulette being the most popular.
Gaming	Gaming can be defined as 'the playing of a game of chance for winnings in money or monies worth, whether any person playing the game is at risk of losing any money or monies worth or not'.
Gaming Machine	Any type of machine allowing any sort of gambling activity including betting on virtual events but not including home computers even though users can access online gaming websites.
Licensing Objectives	The licensing objectives are three principal goals which form the basis of the Act. Stakeholders who have an interest in the Act need to try and promote these objectives. The licensing objectives are: • Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime. • Ensuring that gambling is conducted in a fair and open way. • Protecting children and other vulnerable people from being harmed or exploited by gambling.
Lottery	A lottery generally refers to schemes under which prizes are distributed by chance among entrants who have given some form of value for their chance to take part. A lottery is defined as either a simple lottery or a complex lottery. A simple lottery is one where people are required to pay to participate and one or more prizes are allocated to one or more members of a class and the prizes are allocated by a process which relies wholly on chance. A complex lottery is where people are required to pay to participate and one or more members of a class and the prizes are allocated by a series of processes where the first of those processes relies wholly on chance. Prize means money, articles or services provided by the members of the class among whom the prize is allocated. (It should be noted that the National Lottery is not included in this definition of lottery and is regulated by the National Lottery Commission).
Money prize machine	A machine in respect of which every prize which can be won as a result of using the machine is a money prize.

Term	Description
Non-money prize machine	A machine in respect of which every prize which can be won as a result of using the machine is a non-money prize. The winner of the prize is determined by: (i) the position in which the coin or token comes to rest after it has been inserted into the machine, together with the position of other coins or tokens which have previously been inserted into the machine to pay a charge for use, or (ii) if the insertion of a single coin to pay the charge for use enables the person using the machine to release one or more tokens within the machine, the position in which such tokens come to rest after being released, together with the position of other tokens which have previously been so released.
Odds	The ratio to which a bet will be paid if the bet wins, e.g. 3-1 means for every £1 bet, a person would receive £3 of winnings.
Off-course betting operator	Off-course betting operators may, in addition to premises away from the track, operate self-contained betting premises within a track premises. Such self-contained premises will provide facilities for betting on both events taking place at the track (on-course betting), as well as other sporting events taking place away from the track (off-course betting). In essence such premises operate like a traditional high street bookmakers. They will however only normally operate on race days.
On-course betting operator	The on-course betting operator is one who comes onto on a track, temporarily, while races are taking place, and operates at the track side. On-course betting operators tend to offer betting only on the events taking place on the track that day (on-course betting).
Pool Betting	For the purposes of the Gambling Act, pool betting is made on terms that all or part of the winnings: 1) Shall be determined by reference to the aggregate of the stakes paid or agreed to be paid by the people betting 2) Shall be divided among the winners or 3) Shall or may be something other than money. For the purposes of the Gambling Act, pool betting is horse-race pool betting if it relates to horse-racing in Britain.
Regulations or Statutory instruments	Regulations are a form of law, often referred to as delegated or secondary legislation. They have the same binding legal effect as Acts and usually state rules that apply generally, rather than to specific people or things. However, regulations are not made by Parliament. Rather, they are made by people or bodies to whom Parliament has delegated the authority to make them, such as a minister or an administrative agency.
Representations	In the context of the Gambling Act representations are either positive statements of support or negative objections which are made in relation to a licensing application. Representations must be made in time, e.g. during a designated notice period.
Responsible authority (authorities)	Responsible authorities (RAs) are agencies which have been appointed by the Gambling Act or regulations to fulfil a designated role during the licensing process. RAs must be sent copies of all licensing applications and have the power to make representations about such applications. RAs also have the power to ask for licences to be reviewed.
Skill machine / Skill with prizes machine	The Act does not cover machines that give prizes as a result of the application of pure skill by players. A skill with prizes machine is one on which the winning of a prize is determined only by the player's skill – any element of chance imparted by the action of the machine would cause it to be a gaming machine. An example of a skill game would be trivia game machines, popular in pubs and clubs, which require the player to answer general knowledge questions to win cash prizes.
Spread betting	A form of investing which is more akin to betting, and can be applied either to sporting events or to the financial markets. Spread betting is regulated by the Financial Services Authority.
Stake	The amount pledged when taking part in gambling activity as either a bet, or deposit to the bank or house where the house could be a gaming machine.
Statement of principles document	A document prepared by the Authority which outlines the areas that applicants need to consider before applying for gaming permits.
Table gaming	Card games played in casinos.
Tote	"Tote" is short for Totaliser, a system introduced to Britain in 1929 to offer pool betting on racecourses.
Track	Tracks are sites (including horse tracks and dog tracks and stadia) where races or other sporting events take place



Report to Council

Treasury Management Mid-Year Review Report 2021/22

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

Officer Contact: Anne Ryans, Director of Finance

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

15 December 2021

Reason for Decision

This report advises Council of the performance of the Treasury Management function of the Council for the first half of 2021/22 and provides a comparison of performance against the 2021/22 Treasury Management Strategy and Prudential Indicators.

Executive Summary

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

- An economic update for the first six months of 2021/22;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Council's capital expenditure, as set out in the Capital Strategy, and prudential indicators;
- A review of the Council's investment portfolio for 2021/22;
- A review of the Council's borrowing strategy for 2021/22;
- Why there has been no debt rescheduling undertaken during 2021/22; and
- A review of compliance with Treasury and Prudential Limits for 2021/22.

Members will be aware that one of the roles of the Audit Committee is to scrutinise all Treasury Management reports before approval. Therefore, a version of this report was presented to the Audit Committee on 2 November 2021 to enable it to have the opportunity to review and scrutinise the 2021/22 Treasury Management Mid-Year Review report prior to its presentation to Cabinet. The Committee was content to commend the report to Cabinet. The report was considered by Cabinet at its meeting of 15 November 2021. Cabinet was content to commend the report to Council.

Recommendation

That Council approves the:

- a) Treasury Management activity for the first half of the financial year 2021/22 and the projected outturn position
- b) Amendments to both Authorised Limit and Operational Boundary for external debt as set out in the table at Section 2.4.5 of the report.
- c) Amendments to the Capital Financing Requirement (CFR) as set out in the table at section 2.4.5

Treasury Management Strategy Mid-Year Review Report 2021/22

1 Background

- 1.1 The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations is to ensure this cash flow is adequately planned, with surplus monies being invested with low risk counterparties, providing adequate liquidity initially before considering optimising investment return.
- 1.2 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning to ensure the Council can meet its capital spending operations. This management of longer-term cash may involve arranging long or short-term loans, or using longer term cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.
- 1.3 As a consequence, treasury management is defined as:
- “The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”
- 1.4 In December 2017, the Chartered Institute of Public Finance and Accountancy, (CIPFA), issued revised Prudential and Treasury Management Codes. Within these new codes as from 2020/21, all local authorities have been required to prepare a Capital Strategy which is to provide the following:
- a) a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
 - b) an overview of how the associated risk is managed;
 - c) the implications for future financial sustainability.
- 1.5 The Council has traditionally prepared a Capital Strategy, but the requirements of the Prudential and Treasury Management Codes required a revised format and content to ensure alignment with both Codes. A report incorporating the new requirements was presented to the 2021/22 Budget Cabinet and Budget Council meetings.

2 Current Position

2.1 Requirements of the Treasury Management Code of Practice

- 2.1.1 Treasury Management reports must be prepared in accordance with the requirements of the CIPFA Code of Practice on Treasury Management (revised 2017).
- 2.1.2 The primary requirements of the Code are as follows:
- a) Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Council's treasury management activities.
 - b) Creation and maintenance of Treasury Management Practices which set out the manner in which the Council will seek to achieve those policies and objectives.

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

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

- An economic update for the first six months of 2021/22;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Council's capital expenditure, as set out in the Capital Strategy and prudential indicators;
- A review of the Council's investment portfolio for 2021/22;
- A review of the Council's borrowing strategy for 2021/22;
- Why there has been no debt rescheduling undertaken during 2021/22; and
- A review of the compliance with Treasury and Prudential Limits for 2021/22;

2.2 **Economic Update for the First Six Months of the Financial Year**

The United Kingdom (UK)

- 2.2.1 At the meeting of The Monetary Policy Committee (MPC) on 24 September 2021 the MPC voted unanimously to leave Bank Rate unchanged at 0.10% and made no changes to its programme of quantitative easing purchases due to finish by the end of this year at a total of £895bn; two MPC members voted to stop the last £35bn of purchases as they were concerned that this would add to inflationary pressures.
- 2.2.2 There was a major shift in the tone of the MPC's minutes at this meeting from the previous meeting in August which had majored on indicating that some tightening in monetary policy was now on the horizon, but also not wanting to stifle economic recovery by too early an increase in Bank Rate. In his press conference after the August MPC meeting, Governor Andrew Bailey said, "the challenge of avoiding a steep rise in unemployment has been replaced by that of ensuring a flow of labour into jobs" and that "the Committee will be monitoring closely the incoming evidence regarding developments in the labour market, and particularly unemployment, wider measures of slack, and underlying wage pressures." In other words, the Governor was indicating the potential danger that labour shortages could push up wage growth by more than it expects and that, as a result, CPI inflation would stay above the 2% target for longer.
- 2.2.3 It also discounted sharp increases in monthly inflation figures in the pipeline in late 2021 which were largely propelled by events a year ago e.g., the cut in VAT in August 2020 for the hospitality industry, and by temporary shortages which would eventually work their way out of the system, indicating, the MPC had been prepared to look through a temporary spike in inflation.
- 2.2.4 Therefore, in August the country was just put on alert. However, this time the MPC's words indicated there had been a marked increase in concern that more recent increases in prices,

particularly the increases in gas and electricity prices in October and due again April 2022, are, indeed, likely to lead to faster and higher inflation expectations and underlying wage growth, which would in turn increase the risk that price pressures would prove more persistent next year than previously expected. Indeed, to emphasise its concern about inflationary pressures, the MPC pointedly chose to reaffirm its commitment to the 2% inflation target in its statement. This suggested that it was now willing to look through the flagging economic recovery during the summer to prioritise bringing inflation down next year.

- 2.2.5 This is a reversal of its priorities in August and a long way from words at earlier MPC meetings which indicated a willingness to look through inflation overshooting the target for limited periods to ensure that inflation was 'sustainably over 2%'. Indeed, whereas in August the MPC's focus was on getting through a winter of temporarily high energy prices and supply shortages, believing that inflation would return to just under the 2% target after reaching a high around 4% in late 2021, now its primary concern is that underlying price pressures in the economy are likely to get embedded over the next year and elevate future inflation to stay significantly above its 2% target and for longer.
- 2.2.6 Financial markets are now pricing in a first increase in Bank Rate from 0.10% to 0.25% in February 2022, but this looks ambitious as the MPC has stated that it wants to see what happens to the economy, and particularly to employment as furlough ended at the end of September. At the MPC's meeting in February 2022 it will only have available the employment figures for November. To get a clearer picture of employment trends, it would need to wait until the May 2022 meeting when it would have data up until February 2022. At its May meeting, it will also have a clearer understanding of the likely peak of inflation.
- 2.2.7 The MPC's forward guidance on its intended monetary policy on raising Bank Rate versus selling (quantitative easing) holdings of bonds is as follows: -
- Placing the focus on raising Bank Rate as "the active instrument in most circumstances".
 - Raising Bank Rate to 0.50% before starting on reducing its holdings.
 - Once Bank Rate is at 0.50% it would stop reinvesting maturing gilts.
 - Once Bank Rate had risen to at least 1%, it would start selling its holdings.

European Union (EU)

- 2.2.8 The slow roll out of vaccines initially delayed economic recovery in early 2021 but the vaccination rate has picked up sharply. After a contraction in GDP of -0.3% in Q1, Q2 came in with strong growth of 2%, which is likely to continue into Q3, though some countries more dependent on tourism may struggle.
- 2.2.9 Recent sharp increases in gas and electricity prices have increased overall inflationary pressures but the European Central Bank (ECB) is likely to see these as being only transitory after an initial burst through to around 4%, so is unlikely to be raising rates for a considerable time.

German General Election

- 2.2.10 With the Christian Democratic Union of Germany (CDU)/ Christian Social Union (CSU) and Social Democratic Party (SDP) both having won around 24-26% of the vote in the September 2021 General Election, the composition of Germany's coalition Government has only just been agreed. The new SDP-led coalition will probably pursue a slightly less restrictive fiscal policy, but any change of direction from a CDU/CSU led coalition Government is likely to be small. Now that Angela Merkel has stood down as Chancellor, there will be a hole in overall EU leadership which will be difficult to fill.

China

- 2.2.11 After a concerted effort to get on top of the virus outbreak in Q1 2020, economic recovery was strong in the rest of the year. This enabled China to recover all the initial contraction. During

2020, policy makers both quashed the virus and implemented a programme of monetary and fiscal support that was particularly effective at stimulating short-term growth.

- 2.2.12 At the same time, China's economy benefited from the shift towards online spending by consumers in developed markets. These factors helped to explain its comparative outperformance compared to western economies during 2020 and earlier in 2021. However, the pace of economic growth has now fallen back after this initial surge of recovery from the pandemic and China is now struggling to contain the spread of the Delta variant through sharp local lockdowns, which will also depress economic growth.
- 2.2.13 There are also questions as to how effective Chinese vaccines are proving. In addition, recent regulatory actions motivated by a political agenda to channel activities into officially approved directions, are also likely to reduce the dynamism and long-term growth of the Chinese economy.

Japan

- 2.2.14 During 2021, Japan has had a difficult year in combating the Covid-19 pandemic. However, after a slow start, many more of the population are now vaccinated and Covid case numbers are falling. After a weak Q3 there is likely to be a strong recovery in Q4.
- 2.2.15 The Bank of Japan is continuing its very loose monetary policy but with little prospect of getting inflation back above 1% towards its target of 2%, any time soon and inflation was negative in July 2021. New Prime Minister Kishida having recently won a General Election, has promised a large fiscal stimulus package.

World Growth

- 2.2.16 World growth was in recession in 2020 but recovered during 2021 until starting to lose momentum more recently. Inflation has been rising due to increases in gas and electricity prices, shipping costs and supply shortages, although these should subside during 2022.
- 2.2.17 It is likely that we are heading into a period where there will be a reversal of world globalisation and a decoupling of western countries from dependence on China to supply products, and vice versa. This is likely to reduce world growth rates from those in prior decades.

Supply Shortages

- 2.2.18 The pandemic and extreme weather events have been highly disruptive of extended worldwide supply chains. There have been major queues of ships unable to unload their goods at ports in New York, California, and China.
- 2.2.19 Such issues have led to misdistribution of shipping containers around the world and have contributed to a huge increase in the cost of shipping. Combined with a shortage of semi-conductors, these issues have had a disruptive impact on production in many countries.
- 2.2.20 Many western countries are also having difficulty in filling job vacancies. It is expected that these issues will be gradually reduce, but they are currently contributing to a spike upwards in inflation and shortages of materials and goods on shelves.

2.3 Interest Rate Forecast

- 2.3.1 The Council's treasury advisor, the Link Group, has provided the following forecast of interest rates over the period from December 2021 to March 2024 together with Public Works Loan Board (PWLb) Rates which are presented at certainty rates (gilt yields plus 80 basis points (bps)).

Link Group Interest Rate View		29.9.21								
	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24
BANK RATE	0.10	0.10	0.25	0.25	0.25	0.25	0.50	0.50	0.50	0.75
3 month ave earnings	0.10	0.10	0.20	0.20	0.30	0.40	0.50	0.50	0.60	0.70
6 month ave earnings	0.20	0.20	0.30	0.30	0.40	0.50	0.60	0.60	0.70	0.80
12 month ave earnings	0.30	0.40	0.50	0.50	0.50	0.60	0.70	0.80	0.90	1.00
5 yr PWLB	1.40	1.40	1.50	1.50	1.60	1.60	1.60	1.70	1.70	1.70
10 yr PWLB	1.80	1.80	1.90	1.90	2.00	2.00	2.00	2.10	2.10	2.10
25 yr PWLB	2.20	2.20	2.30	2.30	2.40	2.40	2.40	2.50	2.50	2.60
50 yr PWLB	2.00	2.00	2.10	2.20	2.20	2.20	2.20	2.30	2.30	2.40

2.3.2 The coronavirus outbreak has done huge economic damage to the UK and economies around the world. After the Bank of England took emergency action in March 2020 to cut Bank Rate to 0.10%, it left Bank Rate unchanged at its subsequent meetings.

2.3.3 As shown in the forecast table above, one increase in Bank Rate from 0.10% to 0.25% has now been included in quarter 2 of 2022/23, a second increase to 0.50% in quarter 2 of 2023/24 and a third one to 0.75% in quarter 4 of 2023/24.

Significant Risks to the Forecasts

2.3.4 There are significant risks to forecasts and these are set out below:

- Covid-19 vaccines do not work to combat new mutations and/or new vaccines take longer than anticipated to be developed for successful implementation.
- The pandemic causes major long-term scarring of the economy.
- The Government implements an austerity programme that suppresses GDP growth.
- The MPC tightens monetary policy too early, by raising Bank Rate or unwinding quantitative easing (QE).
- The MPC tightens monetary policy too late to ward off building inflationary pressures.
- Major stock markets, for example in the US, become increasingly judged as being over-valued and susceptible to major price corrections.
- Central Banks become increasingly exposed to the “moral hazard” risks of having to buy shares and corporate bonds to reduce the impact of major financial market selloffs on the general economy.
- Geo-political risks are widespread.

The Balance of Risks to the UK Economy

2.3.5 The overall balance of risks to economic growth in the UK is now to the downside, including residual risks from Covid-19 and its variants, both domestically and their potential effects worldwide.

Forecast for Bank Rate

2.3.6 Bank Rate is not expected to go up fast after the initial rate rise as the supply potential of the economy has not generally taken a major hit during the pandemic, so it should be able to cope well with meeting demand without causing inflation to remain elevated in the medium-term, or to inhibit inflation from falling back towards the MPC's 2% target after the surge to around 4% towards the end of 2021.

2.3.7 Three increases in Bank Rate are forecast in the period to March 2024, ending at 0.75%. However, these forecasts may well need changing within a relatively short time frame for the following reasons:

- There are increasing grounds for viewing the economic recovery as running out of steam during the summer and now into the autumn. This could lead into stagflation which would create a dilemma for the MPC as to which actions to take.
- Some current key supply shortages e.g., petrol and diesel, spill over into causing economic activity in some sectors to take a significant hit.
- Rising gas and electricity prices in October 2021 and April 2022 and increase in other prices caused by supply shortages and increases in taxation next April 2022, are already going to deflate consumer spending power without the MPC having to take any action on Bank Rate to cool inflation.
- On the other hand, consumers have around £200bn of excess savings left over from the pandemic for which the timing of spending is unclear.
- Approximately 1.6 million people came off furlough at the end of September 2021. It is unclear how many of those no longer have a permanent job and will, therefore, be available to fill labour shortages in many sectors of the economy. So, supply shortages which have been driving up both wages and costs, could reduce significantly within the next six months or so and alleviate the MPC's current concerns.
- The recent Omicron development in the Covid-19 pandemic, on top of the flu season this winter, could depress economic activity.

2.3.8 In summary, with the high level of uncertainty prevailing on several different fronts. It is likely that these forecasts will need to be revised again soon.

2.3.9 It also needs to be borne in mind that Bank Rate being cut to 0.10% was an emergency measure to deal with the Covid-19 crisis hitting the UK in March 2020. At any time, the MPC could decide to simply take away that final emergency cut from 0.25% to 0.10% on the grounds of it no longer being warranted and as a step forward in the return to normality.

2.3.10 In addition, any Bank Rate under 1% is both highly unusual and highly supportive of economic growth.

Forecasts for PWLB Rates and Gilt Yields

2.3.11 As the interest forecast table for PWLB certainty rates above shows, there is likely to be a steady rise over the forecast period, with some degree of uplift due to rising treasury yields in the US.

2.3.12 There is likely to be exceptional volatility and unpredictability in respect of gilt yields and PWLB rates due to the following factors:

- How strongly will changes in gilt yields be correlated to changes in US treasury yields?
- Will the US Federal Reserve (FED) take action to counter increasing treasury yields if they rise beyond a yet unspecified level?
- Would the MPC act to counter increasing gilt yields if they rise beyond a yet unspecified level?
- How strong will inflationary pressures turn out to be in both the US and the UK and so impact treasury and gilt yields?
- How will Central Banks implement their new average or sustainable level inflation monetary policies?
- How well will Central Banks manage the withdrawal of QE purchases of their national bonds?
- Will exceptional volatility be focused on the short or long-end of the yield curve, or both?

- 2.3.13 The forecasts are also predicated on an assumption that there is no break-up of the Eurozone or EU within the forecasting period, despite the major challenges that are looming and that there are no major changes in international relations, especially between the US and China / North Korea and Iran, which have a major impact on international trade and world GDP growth.

Gilt and Treasury Yields

- 2.3.14 Since the start of 2021, there has been a lot of volatility in gilt yields, and hence PWLB rates. During the first part of the year, US President Biden's, and the Democratic Party's determination to push through a \$1.9trn (equivalent to 8.8% of GDP) fiscal boost for the US economy as a recovery package from the Covid-19 pandemic was what unsettled financial markets.
- 2.3.15 This was in addition to the \$900bn support package already passed in December 2020 under President Trump. This was then followed by additional Democratic ambition to spend further huge sums on infrastructure and an American Families Plan over the next decade which is currently caught up in Democrat / Republican debates. Financial markets were alarmed that all this stimulus, which is much bigger than in other western economies, was happening at a time in the US when:
- A fast vaccination programme has enabled a rapid opening up of the economy.
 - The economy had already been growing strongly during 2021.
 - It started from a position of little spare capacity due to less severe lockdown measures than in many other countries. A combination of shortage of labour and supply bottle necks is likely to impact on inflationary pressures more in the US than in other countries.
 - The FED was still providing monetary stimulus through monthly QE purchases.
- 2.3.16 These factors could cause an excess of demand in the economy which could then unleash stronger and more sustained inflationary pressures in the US than in other western countries. This could then force the FED to take much earlier action to start tapering monthly QE purchases and/or increasing the FED rate from near zero, despite their stated policy being to target average inflation.
- 2.3.17 It is notable that some FED members have moved forward their expectation of when the first increases in the FED rate will occur in recent FED meetings. In addition, more recently, shortages of workers appear to be stoking underlying wage inflationary pressures which are likely to feed through into CPI inflation.
- 2.3.18 A run of strong monthly jobs growth figures could be enough to meet the threshold set by the FED of "substantial further progress towards the goal of reaching full employment". However, the weak growth in August, (announced 3.9.21), has spiked anticipation that tapering of monthly QE purchases could start by the end of 2021. These purchases are currently acting as downward pressure on treasury yields. As the US financial markets are, by far, the biggest financial markets in the world, any trend upwards in the US will invariably impact and influence financial markets in other countries.
- 2.3.19 However, during June 2021 and July 2021, longer term yields fell sharply. Even the large non-farm payroll increases in the first week of August 2021 seemed to cause the markets little concern, which is somewhat puzzling, particularly in the context of the concerns of many commentators that inflation may not be as transitory as the FED is expecting it to be. Indeed, inflation pressures and erosion of surplus economic capacity look much stronger in the US than in the UK.
- 2.3.20 As an average since 2011, there has been a 75% correlation between movements in 10-year treasury yields and 10-year gilt yields. This is a significant upward risk exposure to forecasts for longer term PWLB rates. However, gilt yields and treasury yields do not always move in unison.

- 2.3.21 There is also a possible downside risk from the huge sums of cash that the UK population has saved during the pandemic. When savings accounts earn little interest, it is likely that some of this cash could end up being invested in bonds and so push up demand for bonds and support their prices i.e., this would help to keep their yields down.

Balance of Upside Risks to Medium to Long Term PWLB Rates

- 2.3.22 One of the key results of the pandemic has been a fundamental rethinking and shift in monetary policy by major central banks like the FED, the Bank of England, and the European Central Bank (ECB), to tolerate a higher level of inflation than in the previous two decades when inflation was the prime target to bear down on so as to stop it going above a target rate.
- 2.3.23 There is now also a greater emphasis on other targets for monetary policy than just inflation, especially on ‘achieving broad and inclusive “maximum” employment in its entirety’ in the US before consideration would be given to increasing rates.
- 2.3.24 The FED in America has gone furthest in adopting a monetary policy based on a clear goal of allowing the inflation target to be symmetrical, (rather than a ceiling to keep under), so that inflation averages out the dips down and surges above the target rate, over an unspecified period of time.
- 2.3.25 The Bank of England has also amended its target for monetary policy so that inflation should be ‘sustainably over 2%’ and the ECB now has a similar policy.
- 2.3.26 For Local Authorities, this means that investment interest rates and very short term PWLB rates will not be rising as quickly or as high as in previous decades when the economy recovers from a downturn and the recovery eventually runs out of spare capacity to fuel continuing expansion.
- 2.3.27 Labour market liberalisation since the 1970s has helped to break the wage-price spirals that fuelled high levels of inflation and has now set inflation on a lower path which makes this shift in monetary policy practicable. In addition, recent changes in flexible employment practices, the rise of the gig economy and technological changes, will all help to lower inflationary pressures.
- 2.3.28 Governments will also be concerned to see interest rates stay lower as every rise in central rates will add to the cost of vastly expanded levels of national debt (in the UK this is £21bn for each 1% rise in rates). On the other hand, higher levels of inflation will help to erode the real value of total public debt.

2.4 Treasury Management Strategy Statement and Annual Investment Strategy Update

- 2.4.1 The Treasury Management Strategy Statement (TMSS) for 2021/22 was approved at the Council meeting on 4 March 2021. The underlying TMSS approved previously now requires revision in the light of economic and operational movements during the year. The proposed changes and supporting detail for the changes are set out in the next sections of this report.
- 2.4.2 A decrease is required to both the overall Authorised Limit (the “affordable borrowing limit” required by Section 3 of the Local Government Act 2003 above which the Council does not have the power to borrow) and Operational Boundary (the expected borrowing position of the Council during the year) for external debt. This indicator is made up of external borrowing and other long-term liabilities, Private Finance Initiatives (PFI) and Finance Leases. The revision to the limits aligns to the reduction in the Capital Financing Requirement as outlined at paragraph 2.4.4 and 2.4.5 below.
- 2.4.3 The Council has the following PFI and Public Private Partnership (PPP) Schemes each contributing to the Other Long-Term Liabilities element of the Authorised Limit and the Operational Boundary, thus making them both higher than if the Council was not required to present PFI schemes in this way:

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

2.4.4 It will be necessary to reduce the Capital Financing Requirement (CFR) by £30.889m. Whilst approved capital expenditure / funding carry forwards from 2020/21 caused an initial increase, this is more than offset by estimated re-phasing and re-alignment and other anticipated adjustments in the 2021/22 capital programme resulting in the reduced CFR.

2.4.5 Cabinet is therefore requested to approve the key changes to the 2021/22 prudential indicators as set out in the table below which show the original and recommended revised figures:

Prudential Indicator 2021/22	Original £'000	Recommended Revised Prudential Indicator £'000
Authorised Limit	541,500	519,500
Operational Boundary	516,500	499,500
Capital Financing Requirement	525,647	494,758

2.5 The Council's Capital Position (Prudential Indicators)

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

Prudential Indicator for Capital Expenditure

2.5.2 The table below shows the anticipated half year position and the revised budget for capital expenditure. It therefore highlights the changes that have taken place and are forecast since the capital programme was agreed at the Council meeting on 4 March 2021.

Capital Expenditure by Service	2021/22 Original Estimate £'000	2021/22 Revised Estimate £'000
Corporate Services	5,320	3,765
Children's Services	6,110	15,403
Communities & Reform	637	36
Community Health & Social Care	3,409	2,005
HRA	3,412	785
People & Place	65,671	29,934
Funds for Emerging Priorities	1,442	1,115
Closing balance	86,002	53,043

- 2.5.3 The above table shows an anticipated decrease in the capital programme of £32.959m at month 6 compared to the March 2021 position, with current forecast spend of £53.043m. During the summer months the Council undertook the Annual Review of the Capital Programme in line with practice of recent years. The review identified a requirement for significant re-profiling across a number of schemes. Most of the re-phasing moved significant expenditure (£32.959m) from 2021/22. Some expenditure has been realigned into the later years of the capital programme. However, following the review, the overall capital programme has reduced by £24.858 (most of which would have been funded by Prudential Borrowing) therefore producing an associated revenue financing saving. The budget variations largely relate to re-profiling in the People and Place Directorate capital programme.

Changes to the Financing of the Capital Programme

- 2.5.4 The table below draws together the main strategy elements of the capital expenditure plans (above) highlighting the original supported (£43.131m) and unsupported elements i.e., requiring borrowing (£42.871m), and the expected financing (revised position) arrangements of this capital expenditure. The borrowing need element of the table increases the underlying indebtedness of the Council by way of the Capital Financing Requirement (CFR), although this will be reduced in part by revenue charges for the repayment of debt (the Minimum Revenue Provision). This direct borrowing need may also be supplemented by maturing debt and other treasury requirements.
- 2.5.5 The overall net reduction in the capital programme has resulted in a change in the mix of funding sources required in 2021/22; a decrease in all financing types reducing the forecast borrowing need by £17.777m from £42.871m to £25.094m.

Capital Expenditure	2021/22 Original Estimate £'000	2021/22 Forecast Position £'000
Total Capital Expenditure	86,002	53,043
Financed by:		
Capital receipts	(3,999)	(5,533)
Capital grants – Ringfenced	(24,210)	(9,242)
Capital grants – Un-ringfenced	(11,459)	(11,718)
Other Resources	(51)	(671)
Revenue	0	0
HRA Revenue	(3,412)	(785)
Total Financing	(43,131)	(27,949)
Borrowing Need	42,871	25,094

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

- 2.5.6 The table below shows the CFR, which is the underlying external need to incur borrowing for a capital purpose. As previously mentioned in paragraph 2.4.4, the CFR needs to decrease by £30.889m. It also shows the expected debt position over the period (the Operational Boundary). This indicator has decreased to reflect the revisions to the forecast year end position of the capital programme.

	2021/22 Original Estimate £'000	2021/22 Revised Estimate £'000
Prudential Indicator – Capital Financing Requirement		
CFR – non housing	525,647	494,758
CFR – housing	0	0
Total CFR	525,647	494,758
Net movement in CFR		(30,889)
Prudential Indicator – External Debt / the Operational Boundary		
Borrowing	301,500	284,500
Other long-term liabilities	215,000	215,000
Total debt 31 March	516,500	499,500

Limits to Borrowing Activity

- 2.5.7 The first key control over the treasury activity is a prudential indicator to ensure that over the medium term, net borrowing (borrowings less investments) will only be for a capital purpose.
- 2.5.8 Gross external borrowing should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2021/22 and next two financial years. This allows some flexibility for limited early borrowing for future years. The Council has approved a policy for borrowing in advance of need which will be adhered to if this proves prudent.
- 2.5.9 The CFR calculation is shown in the table below and the Director of Finance reports that no difficulties are envisaged for the current or future years in complying with this prudential indicator as there is £112.806m headroom between total debt and the CFR.

	2021/22 Original Estimate £'000	2021/22 Revised Estimate £'000
Gross borrowing	197,593	168,374
Plus: other long- term liabilities*	213,729	213,578
Total Debt	411,322	381,952
CFR* (year-end position)	525,647	494,758
Headroom	114,325	112,806

* - Includes on balance sheet PFI schemes and finance leases

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

Authorised limit for external debt	2021/22 Original Indicator £'000	2021/22 Revised Indicator £'000
Borrowing	321,500	299,500
Other long-term liabilities*	220,000	220,000
Total	541,500	519,500

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

2.5.11 The table above shows a reduction in the Authorised Limit of £22m due to the reduction in the capital programme and the associated financing.

2.6 Annual Investment Strategy

2.6.1 The Treasury Management Strategy Statement (TMSS) for 2021/22, which includes the Annual Investment Strategy, was approved by the Council on 4 March 2021. In accordance with the Code, it is the Council's priority to ensure security of capital and liquidity.

2.6.2 The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with the Council's risk appetite. In current economic climate as detailed in 2.3, it is considered appropriate to keep investments short term to cover cash flow needs, but also to seek out value available in periods up to 12 months with high credit rated financial institutions, using the Link suggested creditworthiness approach, including a minimum sovereign credit rating and Credit Default Swap (CDS) overlay information.

2.6.3 As shown by the interest rate forecasts at 2.3, it is now impossible to earn the level of interest rates commonly seen in previous decades. All short-term money market investment rates have only risen weakly since Bank Rate was cut to 0.10% in March 2020 until the MPC meeting on 24 September 2021 when 6 and 12 month rates rose in anticipation of Bank Rate going up in 2022. Given this environment and the fact that Bank Rate may only rise marginally, or not at all, before mid-2023, investment returns are expected to remain low.

Creditworthiness

2.6.4 Significant levels of downgrades to Short and Long Term credit ratings have not materialised since the crisis in March 2020. In the main, where they did change, any alterations were limited to Outlooks. However, as economies are beginning to reopen, there have been some instances of previous lowering of Outlooks being reversed.

Investment Counterparty criteria

2.6.5 The current investment counterparty criteria selection approved in the TMSS is meeting the requirement of the treasury management function.

CDS Prices

2.6.13 Although CDS prices, (these are market indicators of credit risk) for banks (including those from the UK) spiked at the outset of the pandemic in 2020, they have subsequently returned to near pre-pandemic levels. However, sentiment can easily shift, so it remains important to undertake continual monitoring of all aspects of risk and return in the current circumstances.

Investment Balances

- 2.6.14 The Council held £103.699m of investments, including property funds as at 30 September 2021 (£83.540m at 31 March 2021). A full list of investments as at 30 September is included at Appendix 1. A summary of investments by type is included in the table below.
- 2.6.15 The Council ensures enough funds are kept in either instant access accounts and/ or on-call accounts to meet its short-term liquidity requirements. As at 30 September the Council held £34.200m in Money Market Funds and £24.500m in Notice Accounts of a 35-day notice period. Rates on Notice Accounts are currently quite high compared to previous years therefore higher balances are currently invested in notice accounts.

Investment Type	Total at 30 September 2021 £'000
Property	15,000
Commercial Paper	4,999
Fixed (Term Deposits) Bank / Building Society	25,000
Fixed (Term Deposits) Local Authorities / Public Bodies	0
Notice Accounts	24,500
Money Market Fund	34,200
Total	103,699

- 2.6.16 The Director of Finance confirms that the approved limits within the Annual Investment Strategy were not breached during the first six months of 2021/22.
- 2.6.17 The Council's investment strategy looks to achieve a return on its investment of London Interbank Bid Rate (LIBID) plus a 5% mark up. The Council will maintain sufficient cash reserves to give it its necessary liquidity and may place investments up to 10 years if the cash flow forecast allows and the credit rating criteria is met. Performance against this benchmark was as follows:

Benchmark	Benchmark Return LIBID +5%	Council Performance
7 days	(0.08%)	0.010%
1 month	(0.07%)	0.747%
3 months	(0.05%)	0.137%
6 months	(0.02%)	0.215%
Average Return first 6 months		0.125%

- 2.6.18 The Council's performance on its cash investments exceeded its target on all benchmarks as can be seen in the table above.
- 2.6.19 The current investment counterparty criteria selection approved in the TMSS is meeting the requirement of the treasury management function.

Property Fund

- 2.6.20 In the first six months of the year the Council's investment within the Churches, Charities and Local Authorities (CCLA) property fund has generated a return of (4.15%). Given the impact

Covid-19 has had on investment returns, this fund has continued to perform better than expected and rental collection by the fund remains high which should result in continuing to receive better than expected dividends.

- 2.6.21 Due to the huge market uncertainty surrounding Covid-19 and Brexit, the property fund had seen a decline in the value up until the end of August 2020 mainly to valuer caution rather than any significant increase in pressure to sell properties, however valuations since then have continued to increase and are now slightly higher than the level of the original investment.

2.7 Borrowing

- 2.7.1 It is proposed in this report that the Council's CFR for 2021/22 is revised to £494.758m and this denotes the Council's underlying need to borrow for capital purposes. If the CFR is positive the Council may borrow from the PWLB or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions.
- 2.7.2 The table within paragraph 2.5.9 shows the Council has expected year end borrowings of £381.952m and will have utilised £112.806m of cash flow funds in lieu of borrowing. This is a prudent and cost-effective approach in the current economic climate but will require ongoing monitoring in the event that upside risk to gilt yields prevails.
- 2.7.3 The capital programme is being kept under regular review due to the effects of the Covid-19 pandemic and shortages of materials and labour. The borrowing strategy will, therefore, also be regularly reviewed and then revised, if necessary, in order to achieve optimum value and risk exposure in the long-term.
- 2.7.4 At this point it is not anticipated that borrowing will be undertaken during this financial year.
- 2.7.5 The Council applied in September 2021 for the PWLB certainty rate reduction. This entitles the Council to receive a 20-basis point rate reduction on the prevailing rate of PWLB on any borrowing undertaken from 1 November 2021 to 31 October 2022.
- 2.7.6 Current PWLB certainty rates are set out in the following table and show for a selection of maturity periods over the first half of 2021/22, the range (high and low points) in rates and the average rates over the period. In addition, Appendix 2 tracks the movement in the PWLB certainty rate over the period April to September 2021 across the same range of loan terms as is used in the table below.

Maturity Rates	1 Year	5 Year	10 Year	25 Year	50 Year
Low	0.78%	1.05%	1.39%	1.75%	1.49%
Date	08/04/21	08/07/21	05/08/21	17/08/21	10/08/21
High	0.98%	1.42%	1.81%	2.27%	2.06%
Date	24/09/21	28/09/21	28/09/21	13/05/21	13/05/21
Average	0.84%	1.16%	1.60%	2.02%	1.81%
Spread	0.20%	0.37%	0.42%	0.52%	0.57%

2.8 Debt Rescheduling

- 2.8.1 Debt rescheduling opportunities have been very limited in the current economic climate given the consequent structure of interest rates and following the increase in the margin added to gilt yields which has impacted PWLB new borrowing rates since October 2010. No debt rescheduling has therefore been undertaken to date in the current financial year.

2.9 Compliance with Treasury and Prudential Indicators

- 2.9.1 It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. During the half year ended 30 September 2021, the Council has operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy Statement for 2021/22 and continues to manage its treasury affairs in a prudent manner. The Director of Finance reports that no difficulties are envisaged for the current or future years in complying with these indicators.
- 2.9.2 All treasury management operations have also been conducted in full compliance with the Council's Treasury Management Practices.

2.10 Other Key Issues

International Financial Reporting Standard (IFRS) 16 – Leases

- 2.10.1 IFRS 16 is a new standard for lease accounting which should have come into force in January 2019. The changes apply to the accounting arrangements for lease agreements that organisations take out for property, plant and equipment (PPE). The standard for the public sector should have commenced from 1 April 2020. However, due to COVID-19 and the additional pressure Local Authorities are facing in these unprecedented times, the Financial Reporting Advisory Board (FRAB), announced the deferral of International Financial Reporting Standard 16 (IFRS 16) implementation to 2022/23.
- 2.10.2 Previously, leases were split into finance leases and operating leases however, from 1 April 2022 they will now be accounted for as finance leases. Under the current regime, operating leases were not included in Balance Sheets as assets and expenditure was charged to the Comprehensive Income and Expenditure Statement in the Council's accounts. Under IFRS 16 all leases must now be accounted for on the Balance Sheet. Work is currently ongoing to assess the full impact, but an estimate has been included in the Council's CFR so that the Council's prudential indicators are not adversely affected by the implementation of IFRS 16.

Code Consultation

- 2.10.3 In April 2021, CIPFA consulted on the principles to support the changes to the Prudential Code for Capital Finance in Local Authorities (Prudential Code) and the Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes (Treasury Management Code) to which the Council provided a response. On 21 September 2021, CIPFA issued stage 2 of the consultation process and provided an amended draft of the two revised Codes for further consultation. The consultation closed on 16 November 2021 and the Council submitted a response. Members should note that if the proposed changes to the Treasury Management Code is approved there will be a significant change to the Council's Treasury Management Practices (an internal document that covers the process, approvals and governance of the Treasury Management operations of the Council). Members will be updated when the consultations have been completed and the revised Codes are issued with any significant changes brought to their attention.

3 Options/Alternatives

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

4 Preferred Option

- 4.1 As stated above, the preferred option is that Council approves the recommendations in the Treasury Management Mid-Year Review Report.

5 Consultation

- 5.1 Consultation has taken place with Link Asset Services (the Council's Treasury Management Advisors), and senior officers. The report was presented to the Audit Committee on 2 November 2021 for scrutiny prior to its consideration by Cabinet. All matters raised by Audit Committee Members were addressed at the meeting to the satisfaction of the Committee and the Committee was content to commend the report to Cabinet. At its meeting on 15 November 2021, Cabinet approved the report and commended it to Council.

6 Financial Implications

- 6.1 All included within the report.

7 Legal Services Comments

- 7.1 None.

8 Co-operative Agenda

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

9 Human Resources Comments

- 9.1 None.

10 Risk Assessments

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

11 IT Implications

- 11.1 None.

12 Property Implications

- 12.1 None.

13 Procurement Implications

13.1 None.

14 Environmental and Health & Safety Implications

14.1 None.

15 Equality, community cohesion and crime implications

15.1 None.

16 Equality Impact Assessment Completed?

16.1 No.

17 Key Decision

17.1 Yes

18 Key Decision Reference

18.1 FCL-13-21

19 Background Papers

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

File Ref: Background papers are contained with Appendices 1, 2A, 2B & 2C
Officer Name: Lee Walsh/Talei Whitmore
Contact No: 0161 770 6608 / 4424

20 Appendices

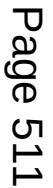
Appendix 1 Investments as at 30 September 2021
Appendix 2A PWLB Certainty Rate Variations 2021/22
Appendix 2B Comparison of Borrowing parameters to actual external borrowing - Table
Appendix 2C Comparison of Borrowing parameters to actual external borrowing - Graph

Appendix 1 Investments as at 30 September 2021

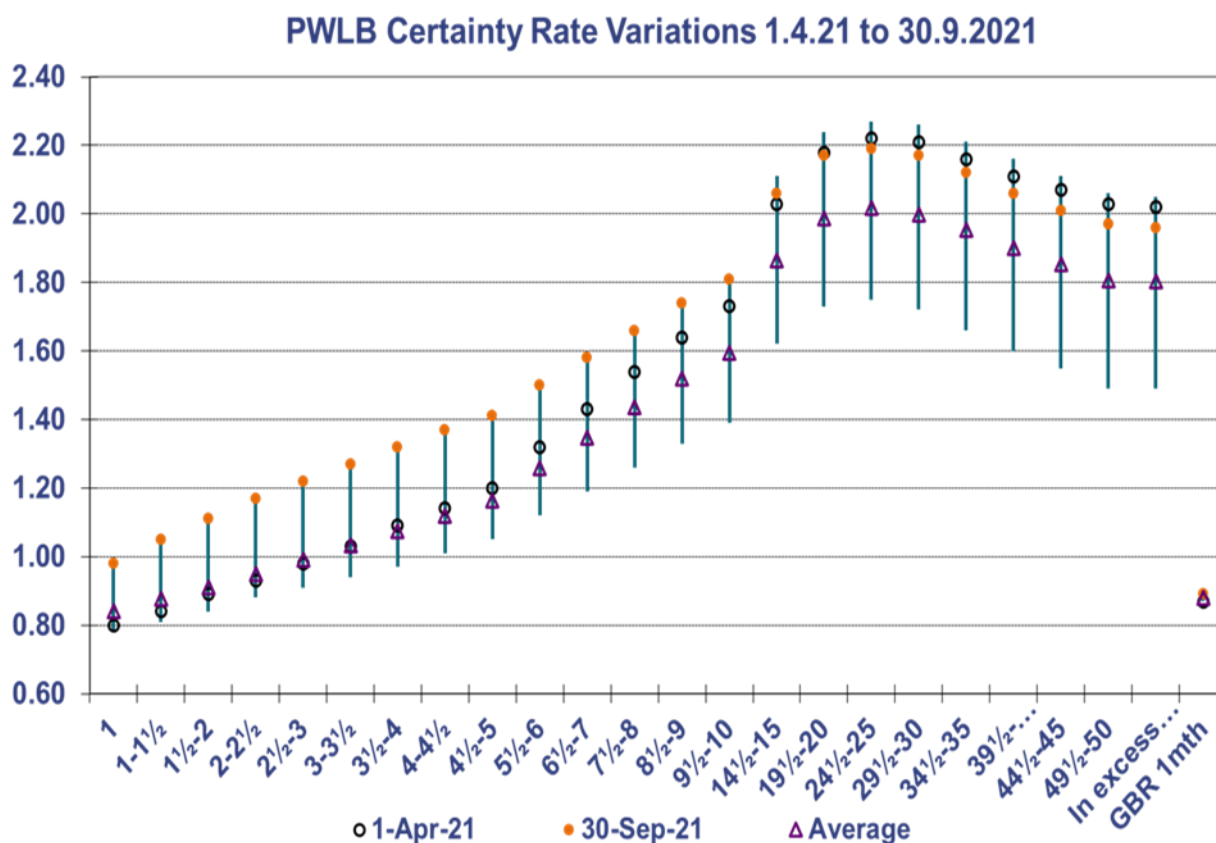
Investments	Type	30th September 2021 £'000	Interest Rate	Date of Investment	Date of Maturity
CCLA Property Fund	Property	15,000	4.15%	Prior Years	open
Total Property Fund		15,000			
Transport for London		4,999	0.12%	15-Sep-21	10-Nov-21
Commercial Paper		4,999			
Close Brothers Ltd	Fixed	5,000	0.25%	25/05/2021	25-Nov-21
Close Brothers Ltd	Fixed	5,000	0.25%	29/06/2021	29-Dec-21
Nationwide Building Society	Fixed	5,000	0.07%	01/07/2021	04-Jan-22
Goldman Sachs	Fixed	5,000	0.18%	02/08/2021	01-Feb-22
Nationwide Building Society	Fixed	5,000	0.07%	23/09/2021	23-Mar-22
Total Fixed Investments		25,000			
Santander	35 day call	2,500	0.30%	03-Jun-20	open
Santander	95 day call	2,500	0.40%	30-Apr-21	open
Bank of Scotland	95 day call	5,000	0.05%	26-Jul-21	open
Bank of Scotland	95 day call	5,000	0.05%	03-Aug-21	open
Santander	180 day call	5,000	0.38%	28-May-21	24-Nov-21
Barclays	O/night	4,500	0.01%	30-Sep-21	
Total Investments on call		24,500			
Invesco Sterling Liquidity	MMF	10,000	0.01%	23-Sep-21	
Aberdeen Sterling Liquidity	MMF	19,520	0.01%	30-Sep-21	
Federated Sterling Liquidity 3	MMF	14,680	0.01%	28-Sep-21	
Total MMF		34,200			
Total		103,699			

Page 511

Page 511



	1 Year	5 Year	10 Year	25 Year	50 Year
Low	0.78%	1.05%	1.39%	1.75%	1.49%
Date	08/04/2021	08/07/2021	05/08/2021	17/08/2021	10/08/2021
High	0.98%	1.42%	1.81%	2.27%	2.06%
Date	24/09/2021	28/09/2021	28/09/2021	13/05/2021	13/05/2021
Average	0.84%	1.16%	1.60%	2.02%	1.81%
Spread	0.20%	0.37%	0.42%	0.52%	0.57%



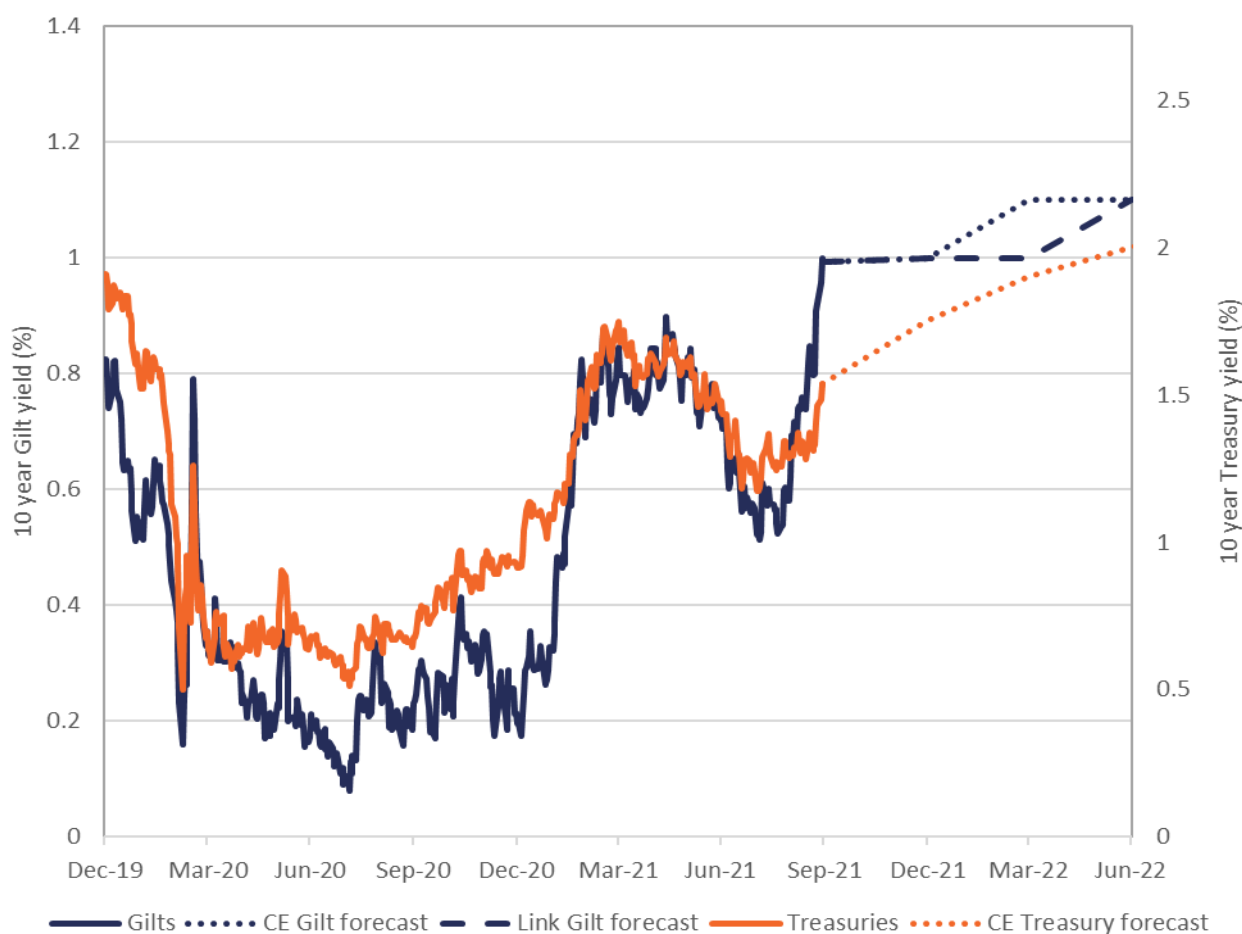
PWLB RATES. There was much speculation during the **second half of 2019** that bond markets were in a bubble which was driving bond prices up and yields down to historically very low levels. The context for that was heightened expectations that the US could have been heading for a recession in 2020. In addition, there were growing expectations of a downturn in world economic growth, especially due to fears around the impact of the trade war between the US and China, together with inflation generally at low levels in most countries and expected to remain subdued. Combined, these conditions were conducive to very low bond yields. While inflation targeting by the major central banks has been successful over the last 30 years in lowering inflation expectations, the real equilibrium rate for central rates has fallen considerably due to the high level of borrowing by consumers. This means that central banks do not need to raise rates as much now to have a major impact on consumer spending, inflation, etc. The consequence of this has been **the gradual lowering of the overall level of interest rates and bond yields in financial markets**. Over the year prior to the coronavirus crisis, this resulted in many bond yields up to 10 years turning negative in the Eurozone. In addition, there was, at times, an inversion of bond yields in the US whereby 10 year yields fell below shorter-term yields. In the past, this has been a precursor of a recession.

Gilt yields had, therefore, already been on a generally falling trend up until the coronavirus crisis hit western economies during March 2020 which caused gilt yields to spike up. However, yields then fell sharply in response to major western central banks taking rapid policy action to deal with excessive stress in financial markets during March and starting massive quantitative easing driven purchases of government bonds: these actions also acted to put downward pressure on government bond yields at a time when there was a huge and quick expansion of government expenditure financed by issuing government bonds. Such unprecedented levels of issuance in “normal” times would have caused bond yields to rise sharply.

At the start of January 2021, all gilt yields from 1 to 8 years were negative: however, since then all gilt yields have become positive and rose sharply during the spring, especially in medium and longer-term periods, until starting a significant decline since May which was then sharply reversed in August / September. Repeated assurances by the Fed in the US, and by other major world central banks, that inflation would spike up after Covid restrictions were abolished, but would only be transitory, allayed investor fears until August / September when high inflation was again seen as a growing danger and both central banks in the US and UK gave indications that monetary policy tightening was now on the horizon. **There is considerable concern that the US Fed is taking a too relaxed view that inflation pressures in the US are purely transitory and that they will subside without the need for the Fed to take significant action to tighten monetary policy. Lack of spare economic capacity and rising inflationary pressures are viewed as being much greater dangers in the US than in the UK. This could mean that rates will end up rising faster and further in the US than in the UK if inflationary pressures were to escalate; the consequent increases in treasury yields could well spill over to cause (lesser) increases in gilt yields.**

Correlation between 10 year US treasury yield and 10 year gilt yield

The Link Group forecasts have included a risk of a 75% correlation between movements in US treasury yields and gilt yields over 10 years since 2011. As US treasury yields are expected to rise faster and further than UK gilt yields, there is an upside risk to forecasts for gilt yields due to this correlation. The graph below shows actual movements in both 10 year yields and forecasts by Link (gilt only) and Capital Economics.

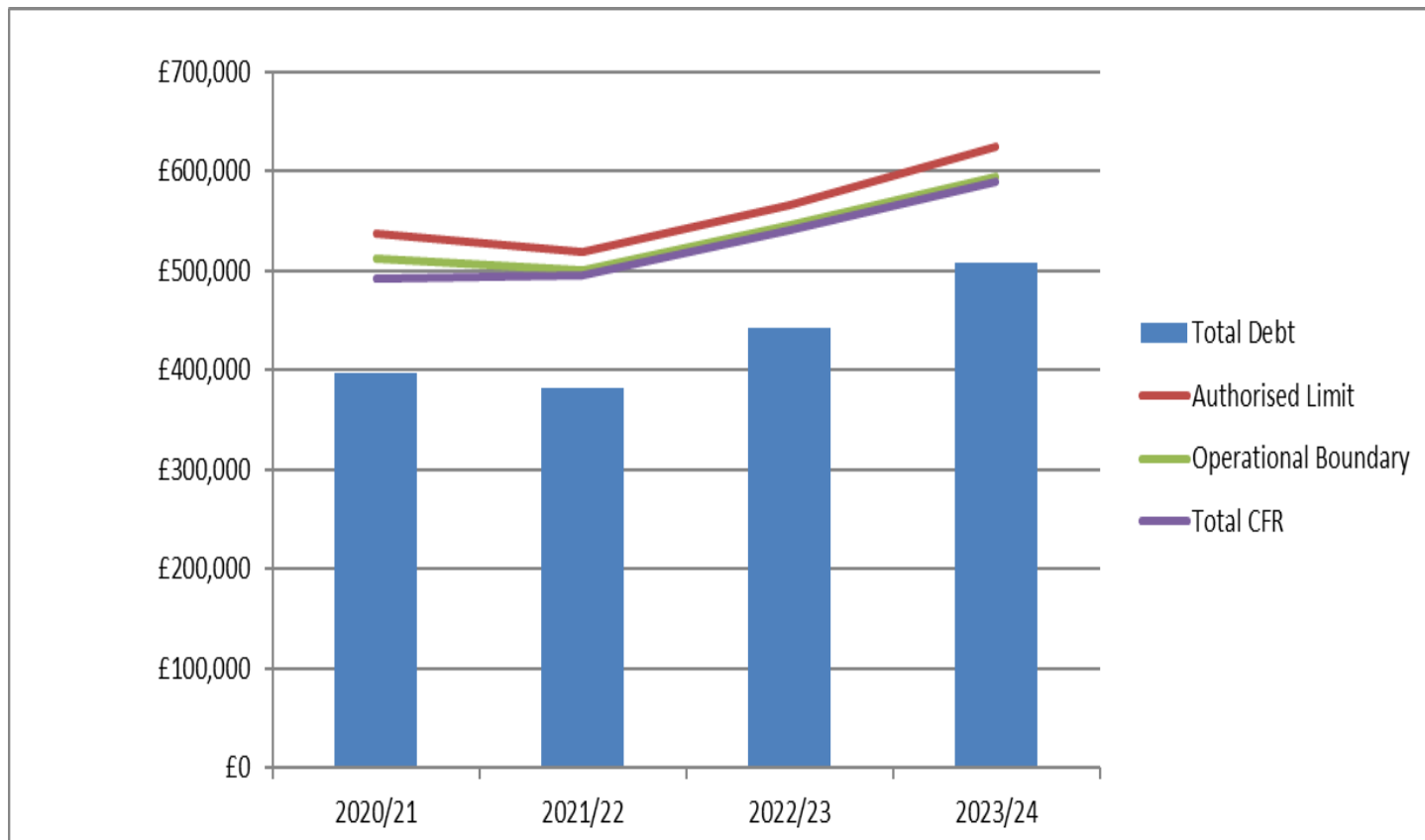


- Yields on 10 year Gilts and Treasuries initially both fell during the first quarter of 2020, as signs emerged that the COVID-19 virus would become a global pandemic which would lead to a sharp downturn in economic growth.
- The correlation between 10 year yields in the UK and the US lessened during the second half of 2020 when US yields displayed an increasing tendency to rise, whilst UK yields remained more range bound. This divergence was consistent with the relatively better economic performance registered by the US during the pandemic, which was aided by historically low US business inventory levels needing to be rebuilt.
- During late 2020 gilt yields rose significantly, reflecting optimism that the fast vaccine roll-out in the UK would support a strong economic recovery during 2021.
- During September 2021, treasury yields rose sharply in response to growing investor concerns around high inflation and indications from the Fed that tapering of quantitative easing purchases of treasuries are likely to occur in the near future. Gilts also rose sharply, as did investor concerns around a sharp increase in inflation in the UK which is now likely to go over 4%. In addition, the MPC meeting in September 2021 flagged up major concerns around the strength of inflation which may require Bank Rate to go up much faster than had previously been expected.

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

CAPITAL FINANCING REQUIREMENTS					
		Actual	Estimated	Estimated	Estimated
		2020/21	2021/22	2022/23	2023/24
<u>CFR (including PFI and finance leases)</u>		£'000	£'000	£'000	£'000
GFCFR		£491,714	£494,758	£540,858	£590,200
Total CFR		£491,714	£494,758	£540,858	£590,200
<u>CFR (excluding PFI and finance leases)</u>					
GFCFR		£268,347	£281,446	£336,454	£390,662
Total CFR		£268,347	£281,446	£336,454	£390,662
External Borrowing		£172,843	£168,374	£238,374	£308,374
Deferred Liabilities		£224,405	£213,578	£204,404	£199,538
Total Debt		£397,248	£381,952	£442,778	£507,912
Authorised Limit		£537,500	£519,500	£565,500	£624,000
Authorised Limit ex Deferred Liabilities		£313,095	£305,922	£361,096	£424,462
Operational Boundary		£512,500	£499,500	£545,500	£594,000
Operational Boundary ex Deferred Liabilities		£288,095	£285,922	£341,096	£394,462

2C) Comparison of borrowing parameters to actual external borrowing (Graph)
– all in £000s





Report to COUNCIL

Adoption of the Public Health Act 1925 Concerning Naming of Streets

Portfolio Holder:

Councillor A Chadderton, Cabinet Member for Neighbourhoods

Officer Contact: John Lamb, Director of Environmental Services

Report Author: Gary Sutcliffe
Ext. 3046

15th December 2021

Reason for Decision

To seek the adoption by the Council of sections 17 and 19 of the Public Health Act 1925 relating to the naming of streets within the Borough.

Recommendation

Council is recommended to commence the process for adopting sections 17 and 19 of the Public Health Act 1925 relating to the naming of streets within the Borough and that a further report to adopt the sections be submitted to the next Council meeting after public notice has been given in accordance with Schedule 14 of the Local Government Act 1972.

Adoption of the Public Health Act 1925 Concerning Naming of Streets**1 Background**

- 1.1 The naming of streets is covered by legislation contained in sections 17 – 19 of the Public Health Act 1925.
- 1.2 Section 17 of the Act requires that before any street is given a name, notice of the proposed name shall be given to the Council which has one month to object to the proposed name. It is not lawful to set up in any street its proposed name until the one month objection period has passed and if the Council has objected to the proposed name, the objection has been considered by the Magistrates' court.
- 1.3 Section 18 of the Act enables the Council to alter the name of any street or part of a street or assign a name to a street or part of a street to which a name has not been given, by making an order. Not less than one month before making the order, notices advertising the intended order shall be posted at each end of the street to inform the public of the proposal, including details of how an objection can be lodged at the Magistrates' Court. An objection to the Magistrates must be submitted within 21 days after the posting of the notice.
- 1.4 Section 19 of the Act requires the Council to cause the name of every street to be painted or otherwise marked in a conspicuous position on any house, building or erection in or near the street and shall from time to time alter or renew such inscription of the name of any street, if and when the name of the street is altered or the inscription becomes illegible.
- 1.5 The Public Health Act 1925 was an adoptive Act and its provisions would only apply if they were specifically adopted by the local authority. Under the Local Government Act 1972, Oldham Metropolitan Borough Council was created in 1974 from a merger of 7 existing local authorities – Oldham County Borough Council and Chadderton, Crompton, Failsworth, Lees, Royton and Saddleworth Urban District Councils. Oldham County Borough Council had specific powers contained in section 48 of the Oldham Borough Improvement Act 1865 concerning the naming of streets in Oldham and it is likely that each of the other pre 1974 Councils adopted the provisions of the Public Health Act 1925 concerning street naming for their areas but no record of the adoptions has been retained.
- 1.6 The provisions of the Oldham Borough Improvement Act 1865 expired in 1981. Subsequently section 18 of the Public Health Act 1925 concerning the renaming of streets throughout the whole Borough was adopted by resolution of the Council in February 1983 with effect from June 1983 and is the legal power the Council has been using in relation to street naming.
- 1.7 In addition, the Council has no formal policy document for street naming, which could lead to inappropriate street names being suggested or streets being named with disregard to current street naming conventions in relation to the Local and National Street Gazetteers.

2 Current Position

- 2.1 Unity Partnership are reviewing the Council's policy on street naming and it has been identified that no record of the adoption of sections 17 and 19 of the Public Health Act 1925 has been retained by the Council. For the avoidance of doubt and to provide greater flexibility to the process of naming of streets it is therefore requested that the Council approve the adoption of sections 17 and 19 of the Public Health Act 1925 for the whole

Borough. The updated street naming policy will then be submitted to the Cabinet Member for Neighbourhoods for approval.

- 2.2 To adopt the provisions the Council is required to publish a notice for 2 consecutive weeks in a local newspaper circulating in their area of the intention to pass a resolution applying the provisions of sections 17 and 19. The date the resolution is to take effect is not earlier than one month from the date of the resolution.

3 **Options/Alternatives**

- 3.1 Adopting sections 17 and 19 of the Public Health Act 1925 will provide certainty that the Council can use these powers, in the event of any legal challenge. Section 17 in particular enables the Council to prevent inappropriate street names being suggested or streets being named with disregard to current street naming conventions in relation to the Local and National Street Gazetteers. If the section was not adopted, conflicts could be hard to resolve where developers and Ward Councillors and/or other consultees fail to reach agreement on a mutually acceptable street name.

4 **Preferred Option**

- 4.1 It is recommended that the Council adopt sections 17 and 19 of the Public Health Act 1925 to ensure that the Council has the legal power to operate a street naming policy.

5 **Consultation**

- 5.1 [Give details of all relevant parties consulted, their views and the Council's response]

6 **Financial Implications**

- 6.1 The requirement to advertise the adoption of sections 17 and 19 of the Public Health Act 1925 in a local newspaper will cost approximately £1.2k. This will be funded from the existing revenue budget for Highways Operations – Unity.

(Nigel Howard)

7 **Legal Services Comments**

- 7.1 Paragraph 23 of Part II of Schedule 14 of the Local Government Act 1972 provided that the provisions of the Public Health Acts 1875 to 1925 extended throughout England and Wales, whether or not they so extended immediately before 1 April 1974 (which was when the current local authority structure in Greater Manchester was introduced). However paragraph 23 did not apply to sections 17 to 19 of the Public Health Act 1925, which only applied to those areas where they applied immediately before 1 April 1974. Under paragraph 25 of Schedule 14, a local authority could after giving the requisite notice resolve that sections 17 to 19 of the Public Health Act 1925 should apply throughout their area. The requisite notice is one published for 2 consecutive weeks in a local newspaper circulating in their area of the local authority's intention to pass a resolution applying the provisions of sections 17 to 19. A copy of the notice must also be served on any parish councils within the local authority's area. Under paragraph 25(7) of Schedule 14, a copy of the resolution of the local authority certified in writing to be a true copy by the proper officer of the authority shall in all legal proceedings be received as evidence of the resolution having been passed by the authority. (A Evans)

8 Co-operative Agenda

- 8.1 In respect of the Council's Street Naming Policy there has been particular consideration given to its impact on community cohesion, where service users and Ward Councillors can have a positive impact on choosing appropriate street names by involving community groups, school children and local residents in naming the streets in their local area, this might be a particular Value contained in the Co-operative Charter for example or an opportunity to involve service users in developing a proposal.

9 Human Resources Comments

- 9.1 None.

10 Risk Assessments

- 10.1 None.

11 IT Implications

- 11.1 None.

12 Property Implications

- 12.1 None.

13 Procurement Implications

- 13.1 None.

14 Environmental and Health & Safety Implications

- 14.1 Energy – Nil.
- 14.2 Transport – Nil.
- 14.3 Pollution – Nil.
- 14.4 Consumption and Use of Resources – Nil.
- 14.5 Built Environment – Nil.
- 14.6 Natural Environment – Nil.
- 14.7 Health and Safety – Nil.

15 Equality, community cohesion and crime implications

- 15.1 None.

16 Equality Impact Assessment Completed?

- 16.1 No.

17 **Key Decision**

17.1 No.

18 **Key Decision Reference**

18.1 Not applicable.

19 **Background Papers**

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

None.

20 **Appendices**

20.1 None

This page is intentionally left blank