

# Oldham Borough Council



**Council Meeting  
Wednesday 13 July 2022**



## OLDHAM BOROUGH COUNCIL

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

Tuesday, 5 July 2022

You are hereby summoned to attend a meeting of the Council which will be held on Wednesday 13 July 2022 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 25th May 2022 be signed as a correct record (Pages 1 - 8)
- 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 (Pages 9 - 10)

*(time limit 20 minutes)*

- 7 Youth Council

*(time limit 20 minutes)*

There is no Youth Council business to consider.

- 8 Questions Time

- a Public Questions

*(time limit 30 Minutes)*

- b Questions to Leader and Cabinet

*(time limit 30 minutes)*

- c Questions on Cabinet Minutes (Pages 11 - 50)

*(time limit 15 minutes)*

17<sup>th</sup> February 2022

28<sup>th</sup> February 2022

21<sup>st</sup> March 2022

## 9 Notice of Administration Business

*(time limit 30 minutes)*

### Motion 1

*Councillor Taylor to MOVE and Councillor Goodwin to SECOND:*

#### New Deal for Workers

Throughout the pandemic, workers in insecure jobs without any protected employment rights have kept the country running. They have worked on the front line, caring for our most vulnerable residents, keeping essential services running and keeping food on shop shelves.

The Living Wage Foundation estimates that over a million key workers are in insecure work, lacking basic rights and protections, and 3.8 million people are in insecure work across the economy as a whole.

At the same time, incomes have stagnated and many workers have experienced real term pay decline. The North West region has some of the highest levels of low pay, but in-work poverty is increasing nationally, with one in six working households now falling below the poverty line.

This Council notes:

- Even before the pandemic, 1 in 9 workers were already ‘insecure’, meaning they did not have access to basic rights at work and could be dismissed at will; including those on zero-hour contracts, agency workers and the bogus self-employed.
- Zero-hours contracts do not guarantee a minimum number of working hours each week. In the UK labour market, people on zero-hours contracts are more likely to be young, part-time, women, or in full-time education when compared with others in employment. Three quarters of those workers on zero-hour contracts lost shifts during the pandemic and the ‘Race on the Agenda’ (ROTA) report shows that a disproportionate number of Black and minority ethnic (BME) workers are on zero-hours contracts.
- 1 in 10 workers have experienced ‘fire and rehire’ and have been told to reapply for their jobs on worse pay and terms and conditions, or face the sack – with BME workers facing this at twice the rate of white workers. Since March 2020 (TUC research, January 2021) a quarter of all workers have experienced a worsening of their terms and conditions – including a cut in their pay – since the pandemic began.
- That while the Prime Minister has called the practice of ‘fire and rehire’ “unacceptable” he has continually refused to take action to outlaw it, raising concerns that he will not intervene in the race to the bottom. An escalating number of employers across all sectors are using weak employment protections to force their staff to accept worse terms and conditions, meaning many have to work longer hours for lower pay, with what can be devastating consequences for workers and their families.
- Despite austerity, as a Labour led council we pay our employees the real living wage. It is important that working people have a decent wage and the council is an accredited Living Wage Employer and encourages others to become the same.

The council further notes, insecure work is bad for working people and bad for the economy, which is why we need a better settlement to support rights and provisions for

working people.

This council therefore resolves to:

- Work to ensure that local residents are protected against unscrupulous employers and ask the Chief Executive to write to the Prime Minister demanding an end to 'fire and rehire' and keep his promise to local residents to protect their employment terms and conditions, and to ask that all key workers get a pay rise at least equal to inflation.
- Not to use 'fire and rehire' as an employer and to discourage its use by council contractors and to continue to ensure the council's procurement practices certify that we use contractors that have good employment, equality and environmental records.
- Promote the increasing number of progressive local employers prioritising their employees' standard of living and wellbeing, by working with our anchor institutions, key partners and recognised trade unions, to bring forward plans to ensure all have best practice employment.
- Encourage local businesses to support the Greater Manchester (GM) Good Employment Charter to improve employment standards across the Borough.
- Support the TUC campaign for a 'New Deal for Working People'.

### Motion 2

*Councillor Munroe to MOVE and Councillor Moores to Second:*

Early Years Funding

Well-established research continues to emphasize the importance of early childhood education as an essential building block of a child's future success. Early years education provides a strong base for future learning and it develops a child's cognitive and social development, ensuring that they are school ready.

Childcare is a fundamental building block of the economy and many working parents and parents who are undertaking education or training are dependent on childcare provision. If sufficient childcare places are not available it has a significant impact on businesses, the health service, education, and many other sectors of the economy. Yet over the last decade, early years services have been neglected by the Conservative Government.

Like all Local Authorities, Oldham has a statutory duty to ensure that there are sufficient free childcare places to enable take-up of early years entitlements, and like many Local Authorities we are seeing settings closing due to problems recruiting and retaining staff.

The National Day Nurseries Association (NDNA) has warned, "Nurseries across the UK are being forced to close or reduce their services at an alarming rate because they are struggling to recruit and retain staff."

Without urgent action, this loss of provision will have a significant impact on children and families who are unable to access services they need and deserve.

This Council notes:

- There are areas in some parts of the borough that have insufficient places available to meet demand.
- Official data from Ofsted shows nurseries are closing at a higher rate in poor and disadvantaged neighbourhoods.
- Early Years providers are struggling financially, because cost of living is rising above the most recent increase in Funded Early Learning (FEL).

- That the recruitment and retention of Nursery staff is a cause of concern.
- That there is pressure on the system due to rising numbers of SEND and vulnerable children.

This Council:

- Is concerned that the sector has been disproportionately impacted by Covid-19 and believes that, although early years providers were relied upon to enable key workers to continue to work during the pandemic, they received insufficient financial protection.
- Is concerned that the historical underfunding, increasing costs and impact of Covid-19, means that early years' providers across the childcare sector will be faced with financial sustainability issues.
- Is concerned that this lack of adequate funding is making it increasingly difficult to recruit and retain staff due to the early years providers' inability to pay competitive rates.
- Notes that Oldham continues to be underfunded as compared to other local authorities, with the disparity in Oldham's hourly Funded Early Learning (FEL). Funding for both 2-year-old entitlement and 3 – 4-year-old entitlement is considerably lower than the national average, the GM average and our statistical neighbours.

Type of funding	National average	Statistical neighbour average	GM average	Oldham average
2-year-old entitlement	£5.47	£5.34	£5.30	£5.19
3- & 4-year-old entitlement	£4.81	£5.05	£4.48	£4.24

This Council resolves to:

Ask the Chief Executive to write to [the Secretary](#) of State for Education outlining our concerns and asking for swift action to: address this disparity and provide Oldham Metropolitan Borough with a fair funding deal in addition to the additional investment needed to ensure every child can recover the learning and social development lost in the pandemic and has the chance to reach their full potential.

## 10 Notice of Opposition Business

*(time limit 30 minutes)*

### Motion 1

*Councillor Kenyon to MOVE and Councillor H Gloster to SECOND:*

#### Making Fairer Decisions

The administration, councillors and council officers are collectively making thousands of decisions each year, some large, many small, but all collectively have an effect on the health, wealth and welfare of the people who live and work in Oldham, Shaw, Crompton, Saddleworth, Royton, Failsworth, Lees, Chadderton and the surrounding areas.

Making our borough safer for children and young people is a key aim shared by everyone in the council chamber.

Making our borough wealthier by directing more of this Authority's spending to local jobs and businesses is also a key aim shared by all in this chamber.

When making a decision, officers and councillors are careful to consider the full implications of that decision. The different options and the implication of the decision are weighed against specific criteria; financial, legal, the co-operative agenda, human resources, risks, IT, property, procurement, environmental and health & safety, equality, community cohesion & crime, children & young people. An equality impact assessment is also completed.

**This Council believes that:**

Councillors and officers should be explicitly considering the implications of making a decision on the safety of children and on Authority spending into the local economy.

**Council therefore resolves to:**

Direct the Chief Executive to amend the standard assessment criteria within the decision-making reports and records to include a requirement to consider the implications of the decision on:

- 1) The potential to increase the risk of harm to children (a context assessment). This to be included on the section dealing with Implications for Children and Young People.
- 2) Authority spending into the local economy. This to be included in the section on Co-Operative Agenda.
- 3) Direct the Chief Executive to make and introduce these changes within three months of this Council meeting. A progress report and any financial implications be reported to future cabinet meetings as and when appropriate.

Motion 2

*Councillor Hobin to MOVE and Councillor Wilkinson to SECOND:*

Independent Public Enquiry into Child Sexual Exploitation (CSE) (Historical & Present) within Oldham Metropolitan Borough Council (OMBC), including the actions and knowledge of Council Members and Officers.

**Council notes that:**

The Newsome and Ridgway review into historic Child Sexual Exploitation in Oldham was published on Monday 20th June 2022. The review found that some children had been failed by agencies that were meant to protect them and that there were serious failings in the handling of some cases.

The review was discussed at an Extraordinary Full Council Meeting on Mon 27 June 2022. The public were invited to submit questions to a panel that included the Council Leader and Greater Manchester Mayor. Councillors from all political parties were also invited to ask questions or make statements.

While questions were asked, sadly many were left unanswered, and some wholly ignored. Unfortunately, questions remain. We as a council, and as such member herein, have a duty to protect children and vulnerable people of the borough and beyond. The reality is, until we get to the root of the issue, we cannot move forward as we are unable to ensure that failings highlighted in the review are not continuing.

It is very clear there is significant dissatisfaction from the public and opposition parties with the contents of the report and that this has been further evidenced in the press and on social media. There is a significant groundswell of opinion that a fully

independent public inquiry is needed to address the issue of CSE in Oldham, both historically and in the present.

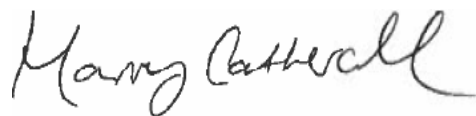
This issue is above any party-political leanings. Together we need to eradicate this corruption which lies within our society.

**Council resolves that;**

- The Chief Executive writes to the Home Secretary and the Minister for Housing, Communities and Local Government, on behalf of the council requesting that they instigate a fully independent and broad ranging public inquiry as soon as is practically possible.
- That the Terms of Reference for the inquiry are set independently of the Greater Manchester and OMBC administrations, by Government and that all relevant documentation including those relating to the recent assurance review are made available to the inquiry.
- That a cross party steering group is established to work alongside the inquiry which will report to the council and the public on a regular basis and will function as a conduit between the inquiry team, council officers and elected representatives.

- 11 Update on Actions from Council (Pages 51 - 72)
- 12 Revision to Financial Procedure Rules (Pages 73 - 162)
- 13 Revision to the Contract Procedure Rules (Pages 163 - 228)
- 14 Health and Wellbeing Board Terms of Reference (Pages 229 - 240)
- 15 Overview and Scrutiny Annual Report 2021/22 (Pages 241 - 256)

**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



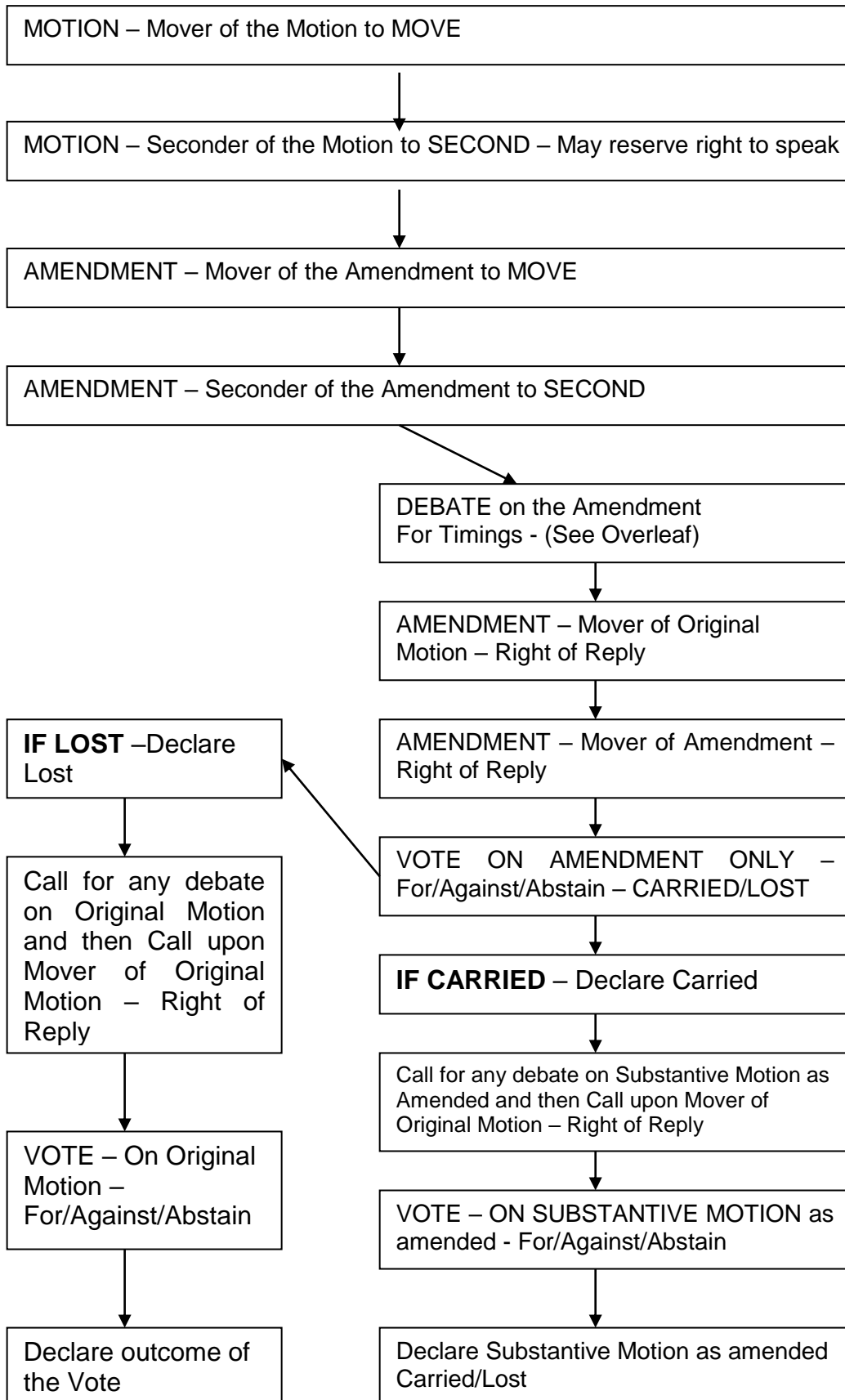
Declare outcome of the VOTE

**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

## WITH AMENDMENT





**COUNCIL**  
**25/05/2022 at 12.00 pm**

**Present:** The Mayor – Councillor Harrison (in the Chair)

Councillors Ahmad, Akhtar, Al-Hamdani, Ali, Alyas, Azad, Ball, M Bashforth, S Bashforth, Brownridge, Byrne, Chadderton, Chauhan, Cosgrove, Dean, Garry, C. Gloster, H. Gloster, Goodwin, Hamblett, Hindle, Hobin, Hulme, A Hussain, F Hussain, S Hussain, Ibrahim, Islam, Jabbar, Kenyon, McLaren, Moores, Munroe, Murphy, Mushtaq, Nasheen, C. Phythian, K Phythian, Rea, Salamat, Sheldon, Shuttleworth, Stretton, Surjan, Sykes, Taylor, Wilkinson, Williamson, Williams and Woodvine

1 **TO RECEIVE APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Arnott, Barnes, Birch, Iqbal, Lancaster, McManus, Quigg and Sharp.

2 **TO ELECT THE MAYOR FOR THE 2022/23 MUNICIPAL YEAR**

Councillor Moores MOVED, Councillor C. Gloster SECONDED and Councillor Byrne SUPPORTED the election of Councillor Elaine Garry as Mayor and Chair of Council for the forthcoming Municipal Year.

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

Councillor Garry then made and signed the declaration required by law which enabled her to act in the Office of Mayor.

The retiring Mayor (Councillor Harrison) invested the newly elected Mayor with the chain of office; the Mayor's Consorts were presented with their chains.

(The Mayor, Councillor Garry, in the Chair).

The Mayor then made a speech of acceptance of office.

Councillor Taylor MOVED, Councillor Sykes SECONDED and Councillor Byrne SUPPORTED a vote of thanks to the retiring Mayor and Consort.

**RESOLVED**

1. Councillor Elaine Garry be appointed Mayor of Oldham Metropolitan Borough Council and Chair for the 2022/2023 Municipal Year.
2. The sincere thanks and appreciation of the Council be recorded to Councillor Harrison for her valuable services during her term of office as Mayor of the Oldham Metropolitan Borough Council.

3 **TO APPOINT THE DEPUTY MAYOR FOR THE 2022/23**

## **MUNICIPAL YEAR**

Councillor Chadderton MOVED, Councillor Sykes SECONDED and Councillor Sheldon SUPPORTED the election of Councillor Chauhan as Deputy Mayor and Vice Chair of Council for the forthcoming Municipal Year.

On being put to the vote, the nomination was CARRIED. Councillor Chauhan then made and signed the declaration required by law which enabled him to act in the office of Deputy Mayor.

**RESOLVED** that Councillor Chauhan be appointed Deputy Mayor for Oldham Metropolitan Borough Council and Vice Chair for the 2022/2023 Municipal Year.

At this point in the meeting, the Mayor adjourned the meeting for a period of time.

The meeting reconvened at 3.30 p.m.

4 **TO ORDER THAT THE MINUTES OF THE MEETING OF THE COUNCIL HELD ON 16TH MARCH 2022 AND 22ND MARCH 2022 BE SIGNED AS A CORRECT RECORD**

**RESOLVED** that:

1. Subject to the replacement of the word 'Labour', with the words 'Liberal Democrat' in the first paragraph of page 12 (Leaks of Information), the Minutes of the meeting of the Council held on 16<sup>th</sup> March 2022 be approved as a correct record.
2. The Minutes of the special meeting of the Council held 22<sup>nd</sup> March be approved as a correct record.

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

The Mayor informed the meeting that a dispensation was in place to allow all Members to vote on agenda item 18: 'Members Allowance Scheme' – Report of the Director of Legal Services. All members present declared a disclosable pecuniary interest in this item, but the dispensation was applicable which allowed members to participate and vote on agenda item 18.

6 **TO DEAL WITH MATTERS WHICH THE MAYOR CONSIDERS TO BE URGENT BUSINESS**

There were no items of urgent business to be considered at this meeting.

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

Councillors Chadderton, Sykes, Ibrahim, Shuttleworth and Byrne paid tribute to the work of Councillor Shah during her time served on the Council.

Councillors Chadderton, C. Phythian and C. Gloster paid tribute to the work of Councillor Roberts during her time served on the Council.

Councillors S. Bashforth and C. Gloster paid tribute to the work of Councillor Davis during his time served on the Council.

Councillors Jabbar and C. Gloster paid tribute to the work of Councillor Malik during his time served on the Council.

8 **TO NOTE THE REPORT OF THE RETURNING OFFICER CONTAINING THE RESULTS OF THE LOCAL ELECTIONS WHICH TOOK PLACE ON 5TH MAY 2022**

Consideration was given to a report of the Returning Officer which informed members of the results of the Local Election which had taken place on 5<sup>th</sup> May 2022.

**RESOLVED** that the results of the Local Election be noted.

9 **LEADER OF THE COUNCIL**

Consideration was given to a report regarding the appointment of the Leader of the Council in accordance with the provisions of the Local Government Act 2000 as amended.

**RESOLVED** that the appointment of Councillor Chadderton as the Leader of the Council, from the 25<sup>th</sup> May 2022 and ending on the day when the Council holds its first annual meeting of the Leader's normal day of retirement as Councillor, as outlined at paragraph 2.1 of the report, be noted.

10 **APPOINTMENT OF THE DEPUTY LEADER, CABINET MEMBERS AND DEPUTY CABINET MEMBERS AND ALLOCATION OF PORTFOLIOS AND DELEGATION OF EXECUTIVE FUNCTIONS**

Consideration was given to a report of the Leader of the Council which detailed the Cabinet portfolios and the appointments to the Cabinet for the 2022/2023 Municipal Year.

**RESOLVED** that the appointment of the Deputy Leaders, Cabinet Members, Deputy Cabinet Members, the allocation of portfolios to Cabinet Members and the determination of delegations to executive functions for 2022/2023 be noted as outlined below:

Councillor Amanda Chadderton	Leader of the Council and Cabinet Member for Regeneration and Housing
Councillor Abdul Jabbar	Statutory Deputy Leader of the Council and Cabinet Member, Finance and Low Carbon
Councillor Elaine Taylor	Deputy Leader and Cabinet Member for Culture and Leisure
Councillor Mohon Ali	Cabinet Member for Education and Skills
Councillor Eddie Moores	Cabinet Member for Children and Young People
Councillor Barbara Brownridge	Cabinet Member for Health and Social Care
Councillor Shaid Mushtaq	Cabinet Member for Corporate

Councillor Jean Stretton	Services Cabinet Member for Neighbourhoods
Councillor Shoaib Akhtar	Cabinet Member for Employment and Enterprise
Councillor Clint Phythian	Deputy Cabinet Member for Regeneration and Housing
Councillor Ros Birch	Deputy Cabinet Member for Education and Skills
Councillor Steven Bashforth	Deputy Cabinet Member for Health and Social Care
Councillor George Hulme	Deputy Cabinet Member for Employment and Enterprise
Councillor Leanne Munroe	Deputy Cabinet Member for Children and Young People
Councillor Steve Williams	Deputy Cabinet Member for Neighbourhoods
Councillor Chris Goodwin	Deputy Cabinet Member for Neighbourhoods

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### **OPPOSITION NOMINATIONS TO THE SHADOW CABINET 2022/23**

**RESOLVED** that the appointment of the Opposition Leaders and the Shadow Cabinets, as circulated at the meeting and as set out below, be noted:

Liberal Democrat Group Leader – Councillor Howard Sykes  
Deputy Group Leader – Councillor Chris Gloster

Liberal Democrat Shadow Cabinet:

Councillor Howard Sykes	Shadow Cabinet Member for Regeneration and Housing
Councillor Diane Williamson	Shadow Cabinet Member for Culture and Leisure
Councillor Chris Gloster	Shadow Cabinet Member, Finance and Low Carbon
Councillor Sam Al- Hamdani	Shadow Cabinet Member for Education and Skills
Councillor Hazel Gloster	Shadow Cabinet Member for Children and Young People
Councillor Louie Hamblett	Shadow Cabinet Member for Health and Social Care
Councillor Alicia Marland	Shadow Cabinet Member for Corporate Services
Councillor Dave Murphy	Shadow Cabinet Member for Neighbourhoods
Councillor Mark Kenyon	Shadow Cabinet Member for Employment and Enterprise

Conservative Group Leader – Councillor Graham Sheldon  
Deputy Group Leader – Councillor Beth Sharp

Conservative Group Shadow Cabinet:

Councillor Graham Sheldon	Shadow Cabinet Member for Regeneration and Housing
Councillor Max Woodvine	Shadow Cabinet Member for Culture and Leisure
Councillor Dave Arnott	Shadow Cabinet Member, Finance and Low Carbon
Councillor Pam Byrne	Shadow Cabinet Member for Education and Skills
Councillor Pam Byrne	Shadow Cabinet Member for Children and Young People
Councillor Chris McManus	Shadow Cabinet Member for Health and Social Care
Councillor Robert Barnes	Shadow Cabinet Member for Corporate Services
Councillor Luke Lancaster	Shadow Cabinet Member for Neighbourhoods
Councillor Beth Sharp	Shadow Cabinet Member for Employment and Enterprise



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**APPOINTMENT TO COMMITTEES AND COMPOSITION OF POLITICAL GROUPS 2022/23**

Councillor Chadderton MOVED and Councillor Sykes SECONDED the report of the Director of Legal Services which sought a review of the political composition of committees and the composition of political groups as previously notified under Regulation 8(1) of the Local Government (Committees and Political Groups) Regulations 1990 and under Sections 15 and 16 of the Local Government Housing Act 1989.

**RESOLVED that:**

1. The composition of the political groups as shown in paragraph 1.1, of the submitted report, be noted;
2. The several Committees that are detailed at paragraph 1.5, of the submitted report, be constituted with the Terms of Reference and delegated powers as detailed in the Council's Constitution;
3. The number of seats on the various Committees for the 2022/23 Municipal Year, be as detailed in paragraph 1.6 of the submitted report and the terms of office referred to therein, be approved;
4. Council confirms the allocation of seats to the political groups and makes appointments to fill the seats in accordance with Sections 15 and 16 of the Local Government and Housing Act 1989, as detailed in Appendix 1, to the submitted report;
5. Council appoints a Chair and Vice-Chair of each of the various Committees for the 2023/23 Municipal Year, as detailed in Appendix 1, with the exception of the Selection and Appeals Committees and appoints a District Lead for each of the Borough's District Areas;
6. The Co-opted Members detailed at paragraph 1.9 of the report be appointed to the Overview and Scrutiny Board and the Statutory Co-optees be given full voting rights in respect of education matters only;



7. Any outstanding appointments to be delegated to the Chief Executive in consultation with the Leader of the Council and Leaders of the main opposition groups.

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### **APPOINTMENT TO OUTSIDE BODIES 2022/23**

Councillor Chadderton MOVED and Councillor Sheldon SECONDED a report of the Director of Legal Services which detailed the appointments to Outside Bodies for the Municipal Year 2022/23.

#### **RESOLVED that:**

1. The appointments to the Outside Bodies as listed in the Appendices as circulated for the 2022/23 Municipal Year be agreed.
2. Any outstanding appointments be delegated to the Chief Executive in consultation with the Leader of the Council and the Leaders of the two main Opposition Groups.

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### **COUNCIL MEETINGS AND MUNICIPAL CALENDAR 2022/23**

Consideration was given to a report of the Director of Legal Services which set out the Calendar of Meetings for the 2022/23 Municipal Year.

#### **RESOLVED that:**

1. The meetings of Full Council be held on the undermentioned dates during the 2022/23 Municipal Year, commencing at 6.00pm unless otherwise shown:

13<sup>th</sup> July 2022  
7<sup>th</sup> September 2022  
2<sup>nd</sup> November 2022  
14<sup>th</sup> December 2022  
1<sup>st</sup> March 2023  
15<sup>th</sup> March 2023

2. The Council's calendar of meetings for 2022/23 be approved.
3. Approval of any outstanding dates or changes to dates to be delegated to the Chief Executive in consultation with Group Leaders.

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### **NOTICE OF ADMINISTRATION BUSINESS**

There were no items of administration business for the meeting to consider.

16

### **NOTICE OF OPPOSITION BUSINESS**

There were no items of opposition business for the meeting to consider.

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### **COUNCIL CONSTITUTION**

Councillor Chadderton MOVED and Councillor Jabbar SECONDED a report of the Director of Legal Services which invited the Annual Meeting of the Council to re-affirm the Council Constitution as a matter of good governance. Various



amendments to the Constitution were outlined at paragraph 1.3 of the submitted report regarding proposed revisions to the Council Procedure Rules, the Officer Scheme of Delegation, Responsibility for functions in respect of Employment Appeals, Statutory and Proper Officer arrangements and Traffic Regulation Order Panel procedures.

A recorded vote was requested and taken on the RESOLUTION as follows:

<b>COUNCILLOR</b>		<b>COUNCILLOR</b>	
Ahmad Riaz	FOR	Iqbal Javid	APOLOGIES
Akhtar Shoab	FOR	Islam Nazrul Mohammed	FOR
Al-Hamdani Sam	ABSENT	Jabbar Abdul	FOR
Ali Mohon	FOR	Kenyon Mark	AGAINST
Alyas Mohammed	FOR	Lancaster Luke	APOLOGIES
Arnott Dave	APOLOGIES	Marland Alicia	AGAINST
Azad Ali Montaz	AGAINST	McLaren Colin	FOR
Ball Sandra	FOR	McManus Chris	APOLOGIES
Barnes Robert	APOLOGIES	Moore's Eddie	FOR
Bashforth Marie	FOR	Munroe Leanne	FOR
Bashforth Steven	FOR	Murphy Dave	AGAINST
Birch Ros	APOLOGIES	Mushtaq Shaid	FOR
Brownridge Barbara	FOR	Nasheen Umar	FOR
Byrne Pam	FOR	Phythian Clint	FOR
Chadderton Amanda	FOR	Phythian Kyle	FOR
Chauhan Zahid	FOR	Quigg Lewis	APOLOGIES
Cosgrove Angela	FOR	Rea Lucia	FOR
Dean Peter	FOR	Salamat Aqeel Ali	FOR
Gloster Chris	AGAINST	Sharp Beth	APOLOGIES
Gloster Hazel	AGAINST	Sheldon Graham	FOR
Goodwin Chris	FOR	Shuttleworth Graham	FOR
Hamblett Louie	AGAINST	Stretton Jean	FOR
Harrison Jenny	FOR	Surjan Ruji	FOR
Hindle Neil	FOR	Sykes Howard	AGAINST
Hobin Brian	FOR	Taylor Elaine	FOR
Hulme George	FOR	Wilkinson Mark	FOR
Hussain Aftab	FOR	Williams Steve	FOR
Hussain Fida	FOR	Williamson Diane	AGAINST

Hussain Sajed	FOR	Woodvine Max	FOR
Ibrahim Nyla	FOR	Garry Elaine (MAYOR)	FOR

On a recorded VOTE being taken 42 VOTES were cast in FAVOUR of the RESOLUTION with 9 VOTES cast AGAINST and there were 0 ABSTENTIONS. The RESOLUTION was therefore **CARRIED**.

**RESOLVED:**

That the Council re-affirms its Constitution, subject to the inclusion of revisions to the Council Procedure Rules, the Officer Scheme of Delegation, Responsibility for functions in respect of Employment Appeals, Statutory and Proper Officer arrangements and Traffic Regulation Order panel procedures as outlined at paragraph 1.3 of the submitted report.

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**MEMBERS ALLOWANCE SCHEME**

Councillor Chadderton MOVED and Councillor Sheldon SECONDED a report of the Director of Legal Services which set out recommendations in relation to the Members Allowance Scheme.

The members allowances scheme requires approval when amendments are proposed. The Independent Remuneration Panel had considered the scheme for 2022/23 and the Panel recommended that, as per previous years, the allowances should be increased in accordance with the local government officer pay award for the municipal year 2022/23 with effective from the start of the municipal year.

The panel also recommended that the deputy district leads receive a special responsibility allowance of 20% of the district lead allowance which amounted to £1,257.

The full members allowances scheme was attached at Appendix 1 with the basic and special responsibilities allowances contained therein.

**RESOLVED** that the Members Allowances Scheme for 2022/23, as detailed at Appendix 1 to the report, be approved.

The meeting started at 12.00pm and ended at 4.45pm



## COUNCIL

### Petitions

**Portfolio Holder:** Various

**Officer Contact:** Various

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

**13<sup>th</sup> July 2022**

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#### Reason for Decision

The decision is for Elected Members to note the petition received by Council in accordance with the Petitions Protocol.

#### Petitions Received

##### Place and Economic Growth

Reference 2022-01: Petition requesting Saddleworth Health Centre received 9 March 2022 with 264 signatures

Reference 2022-02: Petition requesting Queen Jubilee Party Stoneleigh Park received 3 May 2022 with 56 signatures

Reference 2022-03: Petition requesting Reduce Speed Limits Along Denshaw and Delph Road received 1 June 2022 with 514 signatures

#### Recommendations

It is recommended that Council note the petition received.

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

1 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Stretton.

2 **URGENT BUSINESS**

There were no items of urgent business received.

3 **DECLARATIONS OF INTEREST**

There were no declarations of interest received.

4 **PUBLIC QUESTION TIME**

There were no public questions received.

5 **CREATING A BETTER PLACE UPDATE**

Consideration was given to a report of the Director of Economy which sought further approvals to formally accept new external funds to support various projects to proceed through to next stage of delivery, provided a summary of the community, business and market trader engagement for the Local Plan and Town Centre projects and an holistic update on the progress being made to 'Create a Better Place' and the acceleration of the delivery of new homes and job creation.

Councillor Shah, Leader of the Council advised the Cabinet that the 'Creating a Better Place' strategic framework was approved by Cabinet in January 2020 to provide a new focus on building more homes for residents, creating new jobs through Ton Centre regeneration and ensuring Oldham was a great place to visit with family accessible places to go.

The report provided details of :

- Places for Everyone
- Local Plan and Mills Strategy
- Town Centre Engagement Update
- Green New Deal
- Cultural Quarter – New Theatre/Performance Space
- Cultural Quarter Old Library Building
- Tommyfield Market
- Archive Store
- New event Space
- Town Centre Park
- Spindles and Town Square
- Town Centre Heat Network
- Princes Gate/ Mumps Redevelopment Lidl
- Royton Town Hall
- Accessible Oldham Improvements
- Alexandra Park Depot
- New Saddleworth School

The update provided information on the above including the development progressing Planning application to be submitted for the development at Princes Gate later this year, the phased programme of works on Royton Town Hall, bringing the old Library back into use, moving the market into the Spindles Shopping Centre, the Local Plan and Mills strategy and how the Mills could be repurposed, the Town Centre Heat Network and feasibility work, the opening of the new Saddleworth School and the Alexandra Park Eco Depot to be completed in Winter 2022. Members welcomed the report and the progress to date, thanking the Chief Executive, Director of Economy and Cabinet Members.

#### Options/alternatives considered

Members were asked to note the progress made on each project and consider the commercially sensitive information contained at Item 7 of the agenda.

#### RESOLVED – That:

1. Members noted the various project implementations and progress to date.
2. Members would consider the commercially sensitive information contained at Item 7 of the agenda.

6

#### **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.

7

#### **CREATING A BETTER PLACE UPDATE**

Consideration was given to the commercially sensitive information in relation to Item 5 'Creating a Better Place Update'.

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

The meeting started at 4.00pm and finished at 4.18pm

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

1           **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Ahktar.

2           **URGENT BUSINESS**

There were no items of urgent business received.

3           **DECLARATIONS OF INTEREST**

Councillor Chauhan declared an other registerable interest at Item 14 of the agenda by virtue of a directorship, he left the room and took no part in the debate or decision making thereon.

4           **PUBLIC QUESTION TIME**

There were no public questions received.

5           **MINUTES OF THE CABINET MEETINGS HELD ON 24TH  
JANUARY 2022 AND 14TH FEBRUARY 2022**

RESOLVED – That the minutes of the Minutes of the Cabinet meetings held on 24th January 2022 and 14th February 2022 be approved

6           **PRUDENTIAL BUILDING**

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

It was reported that Cabinet approval was sought to acquire and proceed with the redevelopment of the former Prudential Assurance Building on Union Street, Oldham into a business incubation hub as part of the Future High Street Fund (FHSF) programme.

Confirmation of FHSF funding was received in June 2021. The project aimed to deliver new and additional office accommodation for the digital creative media sector through the conversion of a currently abandoned and dilapidated Grade II Listed building in Oldham town centre and forms a key component of the Creating a Better Place strategic framework and underpinned by the town centre vision.

Cabinet approval was obtained in January 2020 for the Council's "Creating a Better Place" strategic programme. The programme was reviewed in August 2020 to confirm alignment with the borough's economic recovery in response to Covid-19 and a renewed focus on building more homes for our residents,

creating new jobs through town centre regeneration, and ensuring that Oldham is a great place to visit with lots of family friendly and accessible places to go.

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

Options/alternatives considered

Option1 – Not to approve

Option 2 – To approve the recommendations within the report

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

7

### **SECURING AFFORDABLE HOUSING INTERIM PLANNING POSITION PAPER**

Consideration was given to a report of the Director of Economy which sought approval to adopt and publish the Securing Affordable Housing Interim Planning Position Paper.

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

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

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

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

The recent changes to national planning guidance that need to be reflected through this Interim Planning Position Paper were:

- Paragraph 64 of the National Planning Policy Framework (NPPF) states that:
  - the provision of affordable housing should not be sought for residential developments that are not major developments (so development where 10 or more homes will be provided, or where the site has an area of 0.5ha or more).
  - to support the re-use of brownfield land, where vacant buildings are being reused or redeveloped, any affordable housing contribution due should be reduced by a



proportionate amount (defined in footnote 30 as being equivalent to the existing gross floorspace of the existing buildings). This does not apply to vacant buildings which have been abandoned.

- On the 24 May 2021 a Ministerial Statement was published setting out the Government's plans for the delivery of First Homes requiring a minimum of 25% of all affordable housing homes secured through developer contributions to be First Homes - a national threshold which should be applied for England. These First Homes are for discounted market sale and:
  - must be discounted by a minimum of 30% against the market value;
  - must be sold to a person or persons meeting the First Homes eligibility criteria;
  - on their first sale, will have a restriction registered on the title at HM Land Registry to ensure this discount (as a percentage of current market value) and certain other restrictions are passed on at each subsequent title transfer; and,
  - after the discount has been applied, the first sale must be at a price no higher than £250,000 (or £420,000 in Greater London).

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

In the main Policy 10 Affordable Housing of the Joint DPD remains appropriate and the Council will continue to apply Policy 10 when determining relevant planning applications for residential development. However, since adoption of the Joint DPD, national planning guidance has revised the threshold to which the policy should be applied and further guidance is required on the application of First Homes and Vacant Building Credit. These changes were summarised in the report.

#### Options/Alternatives

Option 1 - To adopt and publish the Securing Affordable Housing Interim Position Paper. The Interim Planning Position Paper should be used as a material consideration in the assessment of relevant planning applications and development proposals.

Option 2- To not adopt and publish the Securing Affordable Housing Interim Planning Position Paper. Development Management will be unable to use the Interim Planning Paper in determining relevant planning applications and development proposals.

RESOLVED – That the Securing Affordable Housing Interim Planning Position Paper be adopted and used as a material consideration when assessing relevant planning applications and development proposals.

8

**THE NEW CHADDERTON PARTNERSHIP AND  
CHADDERTON NEIGHBOURHOOD AREA:  
DETERMINATION OF AREA AND FORUM APPLICATIONS**

Consideration was given to a report of the Director of Economy which sought approval to designate Chadderton neighbourhood area (comprising Chadderton South, Chadderton North and Chadderton Central wards), to designate The New Chadderton Partnership as a neighbourhood forum in accordance with the Town and Country Planning Act 1990 (the Act) and the Neighbourhood Planning (General) Regulations 2012 (the Regulations); and to publicise those designations. This would allow The New Chadderton Partnership forum to begin to prepare a neighbourhood plan for the neighbourhood area of Chadderton (and / or a neighbourhood development order). It was reported that the Council had received an application for the designation of “The New Chadderton Partnership” forum and an application to designate the Chadderton neighbourhood area (comprising Chadderton North, Chadderton Central and Chadderton South wards).

Having a neighbourhood area and forum designation would mean that the New Chadderton Partnership could begin to prepare a Neighbourhood Plan for the neighbourhood area of Chadderton or a Neighbourhood Development Order for a specific part of the neighbourhood area.

A Neighbourhood Plan should support the strategic development needs set out in the Local Plan and must address the development and use of land, but it can allow bespoke policies to be prepared that address specific planning issues within the neighbourhood area.

The Localism Act had also given communities the ability to grant planning permission through Neighbourhood Development Orders (NDOs). A NDO can grant planning permission for specific types of development in a specific neighbourhood area.

An NDO can:

- Apply to a specific site, sites, or wider geographical area;
- Grant planning permission for a certain type or types of development; and
- Grant planning permission outright or subject to conditions.

Option/alternatives considered

The only alternative to the recommendations at the top of this report is to not designate Chadderton (comprising Chadderton South, Chadderton North and Chadderton Central wards) as a neighbourhood area and to not designate The New Chadderton Partnership as a neighbourhood forum and to publish the decision document and a refusal statement (setting out the reasons for not agreeing to designate the neighbourhood area and forum). The Council must set out clear reasons for the decision in line with the Act and Regulations. Not designating

will mean that The New Chadderton Partnership forum will not be able to prepare a neighbourhood plan for the neighbourhood area of Chadderton (and / or neighbourhood development order). There is no basis for this alternative, as both the neighbourhood area and forum applications have been made in accordance with all relevant legislation and are reasonable.

RESOLVED – That approval be given to designate Chadderton (comprising Chadderton South, Chadderton North and Chadderton Central wards) as a neighbourhood area, to designate The New Chadderton Partnership as a neighbourhood forum and to publicise those designations.

9

### **THE FORMER WH SHAWS OFFICE AND CLOCK TOWER BUILDING, DIGGLE - OPTIONS APPRAISAL**

Consideration was given to a report of the Director of Economy which sought approval to confirm expenditure of the financial allocation made in the capital programme towards works relating to the former WH Shaws office and clock tower building, Diggle. In addition a delegation was sought to the Executive Director of Place and Economic Growth and Director of Legal Services to progress appointments for priority works as set out in this report. The former WH Shaws office and clock tower building was a significant heritage asset which forms the gateway to the new Saddleworth School. As part of the Council's recently approved Creating a Better Place agenda, the Grade II building had been transferred to the Council's corporate estate. Following a structural and a building survey, an options appraisal had been completed.

The option that was recommended has been formed on the basis that a viable long term use for the building was still to be determined and that the overall condition of the building was poor and would continue to deteriorate without further action beyond holding repairs.

There was currently a capital allocation for works to the Diggle clocktower held as part of the Corporate Landlord Backlog Maintenance Capital Programme.

#### Option/alternatives considered

Options 1 Full Build Repair – Without a clear end-use for the building, this is not considered a viable option.

Option 2 - Envelope Repair – A programme that would aim to introduce the provision of mains services into the building and refurbish the external fabric of the building to meet modern design standards, providing long term protection to the building interiors – allowing the building to be mothballed whilst an appropriate end use is identified. This will require the appointment of an appropriate design team to develop and manage the works.

Option 3 Holding Repairs - These repairs would be the minimum necessary to stabilise the rate of deterioration of the building and would include the roof and gutters, drying out the building and stabilising environmental conditions within. Holding repairs by their very nature address the most important defects in the building. However, these have a limited longevity as they do not address the core issues of continued deterioration. They are

likely to require continued attention in the challenge against a continually degrading building fabric. Unless the building is to be disposed of on the open market, this option is not advisable.

RESOLVED – That the Cabinet would consider the commercially sensitive information at Item 13 before making a decision.

10

### **STREET LITTER BIN REPLACEMENT PROGRAMME**

Consideration was given to a report of the Director of Environmental Services which sought approval for the expenditure of capital funding to purchase new street litter bins as part of the boroughwide replacement programme.

It was reported that Oldham Council currently had some 1172 public street litter bins servicing the whole Borough, dispersed across each of its district centres, corridor gateways, main roads, estates. Parks, cemeteries, and countryside areas also contain litter bins; however, these bins were not included in this figure. The current make-up of these bins covers a wide variety of styles, sizes, and types each having an impact which affects frequency of service and resources are assigned to this operation.

The existing street bins were coming to the end of their working life and therefore in need of urgent replacement. A report was drafted identifying the need to undertake a largescale replacement program, including a review of how bin servicing needed to change and align with the new style and increased size of the proposed replacement bins.

The report was submitted and approved by Cabinet in August 2021 giving officers the authority to tender for the replacement street bins and as such tenders had now been received and evaluated.

Tender documents were drafted and placed on the e-procurement portal 'The Chest' on 23rd July 2021 with a closing date of 7th September 2021.

3 bids were received and evaluated in line with the criteria outlined in the documentation.

Options/Alternatives considered

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

Option 2: To not award, as a result, the existing bins will no longer be fit for purpose and require removal. An alternative procurement exercise will need to be undertaken extending the timescales and potentially leaving the borough without

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

11

### **EXCLUSION OF THE PRESS AND PUBLIC**

**RESOLVED** that, in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded

from the meeting for the following items of business on the grounds that they contain exempt information under paragraphs 3 of Part 1 of Schedule 12A of the Act, and it would not, on balance, be in the public interest to disclose the reports.

12

## **CHANGING FUTURES**

Consideration was given to a report of the Director of which provided details of the 'Changing Futures Programme'. It was reported that the programme was a £64 million joint initiative by the Department for Levelling Up, Housing & Communities (DLUHC) and The National Lottery Community Fund (TNLCF).

The fund was for local organisations to work in partnership to better support those who experience multiple disadvantage, including but not limited to homelessness, substance misuse, mental health issues, domestic abuse, and contact with the criminal justice system. The programme sought to make an impact at the individual, service and system level and build learning to influence future programmes and policy in this area. Greater Manchester applied for and was selected as one of the 15 areas in the country to form part of 'Changing Futures' and had been awarded £4.7m over 3 years (up to March 2024).

There were four innovation areas in the GM programme; Oldham, Manchester, Rochdale and Wigan each with an individual locality delivery and development plan.

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

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

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

### Options/alternatives considered

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

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

service to the voluntary and community sector when appropriate.

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

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

RESOLVED – To host the Changing Futures intensive support service for adults with multiple dependencies within Oldham Council be agreed The programme would be developed and delivered in partnership with the community and voluntary sector and other partners.

13 **PRUDENTIAL BUILDING**

Consideration was given to the commercially sensitive information in relation to Item 6 – Prudential Building.

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

14 **THE FORMER WH SHAW'S OFFICE AND CLOCK TOWER BUILDING, DIGGLE - OPTIONS APPRAISAL**

Consideration was given to the commercially sensitive information in relation to Item 9 – The former WH Shaws office and clock tower building, Diggle - Options Appraisal

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

15 **STREET LITTER BIN REPLACEMENT PROGRAMME**

Consideration was given to the commercially sensitive information in relation to Item 10 - Street Litter Bin Replacement Programme.

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

16 **REQUEST FOR APPROVAL TO COLLABORATIVELY COMMISSION A DRUG AND ALCOHOL TREATMENT AND RECOVERY SERVICE WITH ROCHDALE COUNCIL WITH VIEW TO AWARDING A CONTRACT.**

Consideration was given to a report of the Director of Public Health which sought to ensure that Oldham had a high-quality Drug and Alcohol treatment and recovery service to support our residents.

The current Drug and Alcohol treatment and recovery service has been provided by Turning Point since April 2018 as a collaborative commission with Rochdale Council. The contract would end in March 2023.

This paper outlined proposals to recommission the service, with the same collaboration agreement, and proceed to market for procurement of a new service for commencement from 1 April

2023. Oldham Council would be the lead commissioner for the procurement of the service.



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

17

**A REQUEST TO APPROVE A CONTRACT MODIFICATION AND EXTENSION WITH THE CURRENT PROVIDER FOR ASYMPTOMATIC COMMUNITY OUTREACH COVID-19 TESTING.**

Consideration was given to a report of the Director of Public Health which sought approval to the increase of a contract value for delivery of Oldham asymptomatic community outreach COVID-19 testing provision with the provider.

The contract was based on a payment by result method and the provider had already received payment for the work completed to end of November 2021. Imposed thresholds and restrictions on volumes that the provider could carry out had not been an option when responding to an unprecedented number of positive cases of COVID-19. None of the surge testing requirements could have been predicted, nor could the Council choose to pull back testing at a time of increasing community transmission. In January 2021, Oldham commenced delivery of Targeted Testing at Scale, setting up 4 large asymptomatic test sites in response to the pandemic with uncertainty as to how much financial reimbursement would be available from Department of Health and Social Care (DHSC).

Approval was sought and gained from the Chief Executive using their emergency powers, to proceed to market and award contracts for 2 models 1) a pseudo Dynamic Purchasing System (DPS) where clinical settings such as Pharmacies could deliver onsite testing and 2) a community provider that could move agile within the borough. In line with procurement law, the second of these models relied upon the contract being issued following a successful competitive tender exercise. As such, the council was required to provide an indicative contract value to potential bidders. There was no previous precedent ever set, and no benchmarking available to gauge likely number of tests to be completed within 12-month period. The value was published during the tender exercise as an indicative contract value utilising a payment by results method.

Between 1<sup>st</sup> April 2021 and 31<sup>st</sup> March 2022, all costs generated through both the above models as part of the delivery of Oldham's asymptomatic testing service were covered by DHSC community testing programme. Additional testing outside of these contract values did not incur a financial cost for the Council.

Since the 1<sup>st</sup> April 2021, the testing rate has been evaluated on a weekly basis, in November 2021 when concerns that the community model contract could exceed 1.5 times the published value, there was no option to introduce limitation. Had testing been restricted, the Council would not have been able to respond to the increased requirements to surge testing with rapidly increasing infection rates associated with the Omicron variant. At this time of consideration for introducing limitations on testing and associated spend, there was a national supply issue

of home test kits - the testing provider was able to fill this void. Furthermore, increased demands on testing provision were required in vulnerable settings such as the Home Office's contingency hotel, limiting testing to cap the spend as a method to stay within the approved and published contract value would in these circumstances not have been ethical and has therefore not been possible.

In March 2021, approval was sought and gained to award the contract for 12 months with an option to extend for up to 12 months, but a renewed approval for extension is now sought in view of the higher contract value.

**RESOLVED** – That the recommendations contained within the report be approved.

The meeting started at 6.00pm and finished at 6.17pm



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

1 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors  
Chadderton and Chauhan.

2 **URGENT BUSINESS**

There were no items of urgent business received.

3 **DECLARATIONS OF INTEREST**

There were no declarations of interest received.

4 **PUBLIC QUESTION TIME**

There were no public questions received.

5 **MINUTES OF THE CABINET MEETINGS HELD ON 17TH  
FEBRUARY 2022 AND 28TH FEBRUARY 2022**

RESOLVED – That the Minutes of the Cabinet meetings held on  
17th February 2022 and 28th February 2022 be approved.

6 **REVENUE MONITOR AND CAPITAL INVESTMENT  
PROGRAMME 2021/22 MONTH 9 – DECEMBER 2021**

Consideration was given to a report of the Director of Finance  
which provided the Cabinet with an update on the Council's  
2021/22 forecast revenue budget position at Annex 1 and the  
financial position of the 2021/22 Capital Programme as at 31<sup>st</sup>  
December 2021 together with the revised capital programme  
2022/23 to 2026/27 as outlined in section 2 of the report at  
Annex 2 of the report.

Revenue Position

The current forecast outturn position for 2021/22 was a  
projected surplus variance of £2.680m after allowing for  
approved and pending transfers to and from reserves.

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

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

The overall corporate position was partly being offset by the  
application of £7.737m general COVID support grant and

£0.352m from the Quarter 1 compensation claim for lost income in relation to sales fees and charges (SFC); in total £8.089m, all of which was received from the Department for Levelling Up, Housing and Communities (DLUHC). In Appendix 1 to the report, the un-ringfenced Government support was presented as a single sum so that it highlighted the level of variation across all Council budgets, given that there was insufficient resource to fully offset the adverse COVID related variance. However, this summary report presented the position after applying the Government grant across Portfolio areas. An update on the major issues driving the revenue projections was detailed within Annex 1, Section 2 of the report.

The current projected position, after adjustment for reserves and, as outlined above, receipt of all additional Government funding to support COVID pressures that the Authority was expecting to receive, continued to show a net underspend, demonstrating the impact of the service and corporate actions that had been initiated across all service areas to review and challenge planned expenditure and to maximise income. Action would continue with the aim of, at the very least, maintaining this position to the end of the financial year.

Information on the Quarter 3 position of the Dedicated Schools Grant (DSG), Housing Revenue Account (HRA) and Collection Fund was also outlined in the report. There were currently no significant issues of concern in relation to the HRA.

#### Capital Programme

The report outlined the most up to date capital position for 2021/22 to 2026/27 for approved schemes. The revised capital programme budget for 2021/22 was £38.709m which was considerable movement from the month 8 forecast of £52.588m and a net decrease of £47.293m from the original budget of £86.002m. Actual expenditure to 31 December 2021 was £29.304m (75.7% of the forecast outturn).

It was anticipated that the forecast outturn will be close to the final position, although there may be further reprofiling up to the year-end.

#### Options/alternatives considered

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

Option 2 - To agree some of the forecasts and changes included in the report.

Option 3 - not to agree any of the forecasts and changes included in the report and ask for further information.

#### RESOLVED – That:

1. The forecast revenue outturn for 2021/22 at Quarter 3 being a £2.680m favourable variance having regard to the action being taken to manage expenditure be approved.
2. The forecast positions for the Housing Revenue Account, Dedicated Schools Grant and Collection Fund be approved.
3. The use of reserves as presented in Section 8 of Annex 1 of the report be approved.

4. The revised capital programme for 2021/22 to 2026/27 as at Quarter 3 be approved.



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## **HOUSING DELIVERY STRATEGY**

The Cabinet gave consideration to a report of the Executive Director for Place and Economic Growth which sought approval of the Housing Delivery Strategy and programme of works. Oldham was targeted by Government to deliver c.700 homes per annum up to 2037, which was significantly higher than what had been achieved in the Borough in recent years. In order to meet both the Oldham Housing Strategy objectives and deliver at the scale required to support projected population growth, new models of delivery and partnership working would be necessary, with the need for the Council to take an active role in driving forward housing development.

The report provided a series of recommendations for the Council to drive forward a programme of housing development activity. It was reported that the document set out the current policy context and ambitions for housing delivery in the Borough as part of the Creating a Better Place regeneration programme. It considered the merits of a range of development options which the Council could progress to ensure delivery of housing on land under its control and updates on current housing activity and recent achievements in the borough. Progress towards developing brownfield land were highlighted and the report also considered and made recommendations regarding affordable housing, low and zero carbon housing and Modern Methods of Construction.

Three possible options were set out within the report, (a land sale, delivery via Building Lease and procuring a Strategic Development Partner) available to the Council and the advantages and disadvantages of each, before making site specific recommendations for delivery.

RESOLVED – That the Cabinet would consider the commercially sensitive information contained at Item 20 of the agenda before making a decision

8

## **SELECTIVE LICENSING OF PRIVATE RENTED PROPERTIES**

The Cabinet gave consideration to a report of the Executive Director Place and Economic Growth which sought approval of a Selective Licensing Scheme to implemented in certain parts of the Borough.

It was reported that an extensive period of consultation had been carried out regarding the introduction of a second selective licensing scheme for privately rented properties in parts of the Borough.

The report detailed the findings of this consultation and also developed the final proposals for a second selective licensing scheme.

In 2015 Oldham Council introduced a Selective Licensing Scheme for privately rented properties in certain parts of the Borough as an intervention to address issues of low housing demand. It was a five-year scheme that ended in December 2020.

A review of the scheme was completed May 2019 and updated December 2020, which showed low housing demand had improved in some areas, had stayed the same in others, and had deteriorated in 2 areas. It also identified additional areas which are exhibiting low housing demand.

In January 2020, following Cabinet approval, a statutory consultation for proposals of introducing a new Selective Licensing Scheme commenced and this consultation was relaunched again in January 2021 due to the impact of the Covid pandemic both on the responses to the consultation and the resources available within the Council.

The private rented sector performs an essential role in the Borough's housing market. Many private landlords provided a decent service to their tenants, but the practices of some can give the sector a poor reputation and affect the housing demand of an area. Selective licensing can form a part of a wider set of measures to address the causes of low housing demand.

The Housing Act 2004 included provisions to develop an improved and more professional private rented sector. Section 80 gave powers to local housing authorities to designate areas as subject to selective licensing in respect of privately rented accommodation, provided certain conditions are met. A review of the housing market was carried out in 2019 and updated in 2020 which indicated there was evidence of low housing demand in the proposed areas. The report explained how selective licensing would support a range of measures to tackle the problem.

From the consultation exercise, private landlords had expressed their concerns;

- 1) that the introduction of a new licensing scheme is not required
- 2) that the housing market has changed
- 3) they are unclear on what the previous scheme has achieved and how any new scheme would make a difference.

Other consultees had stated that licensing should be introduced across the borough.

The report acknowledged the feedback from the consultation and sought to address the concerns. It was clear that different stakeholders had different opinions, and there is no way of achieving an outcome that is satisfactory to all.

Other options had been considered to address problems in the private rented sector, however these were too narrow in addressing management standards and do not provide a holistic, strategic response to raising management standards.

Selective licensing could be an integral part of the Council's wider housing strategy, by improving management standards. Managed well, the private rented sector can offer choice and flexibility within the Borough's housing market with the potential to support economic growth as well as meet housing needs. The implementation of Selective Licensing does have risks; however, these have been carefully considered. The Council has experience, knowledge, shared best practice and learning from the previous scheme that would greatly benefit any new scheme.

#### Options/alternatives considered

Option 1 – To consider the findings of the review, consultation, options appraisal and other measures available to work with Selective Licensing and to approve a two-phase approach to implementing a new Selective Licensing scheme, starting with the LSOAs with the worst low housing demand.

Approve the licence fee cost for phase 1 of the selective licensing scheme at £582 per property. The fee is split into two payments, an application fee of £340.34 and a monitoring & compliance fee of £241.66.

Option Two - Approval of the first phase only of a new Selective Licensing scheme in the LSOAs as stated in (Appendix 13) affecting 17.36% of the private rented sector.

Approve the licence fee cost for phase 1 of the selective licensing scheme at £582 per property. The fee is split into two payments, an application fee of £340.34 and a monitoring & compliance fee of £241.66.

Option Three - Approval of a new Selective Licensing scheme in all the LSOAs that have been statutorily consulted over 20% of the private rented sector and apply for Secretary of State Approval.

Option Four - Not approve the use of Selective Licensing in Oldham.

#### RESOLVED – That

1. The findings of the reviews and outcome of the statutory consultation be noted.
2. A two-phase Selective Licensing approach be approved.
3. The license fee cost for phase 1 of the selective licensing scheme at £582 per property be approved. The fee would be split into two payments, an application fee of £340.34 and a monitoring & compliance fee of £241.66.
4. It be noted that Phase 2 of the proposal, which involved a further period of consultation and the resultant recommendation potentially being approved by the Secretary of State would require a further budgetary provision of £25,000.

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#### **DISPOSAL OF VACANT LAND AT DERKER, ST JAMES**

Consideration was given to a report of the Executive Director, Place and Economic Growth which sought approval of the disposal of three vacant plots in Derker and the approval of a Brownfield Housing Land agreement for Derker completed between Hive Homes and the Greater Manchester Combined Authority.

There were a number of vacant sites in Derker that were cleared as part of the Housing Market Renewal Programme and had remained vacant for over 10 years. The sites included a number of individual Council owned plots totalling approximately 4 hectares and cover land at the former Cromford Mill, Abbottsford Road and former Derker Hotel site, London Road and Evelyn Street, as shown at Appendix 1 to the report.

In July 2020 the Greater Manchester Combined Authority was awarded an initial allocation of £81.1 m over a 5-year period following a Government announcement with regards to a national pot of £400 m Brownfield Housing Land Fund (BHLF). The Ministry of Communities, Housing and Local Government (MCHLG) commenced a further bidding round in August 2020 for the remaining 10% of the £400 m allocated as BHLF grant. The £40 m was retained by MCHLG as a competitive element to help support the most ambitious projects. The focus of the bidding process and assessment was on identifying and supporting those Mayoral Combined Authorities that could demonstrate they had ambitious proposals and were ready to receive funding and where the funding could be utilized within 2 years. The grant for Derker was funded from this '10%' pot and in order to complete the funding agreement, a series of tight the milestones outlined in the report were required to be met. The BHLF provided grant support to bring forward residential development on brownfield sites. The grant can be used to address remediation issues, access works or service diversion and provision required in order to make sites deliverable. The funding cannot be used as revenue.

In September 2021, Cabinet approved that a provisional BHLF allocation for the sites in Derker of up to £2 m should be accepted. Derker had capacity for circa 150 homes and the grant would be used to help support zero carbon/highly energy efficient housing.

The funding needed to be spent (i.e. works completed up to the value of the grant) by March 2023 and in order to spend the grant the following development milestones had been agreed with GMCA. Whilst there was some flexibility with the milestones up to March 2023, if the project did not progress in accordance with the dates below, there is a risk the funding will be lost.

- Cabinet approval to dispose – March 2022
- Planning application submitted – June 2022
- Start on site – November 2022
- Works (to value of the grant) completed – March 2023
- Housing completed – early 2025

In order to achieve these tight deadlines, and based on advice from CBRE, it is proposed that the BHLF Grant Agreement should be completed directly between GMCA and Hive Homes. This approach has no financial impact on the council, as the grant would have subsequently been novated over to the developer partner in its entirety in any event.

#### Options/Alternatives considered

Option 1 - Procure a delivery partner through a compliant procurement process

By using this option, the Council would not be able to complete the process in time to draw down the BHLF Grant which would greatly affect the overall viability of the proposed development and the quality of the homes being built. This option, with the luxury of a longer time period, would however allow for the Council to enter into a Works Contract and therefore have more control over the type of homes being built.

Option 2 - Market the site on the open market for disposal  
The site could also be marketed for sale on the open market. This option would give the Council no certainty around the type of homes built (other than via the Planning Process) or on when the homes would be built. It was likely that the development would be only Policy Compliant in terms of affordable homes (i.e. 10%) and only be built to Building Regulations standards. The homes would not be low or zero carbon. Whilst it was possible this option would generate a capital receipt, none of the council's or GMCA's wider strategic objectives would be met. The terms and objectives around the BHL Grant, including timescales and 'Build Back Better' Agenda would also be seriously jeopardised, therefore under this option the grant would likely be lost

Option 3 - Direct disposal to Hive Homes

This option would enable a high-quality scheme to be built in accordance with the Council's aspirations for Derker and also enable Hive to access the allocated BHLF Grant. A buy-back agreement will be in place if the scheme is not built out in time or if Hive fail to meet any of the other requirements of the BHLF Grant Agreement.

RESOLVED – That the Cabinet would consider the commercially sensitive information at Item 21 before making a decision.

10

## **DISPOSAL OF LAND AT SOUTHLINK**

The Cabinet gave consideration to a report of the Executive Director, Place and Economic Growth which sought approval for the Council to carry out a competitive land sale of vacant and derelict brownfield land at Southlink together with land owned by Greater Manchester Passenger Transport Executive (GMPTE) to enable the site to be developed for new housing.

The report provided details in relation to the redevelopment of the unutilised and vacant brownfield land to the south of the former Oldham Mumps Metrolink Station. The site, known as 'Southlink' previously contained the original Oldham Mumps Railway Station which closed completely in 2009 and has since been demolished. Covering around 3.5 hectares, the site is owned by Oldham Council and TFGM, (approximately 54% and 46% respectively).

In July 2020 the Greater Manchester Combined Authority was awarded an initial allocation of £81.1 m over a 5-year period following a Government announcement with regards to a national pot of £400 m Brownfield Housing Land Fund (BHL). BHL provided grant support to bring forward residential development on brownfield sites. The grant can be used to address remediation issues, access works or service diversion and provision required to make sites deliverable. The grant was used to support schemes that would otherwise be unviable. The funding cannot be used as revenue.

Bids were submitted in a number of tranches and GMCA agreed the prioritisation criteria focusing on deliverability, value for money and strategic fit. Under Tranche 2, Oldham Council and Transport for Greater Manchester (TFGM) were provisionally allocated up to £4.502M BHL Grant funding based upon a

GMCA led proposal (working directly with TfGM) to develop 265 apartments at Southlink.

In September 2021, Cabinet approved that the grant for Southlink should be provisionally accepted. In order to meet the grant requirements, set by Greater Manchester Combined Authority (GMCA) for Tranche 2 applications, the following development milestones must be met, or the Grant risks being re-allocated to other schemes within Greater Manchester:



<b>Milestones</b>	<b>Date</b>
Collaboration agreement signed	28th February 2022
Competitive Land Sale exercise commences	8 <sup>th</sup> April 2022
Developer partner selected	30 <sup>th</sup> June 2022
TfGM / OMBC approval for selected Developer partner	31 <sup>st</sup> July 2022
Planning application submitted	30 <sup>th</sup> September 2022
Planning decision	15 <sup>th</sup> January 2023
Start on Site	31 <sup>st</sup> March 2023

CBRE were appointed in September 2020 to prepare a development brief and provide delivery strategy and developer selection advice to the council for the proposed developments at Derker and Southlink in order to meet the requirements of the BHL Grant Funding timetables.

The CBRE Advice explored three options for bringing the site at Southlink forward for development which were:

1. Direct development by the Council.
2. Procurement of a private sector development partner under the public contract regulations 2015.
3. Land sale to a Developer.

The first option was discounted because of the risk it would place on the council and the significant resources, both expertise and finance, that would be required.

A fully compliant procurement exercise to appoint a developer partner in accordance with the Public Contracts Regulations (PCR) 2015 through a competitive tendering process is a tried and tested route. However, using this approach, the Council would be highly unlikely to complete the procurement exercise and other steps necessary, such as secure full Planning Permission, in time for the preferred partner to be on site by March 2023. CBRE have provided a timetable detailing this option and the earliest start on site date would be after April 2023. This would mean that the BHL grant offer would be withdrawn and reallocated to another scheme within GM.

A land sale to a preferred developer would sit outside the PCR (2015). It would require due diligence to be undertaken by the Council on the suitability of the developer and appropriate contractual arrangements being put in place, including a buy back agreement, to ensure that the project is delivered in accordance with the BHL grant requirements.



A competitive process was proposed to be undertaken to ensure the Council secures the best value offer for the site.

A Planning Development Brief had been drawn up to provide a planning and design framework to guide the redevelopment of the site. The brief included an illustrative concept plan, provisional development schedule and indicative viability assessment to inform the disposal exercise so that any offer is aligned with the Councils, TFGM's and GMCA's delivery expectations and requirements.

The viability work showed that an apartment led scheme, even with BHL Grant support would simply not be viable due to the low rents and values in the area, combined with the high abnormal construction costs relating to the former use and topography of the land. As such it was likely that any proposed scheme would be high-density low-rise housing with a revised density of around 50 dwellings per hectare, giving a scheme of around 120 homes. The exact proposals would not be known until the competitive land sale process was completed and the final revised BHLF allocation would also not be determined until an agreed scheme has been approved by both Oldham Council and TfGM as landowners.

The competitive land sale process offers developers an opportunity to:

- Effectively utilise vacant brownfield land
- Embed zero/low carbon technologies and construction methods to create highly sustainable new homes
- Deliver quality homes to meet the acute market and affordable housing needs in Oldham
- Deliver new homes in a highly accessible location close to public transport provision, shops, amenities, services and facilities; and
- Generate significant economic, social and environmental benefits locally.

Options/alternatives considered

Option 1 - Dispose of Southlink via a Competitive Market Sale Exercise

The CBRE report confirms that a development partner can be selected to bring forward residential development on the Southlink site via a market sale process which can commence on the 8<sup>th</sup> April 2022 (or preferably earlier) as soon as all the relevant site information is available for the marketing prospectus.

Option 2- Dispose of Southlink site using a procurement framework.

CBRE considered alternative procurement routes to select a development partner in accordance with the Public Contracts Regulations (2015), through a competitive tendering process. Procurement routes included the Homes England Dynamic Purchasing System and the Pagabo Framework. The relative merits of both routes were considered in the report together with the respective timescales against the project milestones. The analysis concluded that while this is a tried and tested approach to select a development partner that would achieve all

the project objectives, the complexity of the Southlink site and the time that it is taking to assemble all the relevant site information that would inform such as process (which is still ongoing), has meant that there is insufficient time in the project programme to undertake a procurement process as this will require a minimum of 3 months.

In summary, there is insufficient time in the project programme to run a procurement process that would also meet the BHL grant deadline. This means under this option, Southlink would remain undeveloped.

Option 3 - Dispose of Southlink via a Council led procurement exercise.

CBRE highlighted in their report that there would be no time savings with a Council led procurement exercise when compared to Option 2 above, which means that the outcome would be the same, i.e. insufficient time to meet the BHL grant deadline. The Southlink site would not be developed.

Option 4 - Do not dispose of the site.

'Do nothing' is not the preferred option for the site as this would not meet the Council's 'Creating a Better Place' regeneration and housing development objectives. The availability of the BHL grant is in place for a specific purpose which is to off-set the viability gap and bringing forward challenging brownfield sites such as Southlink for residential development, and every opportunity should be taken to draw down the funding to make development happen.

RESOLVED – That the Cabinet would consider the commercially sensitive information contained at Item 22 of the agenda before making a decision.

11

### **SPECIAL EDUCATION NEEDS (SEND) TRANSPORT SERVICE**

The Cabinet gave consideration to a report of the Director of Education, Skills and Early Years which sought to advise on the process undertaken on the Transport Service Tender by providing details of the recent tender allocation process. It also outlined details of the current provision of Travel Assistance, provided by the SEND Transport Team.

The SEND Travel Assistance Service provided the current provision for Home to School Transport. The service transports approximately 830 pupils with either special educational needs, disabilities or because of their mobility issues. There are approx. 2600 children and young people with EHCPs in the borough and circa 5000 children and young people 0-25 years on SEN Support.

The SEND Travel Assistance Service operates over 190 school days as determined by the School Holiday Calendar and other occasional days determined by individual schools governing bodies. All pupils with SEND are provided with free travel assistance, in accordance with the Council's current Travel Assistance Policy (July 2019), IPSEA Legal guidance and the Education Act 1996. It is the legal responsibility of the Local Authority to provide this service, as outlined in the Education Act 1996.

The provision of transport is determined by the needs of the individual pupil. Those with severe and complex health, physical or educational needs can be transported by either individual taxis or adapted vehicles. Children or young people with less severe needs ordinarily travel via a multi-passenger minibus. The SEND Travel Assistance Policy aims to ensure that all pupils eligible to access transport, will receive the appropriate provision which meets their needs.

At present, there is a concurrent internal travel training program in place with Oldham Council, led by the SEND Travel Assistance Service. The program aims to provide independent travel training to 30 children and young people per annum. New delivery models for providing a greater level of scale and pace for independent travel training will be considered before the financial year end as 30 per annum is deemed insufficient to meet potential demand/need, ensure independence and preparation for adulthood and ensure best value for money/a potential invest to save model. This will help to mitigate costs moving forwards as more children and young people may migrate to travel training from transport and/or assigned travel training in place of transport in the first instance.

The current contract to provide SEND Travel Assistance expires on 31<sup>st</sup> August 2022. although there is an option to extend by another year.

A dynamic purchasing system (DPS) is to be established and used for allocating routes via mini competitions of which can be accessed via the Chest. In accordance with the Council's Contract Procedure Rules and Public Contract Regulations 2015 the following procurement process was undertaken in establishing the DPS.

A supplier engagement event was advertised on the Chest accompanied with a soft market testing questionnaire designed to inform the Council of the market's perception of the current and future ways of working.

Following the event, the DPS opportunity was advertised on the Chest on 17<sup>th</sup> December 2021 with a closing date of 21<sup>st</sup> January 2022. Bidders were asked to review and complete a standard selection question which looks to assess the capability and quality.

The DPS was been broken down into separate lots for:

- Private Hire/Taxi
- PSV Buses
- Minibuses
- Black Cab
- Wheelchair Adapted Minibuses
- PSV Wheelchair Adapted Buses

Once bidders have passed this initial stage, they shall enter into a Dynamic Purchasing Agreement, following which they are eligible to submit bids for routes via the published mini competitions. The mini competition documents will be evaluated 90% on price (on a fixed price basis) with a 10% caveat based on vehicle emissions and companies' adherence to Oldham's clean air policy.

Oldham's Travel Assistance Team works in partnership with Oldham Licensing, this is to ensure all of Oldham's licensed

Private Hire and Hackney Vehicles, working on an Oldham School Transport route, meet Oldham's minimum licensing standards. Transport also works to ensure the minimum standards of all other authority's vehicles are met, using Oldham Licensing standards as a benchmark.

It is intended that approximately 220 routes will be tendered via the mini competition process which is anticipated to start in April 2022 with a deadline of May 2022. These routes are due to commence in September 2022. It is recommended that delegated authority (Managing Director, Children & Young People) is given in awarding the routes in this mini competition. It is also recommended that any subsequent mini competitions during the lifetime of the DPS will also be approved by delegated authority (Managing Director, Children & Young People).

Option/alternatives considered

Option 1 - Open the Dynamic Purchasing System under The Chest and tender the 200+ routes to the successful bidders on the System. This approach would:

- Attract new companies to the tendering process, via the Chest, enhancing Oldham's pool of approved contractors.
- Seek new tenders at a lower price than current.
- Support local business, as well as enhancing Oldham's and Greater Manchester's transport network.
- Support Oldham's and Greater Manchester's Clean Air policy.

Option 2 - Utilise the last term extension period of 1 year.

Approach the current suppliers to continue undertaking the route previously tendered for the same price, This approach would:

- Provide a continuation of service, from the contract period which commenced in September 2019.
- Risk of Contractors pulling out from the contract, as increases in cost of living, petrol price increases and the introduction of Greater Manchester's Clean Air policy, could see contractors not afford to provide a service.
- Not having enough contractors to be able to provide a service, since 2019 we support 200+ more children. Oldham need to attract new companies to be able to meet future demand.
- Will not be able to push Oldham's and Greater Manchester Clean Air Policy.

Option 3 - To work with Procurement to explore the possibility of procuring our own fleet of PSV/Adapted Buses and employ a fleet of drivers under Oldham Council. In the future Oldham would utilise a hybrid model, opening the Dynamic Purchasing System under The Chest and tender the remaining Private Hire Taxi routes. This approach would:

- Remove daily pricing for all PSV/Adapted Vehicles
- Greater control of vehicle standards and passenger accessibility
- Quicker/leaner tender process
- Increase the number of staff employed by the Council
- Outlay of equipment, financial upkeep of the vehicles (PSV Standard Tests/MOT'S)

- Reduction in partnership working with Local Business  
At this stage a full financial breakdown has not been completed, meaning a cost analysis process will have to be undertaken. It is estimated this would cost in excess of £5 million.

RESOLVED – That:

1. The acceptance of the formation and opening of the Dynamic Purchasing System be approved.
2. A retendering exercise for the 200+ routes under the Dynamic Purchasing System via mini competition be approved.
3. Delegated authority be given to the Managing Director, Children and Young People in awarding the initial mini competition (200+ routes) and any subsequent mini competitions during the lifetime of the DPS.

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## **HOLIDAY ACTIVITIES AND FOOD PROGRAMME**

Consideration was given to the Managing Director, Children and Young People which sought approve acceptance of the Holiday Activities Food (HAF) funding and implementation, including payment terms for providers and creation of dedicated delivery team via fixed term posts, covering the 3 years confirmed programme 2022/23, 2023/24, 2024/25.

The Department for Education (DfE) made funds available to every local authority in England to coordinate free holiday club/activity provision, including healthy food and enriching activities, for children receiving benefits-related free school meals for the Easter, Summer and Christmas holidays in 2021. Following the success of the HAF programme in 2021, the Chancellor confirmed in October that the programme will continue in all local authorities in England for the next three years, with funding of over £200m each year. This new funding covers the length of this spending review period – 2022-23 to 2024-25.

Oldham Council had been allocated £1,458,050 from the DfE to deliver the Holiday Activities and Food programme (HAF) in 2022/2023 and would receive additional allocations for the programme in 23/24 and 24/25.

With the funding confirmed 3 years, a 3-year delivery programme would be developed building on the processes established in the pilot year 21/22. With appropriate staffing resources to ensure the Council can meet its ambition to ensure eligible children and young people across Oldham have access to a diverse range of exciting holiday clubs and activities, offering a blend of borough-wide and more locally based activities.

To establish the programme delivery there were a number of decisions for consideration.

### Payment terms for providers

Payment terms of the grants to delivery partners. It was recommended that based on the processes previously agreed in the pilot year the Council would continue to have a tiered payment process based on the value of the grant being awarded to the provider.

- Awards under £20k will be paid in advance



- Awards over £20k will be paid 75% in advance and 25% on completion.

#### Recruitment of dedicated HAF programme staffing

There was a requirement within the Department for Education programme guidance that each local authority appointed a HAF coordinator/manager alongside having sufficient staff who are dedicated to work on the HAF programme all year round. Local Authorities were able to use 10% of the allocated funding for administration costs, this included staffing costs.

It was proposed that to ensure the HAF programme to be sufficiently staffed, 2 fixed term post for the 3-year delivery programme be created One full time programme manager (NJC - grade 8) and one programme coordinator 22 hours (NJC grade 6).

#### Option/alternatives considered

##### Payment terms for delivery providers.

Option 1 -To pay all providers in advance of delivering their holiday activities and food provision. This would allow adequate funding for activities to be delivered by small providers with limited reserves. This option presents a level of risk to the council and there is potential for needing to claw money back if they fail to deliver in full.

Option 2 - To have a tiered payment process based on the value of the grant being awarded to the provider.

- Awards under £20k will be paid in advance
- Awards over £20k will be paid 75% in advance and 25% on completion.

This option allows us to balance the need of small providers with the risk presented to the council. It should also be noted that the majority of these providers are known to the council.

Option 3 - To pay all providers on completion of delivering their Holiday Activities and Food provision. This option provides maximum security to the council but will exclude a large number of providers from taking up the HAF grant and will ultimately limit the provision we are able to make available for our children and young people.

##### Recruitment of HAF programme team

Option 1 -To not recruit a dedicated team for the management and delivery of the HAF programme.

This option would mean we are not fulfilling the DfE guidance for the programme and would not have sufficient staffing resource for delivery the programme in Oldham.

Option 2 - To recruit one HAF manager and 1 HAF coordinator to lead delivery of the programme for the 3 years commitment to the programme

This option allows us to ensure the effective management and delivery of the programme over the 3 years.

#### RESOLVED – That:

1. The acceptance of the DfE funding for the Holiday Activities and Food Programme be approved.
2. A tiered payment process based on the value of the grant being awarded to the provider be approved.
  - Awards under £20k will be paid in advance



- Awards over £20k will be paid 75% in advance and 25% on
3. The recruitment of a manager and coordinator for the programme delivery – fixed term for 3 years be approved.

13

### PRIORITY PROGRAMME FUND - VCFSE SUPPORT

The Cabinet gave consideration of a report of the Assistant Director for Youth, Leisure and Communities which sought approval to allocate grant funding from the Priority Programme Fund (PPF), renewing all grants for one year (22/23) and extending the grant to Action Together CIO for three years to enable them to provide voluntary sector infrastructure support, including intensive and specialist organisational development, in Oldham for three years 2022-25.

The Council had for a number of years, funded a range of voluntary, community and faith and social enterprise (VCFSE) sector organisations through its Priority Programme Fund (PPF). For the past three years, the CCG have also made a £50,000 contribution to this fund, to mitigate the impact of the 10% saving applied to this budget in 2019/20. The fund has had three main strands, alongside supporting a small number of community events:

- Voluntary Sector Infrastructure
- Community Centres and Organisations
- Legal and Advice Services

#### Voluntary Sector Infrastructure

Action Together provided the voluntary sector infrastructure support in Oldham and also provided VCFSE infrastructure support in both Tameside and Rochdale. They also play a prominent role in the leadership of the sector at a Greater Manchester level through 10GM and the GM VCFSE Leadership Group which champions the role of communities in devolution. Action Together having an influential voice within these forums enables Oldham’s co-operative ambition to influence across the GM city region.

#### Community Centres and Organisations


Oldham Credit Union, Werneth and Freehold Community Development Project and Greenacres Community Centre, Oldham Interfaith Forum,

#### Legal and Advice Oldham

Citizens Advice Oldham

The total grant awards that were recommended to the Cabinet were:

Grantee	Grant	Award	Funding Source
Action Together	VCFSE Infrastructure	£270,500	PPF
Action Together	Emergency Response Volunteers	£65,000	COMF
Greenacres Community Association	Community Centres & Organisations	£32,000	PPF
Werneth & Freehold CDP	Community Centres & Organisations	£32,000	PPF

Oldham Credit Union	Community Centres & Organisations	£36,000	PPF	 <b>Oldham</b> Council
Oldham Interfaith Forum	Community Centres & Organisations	£36,000	PPF	
CAB	Legal & Advice Services	£260,000	PPF	
CAB	Uplift for Covid19 Recovery	£48,200	COMF	
<b>Total Grants Awarded</b>		<b>£779,700</b>		
Shortfall in PPF Funds		£35,000	COMF	
Remainder (available to support the community events identified if required)		£15,440		

Options/alternatives considered

Option 1 – Decommissioning, this was not a viable option because there would be a loss of support and infrastructure to the VCSFE sector in Oldham

Option 2 – Renew all grant agreements for one year. This option would reduce the ability of Action Together to plan resources strategically over the medium term

Option 3 – Renew the infrastructure Grant Agreement for 3 years 2022-2025 and all other grants for one year 2022-2023 and undertake a full VCSFE review.

RESOLVED – That

1. The VCFSE infrastructure grant to Action Together be renewed for a period of three years (2022-25).
2. The remaining grants awarded through the Priority Programme Fund be renewed for one year (22/23)
3. COMF funding was allocated to ensure that there was sufficient budget to enable all grants to continue at the level previously funded (21/22) and avoid grant reductions at a time when all of the organisations funded make a significant contribution to supporting Covid19 response and recovery
4. A full review of VCFSE sector commissioning is undertaken, which included the Priority Programme Fund grants within this wider context and gave consideration to the appropriate value and term of any future agreements.

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**VCFSE INVESTMENT FUND (COVID19 RECOVERY**

The Cabinet gave consideration to a report of the Director of Public health which sought approval to allocate £648,000 of Contain Outbreak Management Fund (COMF) monies to the previously established single grant for the Voluntary, Community, Faith and Social Enterprise sector (VCFSE) in Oldham, known as the ‘One Oldham Fund’. This investment would support the sector’s resilience to enable key VCFSE organisations to remain viable to continue to deliver the ongoing Covid19 response and to contribute to the delivery of Oldham’s Covid Recovery Strategy priorities.

The Covid19 crisis had a direct and significant impact on the Voluntary, Community, Faith & Social Enterprise (VCFSE) sector in Oldham. The crisis has precipitated a rise in demand for services delivered by the sector, reduced their ability to



generate income and left many community groups and organisations having to radically redesign their delivery or cease activity for some time. The sector has equally been a critical partner in delivering the Covid19 response work across Oldham's communities and has provided a significant leadership role at all levels of Oldham's coordinated response.

At the outset of the pandemic action was taken to support the sector. The Council and CCG in Oldham committed to allowing the sector to be creative with existing public sector funds and resources, and to easing monitoring and reporting deadlines, the Council also offered a route for VCFSE suppliers to request relief and for grant holders to make contact.

Action Together launched a quick response grant fund to help local groups and charities access immediate funding and support, as well as a public fundraising drive to help raise money, so that groups and charities could help local people struggling through the crisis. To date the quick response fund has raised £89,025 through a contribution from the Action Oldham Fund, public fundraising, GM grants and local business donations. Subsequently a further £170,000 was pooled from Thriving Communities Fast Grants, Standing Together and Oldham Housing Providers funds into the Covid19 Response Fund. To date grants have been awarded to more than 150 organisations through this fund to support Covid19 response. In addition, during the pandemic Oldham has been awarded funds through the MHCLG Community Champions fund and the DEFRA Emergency Assistance grant a proportion of which have been used to invest in VCFSE organisations to deliver Covid19 related engagement activities and humanitarian aid respectively. Action Together have also supported groups to access external funding throughout the pandemic.

These funds had been vital in enabling the sector to play an integral role in the Covid19 response in Oldham. However, often funding would cover new and additional costs, which could still leave some organisations drawing on reserves to cover core costs where income is reduced or with fewer options if they are unable to operate fully during the crisis although they may have a vital role in supporting the recovery within our communities. From a position of operating at historically low levels of reserves pre-Covid it is likely that coming out of the crisis the VCFSE sector would be less resilient than coming into the crisis. However, their services and activity are critical if we are to respond to the impact of the crisis on levels of poverty, food insecurity, mental health and wellbeing, domestic violence, social isolation and physical health.

A thriving and sustainable VCFSE sector is essential to the delivery of the ambition set out in the Oldham Plan and Locality Plan. Thinking differently about our investment to the sector is a key component of this, and through the Thriving Communities work prior to Covid19 consideration had been given to the role of a strategic VCFSE investment fund for Oldham as a vehicle for transforming our approach. The establishment of such a fund was also a recommendation of the recently published evaluation of the Thriving Communities programme. A single strategic fund would consist of:

- Pooled resources to invest strategically with joint investment principles and governance
- Invest to deliver shared outcomes aligned to key priorities
- Single brand, single process, one approach to evidencing impact
- Aligned support capacity e.g., community development, evaluation
- Alignment of investment to wider priorities e.g., place-based working, Covid19 recovery strategy

The use of COMF funding to invest in the VCFSE to support Covid19 recovery according to the same principles can act as a stepping stone to establishing a strategic investment fund.

Beyond this financial year (and the COMF funding allocation) the investment fund could provide a focus for external funding and an opportunity to drive innovation and grow the sector.

This report proposed that a further £648,000 of COMF funding is used to extend the One Oldham Fund for 22/23. This would equate to a total of £1.11m investment over 21/22 and 22/23.

When the decision was made to extend the funding in January 2022 this was done based on previous government requirement for funds to be allocated before 31<sup>st</sup> March 2022, so funds were awarded in anticipation of awarding micro and small grants to be spent in that time period. As the period over which COMF funds can be spent has been extended until 31<sup>st</sup> March 2023 it provides an opportunity to award larger grants which can be spent over a year and provide some longer-term stability for organisations.

The proposal to allocate COMF funding to a single grant investment fund for Oldham was built upon work that the Council and Action Together have been developing through the Thriving Communities Programme, 10+ years' experience of making grant investment to the VCFSE and learning and insight gained throughout the last 12 months of delivering Covid Response grant investment to the VCFSE.

The anticipated costs were detailed below:

Amount	Purpose	Allocation to
£580,000	Grant funding to be invested in the VCFSE up until 31 <sup>st</sup> March 2023	Oldham's VCFSE Via Action Together / Investment Board
£33,000	Investment to maintain capacity to deliver investment fund	Action Together
£35,000	External evaluation of impact of the investment and the development of a framework for ongoing impact measurement of the single investment fund	TBC

Options/alternatives considered

Option 1 – No investment is made to One Oldham Fund from COMF

This was not regarded as a viable option this would significantly impact on the VCFSE sector's ability to contribute to Oldham's Covid19 recovery strategy, as well as on the sustainability of organisations in the sector over the next 12 months.

Option 2 – £648,000 is awarded to One Oldham Fund from COMF

This option is recommended to ensure continued role of VCFSE sector in Oldham's Covid19 response and effective contribution to the recovery strategy and key outcomes. This investment will also benefit the sustainability of the sector over the short to medium term and provide a framework and learning for future strategic investment in the sector.

Option 3 – A smaller investment is made to One Oldham Fund from COMF

This option may be required if there were wider demands on the COMF funding. In this case a smaller investment fund could be established based on the same principles and investment framework. The option is not recommended as it will mean funding will not reach the breadth of organisations required and therefore will have more limited impact on key Covid19 recovery outcomes, and on the sustainability of the sector overall.

RESOLVED – That £648,000 is awarded to One Oldham Fund from Contain Outbreak Management Fund (COMF).

15

## **REQUEST FOR APPROVAL TO COMMISSION PROVISION OF THE OLDHAM HEALTH CHECK**

Consideration was given to a report of the Managing Director, Community Health and Adult Social Care which sought approval to extend the current contract for Oldham's Health Checks which expires on 31/03/2022.

This report requested an extension until 30/06/2022 to cover procurement timelines and outlined a proposal for the new service specification which would form the basis of the new five year Health Check contract.

It was reported the Oldham Health Check was Oldham's approach to delivering the nationally mandated NHS Health Check service which Oldham Council commissions from the Public Health budget. Health Checks involved residents being asked a series of health and lifestyle related questions and a series of tests being performed. The aim is to identify those who are at a higher risk of developing heart problems so that preventative action can be taken.

Residents aged 40-74 who haven't already been diagnosed with certain conditions are eligible for a Health Check every 5 years; the national target is for 75% of eligible residents to receive their Check every 5 years.

Most GP practices in Oldham provide Health Checks, as well as three pharmacies. The current budget for Health Checks in Oldham is £138,000 per year. This budget is enough to provide checks for 45% of the eligible population every five years based on the current price commissioned per Health Check.

It was proposed that £1,500 of the £138,000 budget was retained for training and communications to promote Health Checks, the remaining £136,500 would be retained for delivery.

Oldham Council also pays £32k/year to EMIS to access the system; shared EMIS access with the CCG is being explored which could mean that £32k/year is saved.

Various engagement has taken place to inform the new service specification. This engagement, as well as our priorities as a borough and our knowledge of how Health Checks have worked in the past, has informed the five priorities for the Health Check programme going forward:

- 1) Reducing health inequalities
- 2) Targeting residents at highest risk of cardiac events
- 3) Commissioning for improved outcomes
- 4) Focus on Mental Health within the Health Check
- 5) Focus on Diabetes within the Health Check

Aligning with these priorities, colleagues were asked to consider the key changes to the Oldham Health Check contract outlined in detail in this report, and summarised below:

- **Prioritising patients based on their risk** – this report outlines an approach whereby patients will be prioritised for their Health Check based on their existing cardiovascular risk score and/or lifestyle factors such as smoking and BMI. Evidence suggests this improves the effectiveness and cost effectiveness of the Health Check Programme. Military veterans and asylum seekers aged 18 and above will also be prioritised for the Health Check given they are more likely to experience health inequalities.
- **Model of Delivery** – while many GP practices will want to deliver the Oldham Health Check individually, the contract will give practices the option to apply as a consortium of practices or as a PCN. Payments will be made quarterly in advance (except for quarter 4, see below) to allow providers dedicated resources to deliver the Health Check programme.
- **Commissioner rather than provider led volumes and prioritising funding for our more deprived areas** – currently the number of Health Checks delivered is determined by how many providers want to provide. The new specification will include target volumes for provider, with our most deprived areas having higher targets to help reduce health inequalities in these areas. This arrangement will mean providers in our more deprived areas receiving the biggest share of the annual Health Check budget.
- **Incentivising quality** – the current contract provides no incentives to provide a quality Check and quality follow up (e.g. referral to Your Health Oldham). The new contract will hold back the fourth quarter payment to providers and only pay this if a number of targets linked to quality are met.
- **Questions about patient's Mental Health** – given the importance of mental health in the borough, particularly since Covid-19, four questions are to be added to the Health Check which ask about a patient's mental health.

Provider staff will receive training to support this and a pathway for onward support is in development.

- **Onward referrals and integrating Your Health Oldham** – there were no accurate Oldham data on the number of onward referrals for lifestyle support after a Health Check, but based on experience from other regions, this number is expected to be low. The new specification will emphasise the importance of onward referral and provider training will include a shift in language towards a default to refer to onward support where certain conditions are met.
- **Improving our data and reporting** –The service specification would outline a range of metrics which will be collected to help drive improvements in outcomes from Health Checks.

Options/alternatives considered

Option 1 - Agree to extend the existing the current Health Check contract which is due to expire on 31/03/2022 for a period of 3 months to 30/06/2022 to allow time for the procurement process to be complete.

Approve the request to proceed to market for the procurement of the Oldham Health Check for a contract length of 3 years + 2; 5 years in total for a value of £682,500 (£136,500 per year for 5 years).

Delegate authority to the Director of Public Health, in consultation with the Cabinet Member for Health and Social Care, to approve the recommendation of the evaluation panel, in accordance with the results of the procurement exercise (based on quality, social value and financial modelling), on behalf of Oldham Council.

Agree on the suggestions outlined in this paper for changes to the new Oldham Health Check contract in Oldham from 2022.

Option 2 - Continue to procure Health Checks by replicating the existing contract.

RESOLVED – That:

1. The existing Health Check contract which is due to expire on 31/03/2022 be extended for a period of 3 months to 30/06/2022 to allow time for the procurement process to be complete.
2. The request to proceed to market for the procurement of the Oldham Health Check for a contract length of 3 years + 2 years; 5 years in total for a value of £682,500 (£136,500 per year for 5 years) be approved
3. Delegated authority be given to the Director of Public Health, in consultation with the Cabinet Member for Health and Social Care, to approve the recommendation of the evaluation panel in awarding the provider contracts, on behalf of Oldham Council.

In March 2018, Greater Manchester (GM) secured 25% of the UK Local Full Fibre Network (LFFN) funding pot, offered by the Department for Culture Media and Sport (DCMS), to connect over 1,600 public sector sites across GM.

The LFFN Programme is expected to have a transformational impact on digital infrastructure in GM - leading to an increase in full fibre coverage throughout Greater Manchester.

Each of the public sector organisations that are part of the LFFN anchor tenancy programme operate a “Wide Area Network” (WAN). The Oldham Council “WAN” provides network services for all Council, Unity Partnership, Miocare, CCG staff who operate from a Council building / asset and the public at Oldham Council Libraries, Access Oldham, Oldham Tommyfield Market.

Oldham Council WAN services are currently procured from four major telecoms companies and include both infrastructure and services. Recognising that LFFN is providing a shared fibre infrastructure, in 2020; Oldham Council with several other partners considered the option for jointly procuring a new “WAN” service across the fibre infrastructure for their own organisational needs to take advantage of economies of scale. Consequently, the principal drivers for the creation of a GM One Wide Area Network were identified as being to:

- Consolidate and reduce the total costs of ownership of WAN services procured from other telecom companies.
- Support GM to become a globally recognised digital city region.
- Realise the benefits of the Local Full Fibre Network investment.

Oldham Council alongside TfGM and three other Local Authorities have collaborated in a GMCA led procurement process to assess the costs and effort to “light up” and provide network services for 1,600 sites throughout GMCA including 71 Oldham Council buildings and assets and to identify a preferred bidder to deliver the GM One Network.

The procurement exercise was now complete, a preferred supplier has been identified for the Greater Manchester One Network to deliver the Wide Area Network services for Oldham Council; GMCA including GM Fire & Rescue, GMCA/TFGM Urban Traffic Controls Signals and select TFGM sites, and Stockport, Bury and Rochdale Councils.

The installation of the LFFN fibre network was expected to be completed April 2022; the next steps will be to “light the fibre” network infrastructure; migrate Council buildings to the new optical high-speed network and decommission legacy network services. Options /alternatives considered

Option 1 - Do nothing and stay “as is”.

With this option, the Council would make no use of the LFFN infrastructure at the 71 LFFN sites.

Option 2 - Subscribe to the GM One WAN service.

With this option, the Council would subscribe to the GM One service to make

use of the LFFN infrastructure at the 71 sites. Oldham Council would not own the network equipment.

Option 3 - Contract with the Council's Current Network Partner. With this option, the Council would contract with their current network partner to make use of the LFFN infrastructure at the 71 sites. The Council would own all the equipment and the current network partner would provide a managed service including maintenance.

RESOLVED – That the Council would consider the commercially sensitive information contained at Item 23 of the agenda before making a decision.

17

**2022 CONTRACT AWARDS FOLLOWING TENDER PROCESS FOR HEALTHWATCH OLDHAM AND NHS INDEPENDENT COMPLAINTS ADVOCACY SERVICES**

The Cabinet gave consideration to a report of the Managing Director Community Health and Adult Social Care which sought approval to award contracts for the provision of Healthwatch Oldham and the NHS Independent Complaints Advocacy Services.

The report also requested approval to extend the current contract provision with the existing providers for Healthwatch Oldham and the NHS Independent Complaints Advocacy for up to two months to allow for incumbent provider/s to implement the new contracts and allow for any Transfer of Undertakings (Protection of Employment) (TUPE) implications.

Under the Health and Social Care Act 2012, Local Authorities are mandated to provide local Healthwatch and NHS Independent Complaints Advocacy Services. These services do not have to be provided by the same organisation but must work together for the benefit of the local population.

The current contracts for both services expire 31<sup>st</sup> March 2022 with no provision to extend. An open tender exercise has been conducted, with recommended providers for services for the period 2022/23 – 2029/30 (with break clauses at year 3 and 5). Local authorities have a statutory duty to commission a local Healthwatch organisation, which in turn has a set of statutory activities to undertake, such as gathering local views and making these known to providers and commissioners, monitoring and scrutinising the quality of provision of local services, and a seat on the local Health and Wellbeing Board. The Health and Social Care Act 2012 requires all local authorities with adult social care responsibilities to “make such arrangements as it considers appropriate for the provision of independent advocacy in relation to its area” in the provision of assistance for individuals making or intending to make an NHS complaint.

Action Together has delivered the Healthwatch Oldham and NHS Independent Complaint Advocacy services since 2014 and 2016 respectively. The last competitive tendering process took place in 2017, with new contracts commencing 2018/19.

Over recent years, reviews on local Healthwatch services have taken place, most relevantly across Greater Manchester with the aim of seeking to commission consistently. Both commissioners

and service providers regularly attend the Greater Manchester sessions and it has been integral for updating service specification and monitoring of the services being delivered. Action Together currently delivers Oldham's Local Healthwatch service and the NHS Independent Complaints Advocacy Service, therefore fulfilling Oldham Council's statutory functions as established in the Health and Social Care Act 2012, outlined in paragraph 1.1 above.

The current contract price for Healthwatch was £138,700 per annum and the Independent Complaints Advocacy is £28,500 per annum. The budgets are currently funded via Oldham's allocation to the Better Care Fund (BCF) and engagement has taken place with NHS Oldham CCG on the tenders for the services. Working alongside local commissioning authorities the financial envelopes for both Healthwatch and NHS CAS services are comparative. It was also worth noting that the last time the services were commissioned (in 2018) a small reduction was applied to the financial envelopes. Prior to market engagement, a sustainability test was undertaken for the service delivery, this found the current financial envelopes to be sustainable for providers to continue to deliver.

The current contract would expire on 31<sup>st</sup> March 2022 with no further provision to extend. To enable an incumbent provider adequate time to implement the new contract and any TUPE implications an additional two months are requested to enable successful incumbent providers to implement the contract/s successfully.

An Open Tender Exercise (ITT) was undertaken in accordance with Oldham Council's Contract Procedure Rules and Public Contracts Regulations 2015. The tender was divided into 2 Lots; Lot 1, Healthwatch and Lot 2 NHS Independent Complaints Advocacy.

Lot 1 – Healthwatch (financial envelope of £135,000 per annum or £945,000 for up to seven years; please note break clauses at years three and five).

One bid was submitted;

- Provider A - £974,400.00 (seven years).

Lot 2 - NHS Independent Complaints Advocacy (financial envelope of £28,000 per annum or £196,000 for up to seven years; please note break clauses at years three and five).

Two bids were submitted;

- Provider B – £196,000.00 (Seven Years)
- Provider C – £193,228.75 (Seven Years)

The sole bidder for Lot 1 was Provider A receiving a score of 71.00% and the highest bidder for Lot 2 was Provider C receiving a score of 76.24%.

Options/alternatives considered

Option 1 - Approved to award the contracts on the basis of the tender exercise for Healthwatch Oldham and NHS Independent Complaints Advocacy.

Option 2 - Do not approve to award the contracts on the basis of the tender exercise for Healthwatch Oldham and NHS Independent Complaints Advocacy.



RESOLVED – That the Cabinet would consider the commercially sensitive information at Item 24 before making a decision.

18

### **COVID-19 GRANTS FOR ADULT SOCIAL CARE**

The Cabinet gave consideration to a report of the Managing Director of Community Health and Adult Social Care which sought to update Cabinet on delegated decisions made in respect of various short term government grants received to support the Adult Social Care sector during the Covid pandemic, and to seek retrospective approval for the utilization of the funding.

The report set out the various short term government grants received by the local authority to support the adult social care sector respond to the Covid-19 pandemic. Ten different grants totalling £12,476,907 had been received between May 2020 and February 2022, each with their own conditions, reporting requirements, prescribed and discretionary amounts and different applicable time periods. Of this amount, £5,731,499 was received in the 2020/21 financial year and £6,745,408 in the current financial year, with a clear expectation-and for the prescribed elements, direction- that funding was distributed to independent sector adult social care providers operating in Oldham. Clarity was given in the grant conditions that the funding could not be used to offset existing planned expenditure or financial pressures within the local authority.

Grant conditions included distribution within 20 days of receipt, and prescription as to utilization and recipients. Therefore, decisions related to each grant were made by the Cabinet Member for Health and Social Care, in consultation with the Director of Adult Social Services and the Section 151 Officer, both of whom have been required to provide assurance statements to Department of Health and Social Care to confirm compliance with the various grant conditions.

All organisations in receipt of funding were issued with detailed grant conditions and links to the government guidance, including confirming the requirement to return any unspent funds, and acknowledgement that any funding found to be used not in accordance with the grant conditions would be required to be repaid.

Funding recipients had also been required to complete detailed expenditure reports to the Commissioning and Quality Service at intervals consistent with the returns required to DHSC, and to retain evidence of expenditure should this be required for audit purposes.

It was not clear at this stage whether any further grant funding for the sector will be announced.

During the Covid-19 pandemic, and in response to the challenges experienced in the adult social care sector as a consequence of high rates of transmission amongst vulnerable adults with care and support needs and within the workforce, the Department of Health and Social Care (DHSC) has issued a number of short-term grants to local authorities for the benefit of the wider social care sector.

Grant conditions included distribution within 20 days of receipt, and prescription as to utilization and recipients. Therefore,



**Oldham**  
Council

decisions related to each grant were made by the Cabinet Member for Health and Social Care, in consultation with the Director of Adult Social Services and the Section 151 Officer, both of whom have been required to provide assurance statements to DHSC to confirm compliance with the various grant conditions. All relevant reports have been listed as background papers at paragraph 20 of this report. Each report contains a link to the relevant grant conditions published on the DHSC website.

It is worth noting that each grant was issued for a specific purpose, with its own reporting requirements, grant conditions, mandated elements and discretionary elements, and as such each grant was required to be treated individually and processed accordingly.

The table detailed within the report summarised all short-term grants received by the local authority to support the adult social care sector to deal with the impact of the Covid-19 pandemic to date, and the allocations of the discretionary elements of the grants. It is worth noting that whilst there were discretionary elements of funding to some of the grants, the grant guidance gave a very clear steer as to how DHSC considered these elements should be used, with a clear expectation-and for the prescribed elements, direction- that funding was distributed to independent sector adult social care providers operating in Oldham. Clarity was given in the grant conditions that the funding could not be used to offset existing planned expenditure or financial pressures within the local authority.

#### Options/Alternatives considered

The range of options and alternatives for the utilization of each grant were minimal given the prescriptive nature of the grant conditions, as summarized in the table above. Even where there was discretion as to how some elements of the grants were distributed, there remained prescription as to their use.

Where there were discretionary elements to the grants, consideration was given to the level of Covid-19 transmission amongst vulnerable adults and staff in adult social care services, vaccination and testing levels, infection prevention measures required in accordance with government and public health guidance, the workforce challenges being faced, and in consultation with the sector, the relative benefits of different options for utilization of the funding. Learning from previous funding rounds also informed decisions for the discretionary elements of grant allocations.

Further details related to each grant and the considerations given for utilization of the funding can be found in the delegated reports. This included providing funding to non-CQC regulated services, such as day services, personal assistants and housing related support providers, as well as unpaid carers.

**RESOLVED** – That the delegated decisions taken and outlined in the report made in respect of the various short term government grants received to support the adult social care sector during the Covid-19 Pandemic be endorsed.

**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.

20 **HOUSING DELIVERY STRATEGY**

The Cabinet gave consideration to the commercially sensitive information in relation to Item 7 of the agenda housing Delivery Strategy.

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

21 **DISPOSAL OF VACANT LAND AT DERKER, ST JAMES**

The Cabinet gave consideration to the commercially sensitive information in relation to Item 9 of the agenda - Disposal of vacant land at Derker, St James.

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

22 **DISPOSAL OF LAND AT SOUTHLINK**

The Cabinet gave consideration to the commercially sensitive information in relation to Item 10 of the agenda - Disposal of land at Southlink.

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

23 **OLDHAM COUNCIL LOCAL FULL FIBRE NETWORK (LFFN)**

The Cabinet gave consideration to the commercially sensitive information in relation to Item 16 of the agenda - Oldham Council Local Full Fibre Network (LFFN).

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

24 **2022 CONTRACT AWARDS FOLLOWING TENDER PROCESS FOR HEALTHWATCH OLDHAM AND NHS INDEPENDENT COMPLAINTS ADVOCACY SERVICES**

The Cabinet gave consideration to the commercially sensitive information in relation to Item 17 of the agenda - 2022 Contract Awards following tender process for Healthwatch Oldham and NHS Independent Complaints Advocacy Services

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

25 **COVID BUSINESS SCHEME**

The Cabinet gave consideration to a report of the Executive Director, Place and Economic Growth and the Director of Finance which sought to update the Cabinet on the Covid Business Scheme.

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

The meeting started at 600pm and finished 6.33pm





## COUNCIL

# Update on Actions from Council

**Portfolio Holder:** Various

**Officer Contact:** Director of Legal Services

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

**13<sup>th</sup> July 2022**

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### 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 16<sup>th</sup> March 2022.
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 16<sup>th</sup> March 2022.

**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 16<sup>th</sup> March 2022 are available online at: <http://committees.oldham.gov.uk/mgCommitteeDetails>
- 20 **Appendices**
- 20.1 Appendix 1 – actions taken following the Council meeting held on 16<sup>th</sup> March 2022.
- 20.2 Appendix 2 – Letters and other information received in response to actions approved at previous Council meetings.

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## Appendix 1

### Actions from Council - 16<sup>th</sup> March 2022

ACTION	ISSUE/RESPONSE	WHO RESPONSIBLE	DATE COMPLETED
Youth Council Motion: Safer Streets	Letters to be sent to the Council's Environmental Management Service requesting that they Secretary complete a review of the street lighting and CCTV that is used within the borough; to investigate if it possible and practicable, that existing lighting is changed to LED lights and CCTV is made as visible as possible; and, to investigate the possibility of installing LED lights in all new street lighting especially in the plans for the town centre	Chief Executive	17 <sup>th</sup> March 2022
Administration Motion: Tackling the Tories cost of living crisis	Letters to be sent to the Secretary of State for Business, Energy and Industrial Strategy, and to the Chancellor of the Exchequer.	Chief Executive	17 <sup>th</sup> March 2022
Opposition Motion 1: Fly Tipping	Letter to be sent to Greater Manchester Police.  Director of Environmental Management to update OMBC's enforcement strategy; to work with the newly recruited Environment Marshalls in each District to	Chief Executive and Director of Environmental Management Services	17 <sup>th</sup> March 2022

## Appendix 1

	produce a plan regarding clearing waste, and reporting fly tipping.		
Opposition Motion 2: Levelling Up	Letter to be sent to Chief Executive of the Greater Manchester Combined Authority and to the Chief Executive of Tameside MBC (regarding the Greater Manchester Pension Fund)	Chief Executive	17 <sup>th</sup> March 2022
Opposition Motion 3: Speed Cameras	Letters to be sent to the Safer Roads Greater Manchester Partnership, the Secretary of State for Transport and to the Chief Executive of the Greater Manchester Combined Authority.	Chief Executive	17 <sup>th</sup> March 2022
COVID-19 Update	<b>RESOLVED</b> - that the contents of the report be noted	Chief Executive	Council noted the report on 16 <sup>th</sup> March 2022
Update on Actions from Council	<b>RESOLVED</b> - that the actions regarding Motions and issues from the meeting of the Council on 16 <sup>th</sup> March 2022 be noted	Director of Legal Services	Council noted the report on 16 <sup>th</sup> March 2022
Appointment of Chief Executive	<b>RESOLVED</b> - that Council confirm the recommendation of the Appointments Committee to appoint Harry Catherall as Chief Executive and Head of Paid Service (including as Returning Officer and Electoral Registration Officer) for a three-year period from 1 <sup>st</sup> April 2022	Director of Legal Services	Council approved the report on 16 <sup>th</sup> March 2022

## Appendix 1

Annual Reports	<b>RESOLVED</b> – that Council notes the Member Annual Reports 2021	Director of Legal Services	Council noted the report on 16 <sup>th</sup> March 2022
Adoption of the Public Health Act 1925 Concerning Naming of Streets	<b>RESOLVED</b> - that the Council adopts sections 17 and 19 of the Public Health Act 1925 relating to the naming of streets within the Borough, with effect from 1st May 2022, to ensure that the Council has the legal power to operate a street naming policy.	Director of Environmental Services	Council approved the report on 16 <sup>th</sup> March 2022

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

30<sup>th</sup> March 2022

Dear Harry

**Re: Oldham Council Resolutions**

Thank you for your letter regarding the resolution of Oldham Council on Levelling Up, debated at its meeting on 16<sup>th</sup> March 2022.

The resolution rightly notes the excellent job which Oldham and other boroughs across Greater Manchester did in providing support for their communities and businesses during the Covid lockdowns. Despite the fact that the costs of the pandemic were not fully covered, Oldham and other councils managed to deliver grants to thousands of businesses across Greater Manchester to sustain them. While we did not have the resources to support every business to the extent we would have liked, I am proud of what our councils were able to achieve.

As the resolution says, you have an impressive record of bringing investment to Oldham. I was delighted that the Combined Authority has been able to work with you on the Brownfield Housing Fund and through the Evergreen investment in delivering Broadway Green. We will continue to support your work through our Delivery team bringing development of housing projects forward, as well as continuing the direct support from our Culture team into the Council to support your town centre regeneration plans. I know that our teams are also continuing to develop the detail of how a Mayoral Enterprise Zone for Oldham could work in practice.

The Council's commitment to work with us on the Greater Manchester trailblazer devolution negotiation which the Government announced in the Levelling Up White Paper is very welcome. I look forward to working closely with you on that both in your role as the Green City Region portfolio lead for Greater Manchester and to ensure that the opportunities and requirements of Oldham are embedded in the process. The 12 Levelling Up missions mentioned by the Council have a strong overlap with the Shared Commitments recently agreed in the refreshed Greater Manchester Strategy. Thanks again for the input provided by your officers and other partners across Oldham into that Strategy. It provides a strong basis for the trailblazer discussions.

There is also an opportunity, following the excellent work of the Oldham Economic Review Board, to use the Innovation Greater Manchester network – including the Innovation Accelerator which was announced by the Government in the Levelling Up White Paper - to support the wealth of ideas, entrepreneurial activity and small business start ups across Oldham. I know that colleagues at Oldham Borough Council and the Combined Authority are already in touch on that.

Finally, we would be happy to continue to work with you to better utilise data and information on skills from Government, building on the links our teams already have to provide labour market intelligence through the Skills Observatory, providing system stewardship for apprenticeships and technical education, and direct support for businesses and residents through devolved programmes, including Adult Education Budget, National Skills Fund and Working Well. This joint working can help to deliver a cohesive labour market system where: young people leave education and training ready to succeed in the labour market; adults can acquire the skills, mindset and support they need to fulfil their career potential and adapt to changing employer needs throughout their lives; and employers have access to a system that is flexible, resilient and adaptable, and which meets their needs.

Thank you again for passing on the Resolution and if there is anything we can do to assist with your requests to Government then do let us know.

Yours sincerely



Eamonn Boylan  
Chief Executive  
**Greater Manchester Combined Authority &  
Transport for Greater Manchester**



**STRICTLY PRIVATE & CONFIDENTIAL**

By email: [harry.catherall@oldham.gov.uk](mailto:harry.catherall@oldham.gov.uk)

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

**Cllr Brenda Warrington**

**Chair of the Greater Manchester Pension Fund**

Guardsman *Tony Downes* House

5 Manchester Road, Droylsden

Tameside, M43 6SF

Tel: 0161 301 7151

Fax: 0161 301 7001

Email: [Brenda.Warrington@tameside.gov.uk](mailto:Brenda.Warrington@tameside.gov.uk)

Website: [www.gmpf.org.uk](http://www.gmpf.org.uk)

Date: 30 March 2022

Dear Mr Catherall,

**Oldham Council Resolution - Levelling Up**

Thank you for your letter of the 17 March 2022 including the Levelling-Up Resolution proposed by Councillor Lancaster and seconded by Cllr Woodbine amended by the Leader of the Labour Party which was carried and moved without debate at your Council meeting on the 16 March 2022, which you have referred to Tameside Council for a response.

I assume in this regard you are only referring to resolution 2 and in particular:

*Continue to align with the UK Government's ambition for Local Government Pension Funds to increase asset investment in projects which support local areas and work with Tameside Metropolitan Borough Council and all other relevant stakeholders to ensure this ambition is realised with the Greater Manchester Pension Fund in our Borough.*

You will be pleased to note we discussed this at the Pension Fund meeting of the 18 March 2022 and in particular where I made the following statement, which can be found on our website: [Greater Manchester Pension Fund - Management/Advisory Panel - Friday, 18th March 2022 at 10:00am - Tameside Webcasting \(public-i.tv\)](#):

*As many of you will be aware the Department for Levelling Up, Housing and Communities published its white paper on levelling up. Amid a sweeping range of policies aimed across government departments, it asked LGPS funds to set out plans for investing up to 5% of their assets in projects that support domestic initiatives.*

*It noted that only a few funds have so far invested with a local, place-based lens. I am pleased to say it recognised that the Greater Manchester Pension Fund already invests 5% of its assets in local projects across Greater Manchester and GMPF was the only fund to be at this threshold, and to have such a place-based allocation.*

*The government's levelling up paper also cited the influence of the GLIL Infrastructure platform, which GMPF established together with the Northern and Local Pensions Partnership Investments and LGPS asset pools. By way of a reminder, GLIL has invested around £2.5billion - which includes £800 million of GMPF's commitments. Investments include Anglian Water, Forth Ports and Clyde Wind Farm.*

*Nevertheless - whilst I am sure we can all be proud we are leading the way - we reminded government of the hierarchy of our responsibilities, with investment performance to pay our pensioners our main priority - and that there will be numerous priority levelling up schemes that would be too risky for the Fund to consider even though they are necessary to the economy – these will therefore require the injection of government funding to level up our areas not pensioner's money.*

*That said it is pleasing that over the last decade, we have invested nearly a billion pound alone in just property infrastructure in Greater Manchester usually as a catalyst for improving the economy and looking to lead the way on carbon efficient buildings.*

*As you know being a responsible investor is really important to GMPF. We strive to make decisions and create policies that reflect our commitment to investing in the best interests of all our stakeholders and wider society.*

*I was proud to announce that last year GMPF was one of the first funds to be approved as a signatory to the Financial Reporting Council's UK Stewardship Code 2020. Additionally, to announce that at the end of last year, the 2021 RAAI Leaders List of the 30 most responsible asset allocators ranked GMPF as 35 in the world of most responsible investors. This was out of a group of the top 634 asset allocators across 98 countries with 36 trillion US dollars in assets. We scored an impressive 96 out of a potential 100 to achieve this rating.*

*We continue to strive to be a top leader in the area of pension fund stewardship whilst we aim to ensure low cost, sustainable and responsible pensions*

The evidence and research that the Levelling Up White Paper is based upon comes from a white paper produced by the Good Economy Project, Impact Investing Institute and Pensions for Purpose who joined forces to produce a report on place-based impact investing that can mobilise capital to help build back better and level up the UK.

The report, which was published in May 2021, and which we discussed at our 17 July 2021 Management meeting attended by Cllr Abdul Jabbar your representative on the Fund found that GMPF is the only LGPS fund to have an approved allocation to invest up to 5% of its total assets locally to achieve this.

You can read the report here: [Place-based-Impact-Investing-White-Paper-May-2021\\_2021-05-29-090621.pdf](https://www.thegoodeconomy.co.uk/wp-content/uploads/2021/05/Place-based-Impact-Investing-White-Paper-May-2021_2021-05-29-090621.pdf) ([thegoodeconomy.co.uk](https://www.thegoodeconomy.co.uk))

We thank you for your interest in this matter and taking the time to raise with us and we look forward to continuing to deliver our twin aims whilst investing locally in Greater Manchester of good returns to ensure low cost sustainable pensions; and supporting the economy and in particular achieving this in Oldham. However, as we have pointed out to Government this cannot be at risk to the taxpayer and any projects we invest in must be institutionally investable as we are not a grant based body and must make a commercial return.

I trust this addresses your enquiry.

Yours sincerely,



**Cllr Brenda Warrington - Executive Leader of Tameside Council – Administering Authority  
Chair of the Greater Manchester Pension Fund**

**CC - Cllr Abdul Jabbar Oldham Representative on GMPF Management Panel -  
abdul.jabbar@oldham.gov.uk**



Harry Catherall  
Chief Executive  
Oldham Council  
Civic Centre  
West Street  
Oldham  
OL1 1UG

Our ref: EB/JB/do

25 March 2022

Email: [harry.catherall@oldham.gov.uk](mailto:harry.catherall@oldham.gov.uk)

Dear Harry

## **OLDHAM COUNCIL RESOLUTION ON SAFETY CAMERAS**

Thank you for writing to us on the matter of safety cameras and for Oldham's ongoing support for safety camera operations in general across the highways network. I will deal with your specific questions in the order set out in your letter.

***1. Write to the Safer Roads Greater Manchester Partnership and the Westminster Government to update the criteria for speed cameras, making it easier to install cameras where there is evidence to do so including community demands, without having to wait for serious injuries or deaths to occur.***

It is probably worth explaining where the criteria GM uses for determining where safety camera locations comes from and why. In 2020, Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) undertook a full inspection of roads policing nationally. The DfT Circular (which sets out the criteria for when speed cameras should be used) was referenced within that inspection report, with a recommendation that all Chief Constables ensure that their force comply with the Circular, with immediate effect. The response provided from Greater Manchester outlined that Greater Manchester Police (GMP) remained compliant with that recommendation. The Inspection also identified the need for the DfT to review that guidance and made a separate recommendation to that effect.

In 2021 the GM Deputy Mayor for Policing, Crime, Criminal Justice and Fire supported the submission of a letter from the Safer Roads Greater Manchester (SRGM) Partnership to the DfT to seek clarity on the planned action to be taken to review the Circular and to offer our local support and expertise in the development of that work. This led to Greater Manchester having a seat at a national working group as a starting point to this work last summer where it was suggested that future criteria should incorporate a danger reduction approach focusing on prevention, alongside conventional casualty reduction criteria.

We understand that progress remains frustratingly slow whilst the DfT prioritised the completion of the wider national Roads Policing review. I am informed that the DfT expect to complete the refresh of the Circular this year, however, no specific date has been set for this.

Whilst we support the installation of safety cameras meeting the prevailing criteria accepted by GMP, we must also be mindful of the GMP back office capacity and operating & maintenance costs. Safety camera criteria concludes that enforcement should be a last resort before all other engineering measures have been fully considered, rather than the first or only solution.

As confirmed in the BBC Panorama documentary referenced within your letter, safety camera housings are local authority assets, including ultimate responsibility for maintenance; repairs; and replacement. Unlike other similar partnership areas, local authorities in GM are not currently required to make a net contribution towards the operating costs of the partnership or safety cameras. Currently local authorities only fund the cost of related signs, white lines and foliage issues, with the SRGM Partnership funding other maintenance costs such as annual inspections; electrical testing; electricity supply; maintenance; and repairs.

As local authorities in GM are not required to contribute to safety camera operating costs, GM did not experience the switch off or removal of safety cameras, following the withdrawal of the DfT's specific road safety grant, as occurred in other areas including those mentioned within the documentary. In addition, the percentage of digital speed safety camera housings in GM is almost 60%, not the 40% mentioned in the correspondence. 100% of these digital safety camera housings are fully maintained and available for use, but please note that the physical presence of the housing is the main deterrent rather than actual use, or as many professionals will say "the fear of enforcement, rather than the enforcement itself, is the deterrent"

***2. Write to the Greater Manchester Combined Authority to reinforce the need for any non-working cameras to be replaced as soon as possible, as part of the work to replace 'wet film cameras' across the region with digital cameras.***

We welcome support from Oldham Council, a member of SRGM, for upgrades and replacement to safety camera housings in GM. The partnership has previously implemented phases of digitisation, however the current digital technology in use is approaching 15 years old. Therefore TfGM, on behalf of GM local authorities, is

progressing a proposal to replace existing speed safety camera technology at 147 locations. Subject to approval of the tender process and full business case, we anticipate the project starting during Summer 2022, with completion across GM in 12 months. We will formally note Oldham Council's support for such an activity in support of the business case.

I will reply to your other letter on long term funding as soon as I can.

Yours sincerely



**Eamonn Boylan**  
**Chief Executive**  
**Greater Manchester Combined Authority (GMCA) &**  
**Transport for Greater Manchester (TfGM)**

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

30<sup>th</sup> March 2022

Dear Harry

**Re: Oldham Council Resolutions**

Thank you for your letter regarding the resolution of Oldham Council on Levelling Up, debated at its meeting on 16<sup>th</sup> March 2022.

The resolution rightly notes the excellent job which Oldham and other boroughs across Greater Manchester did in providing support for their communities and businesses during the Covid lockdowns. Despite the fact that the costs of the pandemic were not fully covered, Oldham and other councils managed to deliver grants to thousands of businesses across Greater Manchester to sustain them. While we did not have the resources to support every business to the extent we would have liked, I am proud of what our councils were able to achieve.

As the resolution says, you have an impressive record of bringing investment to Oldham. I was delighted that the Combined Authority has been able to work with you on the Brownfield Housing Fund and through the Evergreen investment in delivering Broadway Green. We will continue to support your work through our Delivery team bringing development of housing projects forward, as well as continuing the direct support from our Culture team into the Council to support your town centre regeneration plans. I know that our teams are also continuing to develop the detail of how a Mayoral Enterprise Zone for Oldham could work in practice.

The Council's commitment to work with us on the Greater Manchester trailblazer devolution negotiation which the Government announced in the Levelling Up White Paper is very welcome. I look forward to working closely with you on that both in your role as the Green City Region portfolio lead for Greater Manchester and to ensure that the opportunities and requirements of Oldham are embedded in the process. The 12 Levelling Up missions mentioned by the Council have a strong overlap with the Shared Commitments recently agreed in the refreshed Greater Manchester Strategy. Thanks again for the input provided by your officers and other partners across Oldham into that Strategy. It provides a strong basis for the trailblazer discussions.

There is also an opportunity, following the excellent work of the Oldham Economic Review Board, to use the Innovation Greater Manchester network – including the Innovation Accelerator which was announced by the Government in the Levelling Up White Paper - to support the wealth of ideas, entrepreneurial activity and small business start ups across Oldham. I know that colleagues at Oldham Borough Council and the Combined Authority are already in touch on that.

Finally, we would be happy to continue to work with you to better utilise data and information on skills from Government, building on the links our teams already have to provide labour market intelligence through the Skills Observatory, providing system stewardship for apprenticeships and technical education, and direct support for businesses and residents through devolved programmes, including Adult Education Budget, National Skills Fund and Working Well. This joint working can help to deliver a cohesive labour market system where: young people leave education and training ready to succeed in the labour market; adults can acquire the skills, mindset and support they need to fulfil their career potential and adapt to changing employer needs throughout their lives; and employers have access to a system that is flexible, resilient and adaptable, and which meets their needs.

Thank you again for passing on the Resolution and if there is anything we can do to assist with your requests to Government then do let us know.

Yours sincerely



Eamonn Boylan  
Chief Executive  
**Greater Manchester Combined Authority &  
Transport for Greater Manchester**



Department for  
Business, Energy  
& Industrial Strategy

Harry Catherall  
Chief Executive  
Oldham Council

By email: [harry.catherall@oldham.gov.uk](mailto:harry.catherall@oldham.gov.uk)

**The Rt Hon Greg Hands MP**  
Minister of State for Energy, Clean Growth  
and Climate Change

**Department for Business, Energy &  
Industrial Strategy**  
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W [www.gov.uk](http://www.gov.uk)

Our ref: MCB2021/27165  
Your ref: COP 26 2021-11-03

22 March 2022

Dear Mr Catherall,

Thank you for your letter dated 5 November, to the Secretary of State, Rt Hon Kwasi Kwarteng MP, regarding COP26 and the Net Zero Strategy. I am replying as this matter falls within my Ministerial portfolio. Please accept my apologies for the delay in this response reaching you.

We agree that Local Authorities have had significant opportunities to make an impact locally on Net Zero independently of National Government. Local Authorities have a combination of powers and assets including reserves which gives them autonomy to deliver on net zero. Most, like Oldham, have passed local Climate Emergency motions and many set target dates and developed action plans. Much of Local Authority funding is not ring fenced in recognition that local authorities are best placed to decide how to meet the pressures in their local area – including for net zero. They manage significant assets in their locations including assets and can raise funding locally for specific objectives such as Net Zero.

We recognise that national Governments have a crucial role to play in building on current work to effectively support local areas to deliver national net zero ambitions. The Net Zero Strategy sets out our commitments to enable local areas to deliver net zero, and this includes setting clearer expectations on how central and local Government interact in the delivery of net zero. As announced in the Strategy, we also intend to establish a Local Net Zero Forum. Chaired by BEIS, the forum will be cross departmental and bring together national and local Government senior officials on a regular basis to discuss policy and delivery options on net zero. It will support the establishment of clearer delivery roles for local Government and provide a single engagement route into HM Government in a coordinated and coherent way.

With respect to the Oldham Town Centre heat network, I am pleased to see that the council has been engaging with the BEIS Heat Networks Delivery Unit on this project. As you may be aware, we will be launching the Green Heat Network Fund (GHNF) next year. The GHNF is intended to run until 2025 and will support new and existing heat networks to adopt low carbon technologies. You can find out more about the GHNF here: <https://www.gov.uk/government/consultations/green-heat-network-fund-proposals-for-the-scheme-design>. If you or one of the council team would like to be added to the mailing list for future announcements on this scheme, please email [ghnfcorrespondence@beis.gov.uk](mailto:ghnfcorrespondence@beis.gov.uk).

Thanks again for taking the time to write. I hope you will find this reply helpful.

Yours ever.

A handwritten signature in blue ink, appearing to read 'G Hands', with a long horizontal flourish extending to the right.

**THE RT HON GREG HANDS MP**  
Minister of State for Energy, Clean Growth and Climate Change





Department for  
Business, Energy  
& Industrial Strategy

Harry Catherall  
Chief Executive  
Oldham Metropolitan Borough Council

Email: [harry.catherall@oldham.gov.uk](mailto:harry.catherall@oldham.gov.uk)

**The Rt Hon Greg Hands MP**  
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Our ref: MCB2022/01033

28 February 2022

Dear Harry,

Thank you for your letter dated 16 December, to the Rt Hon Kwasi Kwarteng MP, regarding your Green New Deal plans. The Secretary of State has asked me to respond. I sincerely apologise for the delay in response, your letter has only recently been brought to my attention.

I am grateful to you for sharing the Resolutions from your meeting of 15 December. The Government recognises that Local Authorities can, and do, play an essential role in driving local climate action, with significant influence in many of the national priorities across energy, housing, and transport, which will be needed to achieve net zero. Across the UK, many of our Local Authorities have already made great strides towards our net zero future and throughout the UK there are brilliant examples of local action, innovation, and excellence. I was delighted to read about the work that your Council has resolved to undertake in this area.

The Government is proud to lead the world in ending our contribution to climate change, not just because it is the right thing to do, but because we are determined to seize the unprecedented economic opportunity it brings. We want to build back better from the pandemic by building back greener and levelling up our country with new high skilled, high wage, sustainable jobs in every part of our United Kingdom.

The transition to net zero also presents a real opportunity to support communities impacted by climate change and drive levelling up across the country. We are working closely with other Government departments and local partners to ensure that local places benefit from the economic growth opportunities generated by the transition to a low carbon economy and that communities across the country can adapt to the impacts of climate change and build back greener with the skills needed for new green jobs.

The Government's Net Zero Strategy outlined our intention to continue the Local Net Zero Programme. Almost £19 million has been invested in the programme to date for local places to build capacity and capability to deliver on net zero. This includes provisions to continue the Local Net Zero Hubs to support all areas of England to reach net zero, supporting Local Authorities to develop net zero projects attracting commercial investment and increased knowledge sharing to demonstrate successful net zero system solutions.

We also recognise that longer-term and more co-ordinated funding streams can enhance innovation and investment, reduce bureaucracy, and encourage more efficient decision making. The Net Zero strategy outlines the Government's intention to explore how

we could simplify and consolidate funds which target net zero initiatives at the local level. We will also work across departments to explore how we can give certainty to investment in longer-term programmes supported by regeneration initiatives.

As announced in the strategy, we also intend to establish a Local Net Zero Forum. Chaired by BEIS, the forum will be cross departmental and bring together national and local government senior officials on a regular basis to discuss policy and delivery options on net zero. It will support the establishment of clearer roles for local government and provide a single engagement route into HM Government in a coordinated and coherent way.

As you may be aware, the Government has agreed a short pause to implementing the Greater Manchester Clean Air Zone. This is to provide Greater Manchester authorities the opportunity to provide revised proposals by 1 July 2022 to ensure nitrogen dioxide compliance is achieved as soon as possible.

The Secretary of State is grateful for your invitation but regrets that he is unable to accept as his diary is heavily committed for the foreseeable future.

Thank you again for writing. I hope you will find this reply helpful.

Yours sincerely,

A handwritten signature in blue ink, appearing to be 'G Hands', with a long horizontal flourish extending to the right.

**THE RT HON GREG HANDS MP**  
Minister of State for Energy, Clean Growth and Climate Change



## Report to Council

### Revision to Financial Procedure Rules

**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:** Anne Ryans, Director of Finance  
**Ext. 4902**

**13 July 2022**

---

#### Reason for Decision

There is a requirement to review the Financial Procedure Rules (FPRs) on a regular basis. Such a review has recently concluded and the consequent revised FPRs are therefore presented to Council for consideration.

#### Executive Summary

Over the past few weeks, a detailed review of FPRs has been undertaken by officers from the Finance, Internal Audit and Constitutional Services Teams. This has resulted in a range of proposed changes to improve the FPRs so that they reflect the current operating arrangements of the Council and current best practice.

Whilst the existing FPRs have served the Council well and remain fully functional, the document at Appendix 1 highlights the changes and the document at Appendix 2 is that recommended for approval. The summary of changes is quite extensive (27 bullet points) and whilst some of the amendments are quite small, they are equally important. It is, however, essential that the Council's FPRs reflect best practice and are updated for recent local and national changes.

#### Recommendations

That Council agree to the revisions to the Financial Procedure Rules

**1 Background**

- 1.1 Members will be aware that there is a requirement to review and as necessary, revise the Financial Procedure Rules (FPRs) on a regular basis. In this regard a review has been undertaken by officers of the Finance, Internal Audit and Constitutional Services teams in order to ensure that the FPRs reflect current best practice, and any revisions to regulation, legislation and operational arrangements within the Council.
- 1.2 Attached as an Appendix 1 is a document that shows proposed changes and Appendix 2 is an updated version of Financial Procedure Rules (FPRs) for the consideration of Council.

**2 Current Position**

- 2.1 Over the past few weeks a detailed review of FPRs has been undertaken by officers from the Finance, Internal Audit and Constitutional Services Teams. This has resulted in a range of proposed changes to improve the FPRs.
- 2.2 Whilst the current FPRs have served the Council well and remain fully functional, the document at Appendix 1 details the proposed changes and Appendix 2 is an updated version of Financial Procedure Rules (FPRs) which is recommended for approval.
- 2.3 The changes that have been incorporated and are recommended for approval can be summarised as follows;

a) Changes which appear throughout the document:

- A general review to strengthen and tighten wording and to align with other policies and protocols that have been subject to a separate review
- Revisions to the titles of posts and responsibilities of officers of the Council to reflect the current operational arrangements and a definition of the posts referenced as Senior Officer and Authorised Senior Officers, including:
  - A change to the title of the Chief Finance Officer to Chief Financial Officer to align to the terminology used by the Chartered Institute of Finance and Accountancy
  - A change to the post title of Head of Corporate Governance to the Chief Internal Auditor
- Revision so that the document refers to the Cabinet Member with responsibility for Finance rather than the specific Cabinet post title which may change each municipal year
- Due to the transfer of service provision from the Unity Partnership Ltd. to the Council with effect from 1 April 2022, the deletion of reference to the Unity Partnership Ltd. as a provider of services such as Payroll and Revenues and Benefits and deletion of contract management references

b) Specific changes:

- The inclusion of the Medium Term Financial Strategy as a potentially separate document to be considered by Cabinet (where it not included within the Annual Revenue Budget Report) with the suite of budget reports (paragraph 1.5)
- The inclusion of further detail of the role of the Audit Committee in addition to approving the Statement of Accounts and the Annual Governance Statement (paragraph 1.9)

- An update to the terms of reference of the Capital Investment Programme Board as revised within the Capital Strategy and Capital Programme 2022/23 to 2026/27 report approved at Budget Council on 2 March 2022 (paragraph 1.10)
- Specifying the requirement (undertaken as standard practice) that once approved at Budget Council, all budgets and strategies must be monitored (paragraph 1.11 (f) and presenting the preparation of the annual financial statements as a separate requirement (paragraph 1.11(g) with revisions to referencing of subsequent points at 1.11
- Updating the section on the exemption for the use of capital receipts to finance revenue expenditure on transformational activities to reflect the extension of the flexibility for the period 2022/23 to 2024/25 (previously 2019/20 to 2021/22) (paragraph 2.3)
- Inclusion of the requirement for Cabinet to have regard to consultation comments on budget reductions before making recommendations to Council (already standard practice) at paragraph 2.10
- Clarification of the role of Cabinet to approve changes to the Council's revenue budget arising from the carry forward process (paragraph 2.25) and deletion of paragraph 2.26 and subsequent renumbering of paragraphs
- The creation of a separate paragraph (text unchanged) to highlight the role of the Audit Committee in approving the Council's accounts (paragraph 2.38)
- Clarification of the reporting requirements in relation to grants from third parties clearly advising that this excludes grants from Central Government and the Greater Manchester Combined Authority
- Revised numbering at Section 3 to improve presentation
- Clarification as to when a report must be presented to Cabinet when the receipt of a grant involves an additional financial commitment for the Council (paragraph 3.2)
- Revisions to the Revenue Budget Virements Section to improve presentation (all sections renumbered and reordered) with no change to context or levels of approval
- Revision to section 4.11 to ensure consultation with the Chair of the Capital Investment Programme Board (CIPB) if there is delegation of capital budget virements
- Revision to paragraph 5.8 to clarify that Heads of Service and/or the relevant Finance Officer should complete grant claims, financial returns and submissions for authorisation by the Director of Finance before submission to an external agency
- Inclusion of paragraph 5.9 to clarify that where there is a requirement for the certification by the Chief Internal Auditor and/or the Chief Executive, of grant related expenditure incurred by the Council, this should be obtained by the Service in advance of the submission.
- Change from the Anti-Fraud and Anti-Bribery Strategy to the Counter Fraud suite of strategies (paragraph 6.9)
- Amendment at 8.5 to clarify that only stock items in excess of £100 must be recorded and certified at the year-end by Heads of Service
- Changes to the level of write off of debts at paragraphs 12.17 and 12.18 as follows;
  - Council Tax, Business Rates, Sundry Debt and Housing Benefit Overpayment
    - Increase in the amount of individual debt that can be written off by Revenues and Benefits Service Officers from £60 to £100

- Increase in the amount of individual debt that can be written off by the Revenues and Benefits Head of Service from £2,500 to £5,000 with the requirement for a quarterly update to the Director of Finance
  - Increase in the amount of individual debt that can be written off by the Director of Finance from £5,000 to £10,000
  - The introduction of a new level of write off of individual debts between £10,001 and £30,000 by the Director of Finance in conjunction with the Cabinet Member with responsibility for Finance
  - The increase in value of individual debts that must be presented to Cabinet from debts in excess of £5,000 to £30,000
- For debts not covered by 12.17 a new write off procedure for debts at 12.18;
    - individual debts up to £10,000 by the relevant Authorised Senior Officer in conjunction with the Director of Finance; and
    - individual debts over £10,000 by Cabinet
- Within Section 13, the expansion of the reference to the Council's financial system to A1/Agresso
  - Amendment to the timelines for the compliance with the publication of transparency information from monthly to within the statutory deadlines (paragraph 13.20)
  - Inclusion of a requirement for all air travel to be approved by Authorised Senior Officers (paragraph 16.4)
  - Expansion of the responsibilities of the Director of Finance at 20.2 (in line with best practice) with regard to wholly owned companies, partnerships and joint ventures so that the Director of Finance:
    - approves the appointment of the external auditor;
    - arranges for the accounts to be prepared by an appropriate professional;
    - agrees the financial ledger to be used by the organisation.
  - Inclusion at 20.9 of the requirement for any grant award in excess of £50,000 is approved by Cabinet

2.4 Whilst it may seem an extensive list of changes, the FPRs have been subject to a comprehensive review and some of the revisions are comparatively minor but provide improved clarity of purpose. It is important that the Council's FPRs reflect best practice and are updated to reflect recent local and national changes.

### **3 Options/Alternatives**

3.1 There are three options as follows:

- a) Accept the proposed changes to FPRs.
- b) Reject some or all of the changes to FPRs
- c) Propose alternative revisions to FPRs

### **4 Preferred Option**

4.1 Option (a) at 3.1 is the preferred option, that the proposed changes are accepted.

### **5 Consultation**

5.1 There has been internal Council consultation on the revision to FPRs with officers from Finance, Internal Audit, Constitutional Services and Group Leaders.

## **6 Financial Implications**

6.1 There are no specific financial implications arising from this report.

## **7 Legal Services Comments**

7.1 There are no direct legal implications arising from the report.

## **8 Co-operative Agenda**

8.1 The FPRs have been prepared to support the Council in its delivery of the cooperative agenda.

## **9 Human Resources Comments**

9.1 There are no specific human resources implications.

## **10 Risk Assessments**

10.1 The Council is required to review its FPRs on a regular basis to ensure that they reflect current best practice and revised working arrangements within the Council as well as regulatory and legislative changes. This update removes the risk that any activities undertaken have relied on outdated FPRs.

## **11 IT Implications**

11.1 There are no specific IT implications.

## **12 Property Implications**

12.1 There are no specific property implications.

## **13 Procurement Implications**

13.1 There are no specific procurement implications.

## **14 Environmental and Health & Safety Implications**

14.1 There are no specific Environmental and Health & Safety Implications.

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

15.1 There are no specific equality, community cohesion and crime implications.

## **16 Equality Impact Assessment Completed?**

16.1 Not Applicable.

## **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:

File Ref: Background Papers are contained in Appendices 1 and 2  
Officer Name: Anne Ryans  
Contact No: 0161 770 4902

**20 Appendices**

20.1 Appendix 1: Financial Procedure Rules – Proposed Changes  
Appendix 2: Financial Procedure Rules – Revised Version





# Part 4

# Financial Procedure Rules

## Proposed Changes

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**Note: All references to Council posts in these Contract Procedure Rules shall be read as a reference to the equivalent post at the relevant point in time.**

For the purposes of these Financial Procedure Rules only, the following definitions apply:

Senior Officer refers to The Deputy Chief Executive, Assistant Chief Executive, Executive Director Place and Economic Growth, Managing Directors, Directors and Heads of Service

Authorised Senior Officer refers to those specific officers under the approved Scheme of Delegation to Officers under part 3 of the Council's Constitution.

## **1. FINANCIAL GOVERNANCE**

### **Council's responsibilities**

- 1.1 The Council has a statutory duty to make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has responsibility for the administration of those affairs. The Council has resolved that the **Chief Financial** Officer (the post is currently designated as the Director of Finance) is the responsible officer.
- 1.2 The Council is responsible for the approval of the Financial Procedure Rules to be used by all Members and officers, including any amendments or additions presented by the Director of Finance. The Council is responsible for approving the procedures for recording and reporting decisions taken by the Council itself, or by the Executive, or under approved delegation arrangements. The Scheme of Delegation, which includes financial limits, is set out in the Constitution at Part 3.

### **Cabinet's responsibilities**

- 1.3 The Cabinet is responsible for ensuring that the Financial Procedure Rules are followed across the Council. The Cabinet is also responsible for arranging for a review of the Financial Procedure Rules at least every three years and for recommendations for any changes to be made to the Council. This is normally arranged through the Constitutional Working Group.
- 1.4 The Cabinet is responsible for preparing and recommending to Council the annual revenue budget and Council Tax level and, once approved, for implementing and monitoring that budget.
- 1.5 The Cabinet is responsible for reviewing and recommending to Council a Capital Strategy and Capital Programme, **a Medium Term Financial Strategy (which may be included within the Annual Revenue Budget Report)**, a Housing Revenue Account Budget, a Treasury Management Strategy and a Council

Tax Reduction Scheme, and once approved for implementing and monitoring the budgets and strategies.

- 1.6 The Cabinet is responsible for approving the Council's risk management policy statement and strategy and for reviewing the effectiveness of risk management arrangements.

### **Overview and Scrutiny responsibilities**

- 1.7 The Council will identify a relevant Overview and Scrutiny Committee or Committees to be responsible for scrutiny of the [Administration's](#) Budget proposals, including all related calculations, Policies and Strategies and for the forwarding of comments and recommendations on those matters to the Cabinet, [prior to recommendation to Council](#).

- 1.8 The Council will identify a relevant Overview and Scrutiny Committee or Committees to be responsible for the overview of the Council's in-year financial performance.

### **Audit Committee's responsibilities**

- 1.9 The Audit Committee is responsible for reviewing the draft Annual Statement of Accounts and the Annual Governance Statement and approving the audited Council's Annual Statement of Accounts which incorporates the Annual Governance Statement. [This Committee also provides oversight on the Council's Treasury Management Processes, the Corporate Risk Management Strategy, Counter Fraud Suite of Policies, Internal Control matters and Information Governance including the role of the Senior Information Risk Owner.](#)

### **Capital Investment Programme Board (CIPB)**

- 1.10 The Capital Investment Programme Board has the following terms of reference. It will oversee the preparation and the delivery of the capital strategy and capital programme by:

- (a) Developing the overall Capital Strategy and annual programme in accordance with the priorities set out in the corporate plan
- (b) Recommending the overall capital strategy and programme to Cabinet and Council
- (c) Once the overall strategy and annual programme of expenditure has been approved at Council, the role of the CIPB is to:

i) [Consider and recommend approval of the detail of the thematic programmes \(e.g. Transport Capital Programme\);](#)

ii) [Consider and recommend approval of any amendments to the annual programme;](#)

- iii) Recommend approval of any new capital projects;
- iv) Undertake the detailed appraisal of projects, taking into consideration the Council's Capital Strategy, priorities and annual aims and objectives;
- v) Review the potential commercial risk and Value for Money issues on any proposal for the use of capital;
- vi) Provide a forum for establishing and providing robust challenge and debate around the Capital Programme;
- vii) Undertake a detailed annual review of the Capital Programme;
- viii) Review the Council's Capital Programme on an on-going basis and to ensure it is achieving the agreed outcomes together with consideration of the financial monitoring report;
- ix) Monitor the performance of projects and programmes within the Council's Capital Programme.

~~Monitoring of the performance of projects and programmes within the Council's Capital Programme including the consideration of the capital programme financial monitoring report.~~

The CIPBBoard oversees capital projects from inception to completion to ensure they are delivered efficiently and effectively and in line with the Council's corporate objectives.

The CIPBBoard assesses all submissions for capital expenditure prior to them entering into the normal reporting process for approval. The Board therefore makes recommendations to the appropriate decision maker/forum, whether this is a Member under delegated responsibility, Cabinet or Council.

### **The Director of Finance**

- 1.11 The Director of Finance is responsible for the proper administration of the Council's financial affairs, and particularly for:
- (a) maintaining a continuous review of this Financial Procedure Rules and the submission of any additions or changes necessary for Council approval;
  - (b) providing corporate financial advice and information to the Council i.e. on those issues where the Authority is regarded as one legal entity;
  - (c) setting standards for good financial management including the accounting policies and financial procedures and records for the Council and monitoring compliance with those standards;

- (d) advising on the key financial controls necessary including maintaining an effective internal audit function to secure sound financial management;
- (e) ensuring that proper systems of internal control are operated and reporting breaches of the Financial and Contract Procedure Rules to Council, Cabinet, Audit Committee, or the Standards Committee as appropriate;
- ~~(f)~~ co-ordinating the preparation of the General Fund Revenue Budget and Medium Term Financial Strategy, the Housing Revenue Account Budget, Capital Strategy and Programme, the Treasury Management Strategy, the Council Tax Reduction Scheme, and once approved preparing reports to monitor budgets and strategies;
- ~~(f)~~~~(g)~~ preparing the annual financial statements in accordance with the relevant accounting standards and codes of practice and any necessary technical accounting adjustments;
- ~~(g)~~~~(h)~~ treasury management activities, including reporting on prudential indicators;
- ~~(h)~~~~(i)~~ preparing a risk management policy statement and promoting/embedding it throughout the Council.

1.12 The Director of Finance also has a range of statutory duties, rights and responsibilities in relation to the financial administration and stewardship of the Council and will have regard to the Statement of the Chartered Institute of Public Finance and Accountancy on the Role of the Chief Financial Officer in Local Government

1.13 The Director of Finance must report to the Council under Section 114 of the Local Government Finance Act 1988, if:

- (a) a decision has been made, or is about to be made, which involves the incurring of expenditure which is unlawful;
- (b) there has been, or is about to be, an unlawful action resulting in a financial loss to the Council; or
- (c) anyone or anybody is about to make an unlawful entry in the Council's accounts.

1.14 The Director of Finance may issue any instruction intended to fulfil these responsibilities and is entitled to any information or explanations as he/she may require.

1.15 The Director of Finance shall issue instructions and guidance to the Council in line with Section 25 of the 2003 Local Government Act. With regard to the robustness of the estimates.

### **Senior Officers**

- 1.16 **Senior Officers** must ensure that proper financial controls are maintained in their service area.
- 1.17 **Senior Officers** must make arrangements to ensure that all Officers involved in financial matters are aware of, and competent in the use of, these Financial Procedure Rules and the Council's financial ledger. The extent of delegated authority to officers must be recorded. See further guidance on the Scheme of Delegation in Part 3 of the Constitution. The main documents are also available on the Council's Website –
- [https://www.oldham.gov.uk/info/100004/about\\_the\\_council](https://www.oldham.gov.uk/info/100004/about_the_council)
- 1.18 **Senior Officers** must ensure that the financial implications of all proposals in advance of any "key decision" report have been subject to approval by the Director of Finance and their representatives and the subsequent report sets out the financial implications.
- 1.19 **Senior Officers** must ensure that the legal implications of all proposals in advance of the "key decision" report production have been subject to approval by the Director of Legal Services and the subsequent report sets out the legal implications.

### **Head of Paid Service (the Chief Executive)**

- 1.20 The Head of Paid Service is responsible for the corporate and overall strategic management of the Council as a whole. They must report to and provide information for the Council, the Cabinet; the Overview and Scrutiny Committees, and any other Committees of the Council. The Chief Executive is responsible for establishing the framework for management direction, style and standards and for the monitoring of performance for the organisation. The Head of Paid Service and the Monitoring Officer (the post is currently designated as the Director of Legal Services) are responsible for the system(s) of record keeping in relation to all the Council's decisions (see below).

### **Monitoring Officer (Director of Legal Services)**

- 1.21 The Monitoring Officer is responsible for promoting and maintaining high standards of conduct, including about financial matters, and therefore provides support to the Standards Committee. The Monitoring Officer is also responsible for reporting any actual or potential breaches of law or maladministration to the Council and/or to the Cabinet, and for ensuring that procedures for recording and reporting key decisions are operating effectively.
- 1.22 The Monitoring Officer must ensure that executive decisions and the reasons for them are made public as required by the Council's Access to Information Procedure Rules. The Monitoring Officer must ensure that Councillors are aware of such decisions made by the Cabinet, a Council Officer, or anyone

else acting on the Authority's behalf, who have delegated executive responsibility.

- 1.23 The Monitoring Officer is also responsible for providing advice to anyone regarding who has responsibility or authority to take a particular decision. In relation to financial matters, s/he will consult with the Director of Finance before giving advice.
- 1.24 The Monitoring Officer is responsible for advising the Council or Cabinet about whether a decision is likely to be considered contrary to or wholly in accordance with the Policy Framework. Responsibilities for actions contrary to the budgetary framework lie with the Director of Finance.

### **External agencies and partnerships**

- 1.25 Where, as a result of legislation or a decision of the Council or the Executive, as the case may be, part of the Council's or the Executive's functions are delivered by an associated organisation, funded partly or wholly by the Council, the organisation must submit for approval by the Council its own arrangements for corporate governance. These arrangements will incorporate the spirit of the Council's Financial Procedure Rules and will include the Council's right of access to financial information about the associated organisation and information of the Council processed by the third-party organisation. Whilst Cabinet is responsible for overall risk management and strategy, the Audit Committee shall monitor the specific Council risks in relation to partnerships as part of its governance role
- 1.26 Specific technical terms and conditions may be used when the Council is deemed the Accountable Body for external Government or other funding. Where the establishment of such terms and conditions is a condition of the funding, the obligations of and risk to the Council in its role will be set out in reports where approval to act as the Accountable Body is sought.
- 1.27 Schools with delegated budgets are subject to, and must comply with, the 'Oldham Scheme for Financing Schools', which has tailored these Financial Procedure Rules for use in those Schools.
- 1.28 A reference in the Financial Procedure Rules to the Director of Finance includes his or her nominees; and to an officer means any employee of the Council, or other persons contracted to carry out functions where these Financial Procedure Rules apply.

### **Staff and Councillors**

- 1.29 All staff and Councillors within the Authority are required to maintain and provide the highest standards of financial management, integrity and administration in line with those Financial Procedure Rules. Their conduct is also set out in the relevant Codes of Conduct included at Part 5 of the Constitution which they must be aware of and comply with at all times.



## **Council Owned Companies**

- 1.30 If the Council wants to set up an alternative delivery model for its services which involves the creation of a company including a Shareholding of the Council, it can only do so following consultation on the implications with the Director of Finance and the Director of Legal Services.

## **2. PREPARING AND MANAGING THE REVENUE AND CAPITAL BUDGET**

### **Financial Planning Framework**

- 2.1 It is a legal requirement for the Council to ringfence and separately manage many of its financial resources and expenditure. The main “ringfenced” areas include:
- Housing Revenue Account income and expenditure;
  - Income and expenditure relating to schools (including Dedicated Schools Grant);
  - Capital expenditure and resources;
  - The Collection Fund (Council Tax and Business Rates income).
- 2.2 Any income or expenditure which does not fall within ringfenced categories is deemed to fall within General Fund (non-schools).
- 2.3 Ringfencing means that the Council is either not permitted or is heavily restricted in its ability to move resources in or out of a particular ring-fenced area. For example, the Council is not generally permitted to use capital resources to fund revenue expenditure (an exemption to this exists for the period 2022/23 to 2024/25 whereby the flexible use of capital receipts permits the use of such resources to finance expenditure incurred on transformational activity)
- 2.4 The situation is further complicated by the fact that certain resources within each of the ~~above~~ ring-fenced areas have to be earmarked to particular activities. For example, capital and/or revenue grants that have been provided specifically to finance particular schemes.
- 2.5 Having regard to all statutory ring-fencing arrangements, the Director of Finance, after consulting the Cabinet and Authorised Senior Officers shall be responsible for designing and implementing the annual budget and medium-term financial planning arrangements. The Director of Finance is responsible for the preparation of a corporate revenue budget and advice on the setting of a Council Tax, a Capital Strategy and programme, a Treasury Management Strategy, a Housing Revenue Account budget and a Council Tax Reduction Scheme.

### **Preparation of the Corporate Plan**

- 2.6 The Chief Executive is responsible for proposing the Corporate Plan to the Cabinet for consideration before its submission to the Council for approval. When compiling the Plan, and in conjunction with other Authorised Senior

Officers, the Chief Executive will ensure that the plan is assessed and moderated by the Director of Finance

### **Budget Preparation**

- 2.7 The Director of Finance will advise the Cabinet of each year about the detailed plans to prepare both the Annual Budget for the next financial year or two years and to update the Medium Term Financial Strategy (which can cover a period of up to five years). The budget process will then be prepared following the standards set out by the Director of Finance.
- 2.8 The Director of Finance, following the detailed work, will submit to the Budget Council meeting (usually held in February) each year a Medium Term Financial Strategy for the following three to five years, and budget planning totals for all services and central budgets.
- 2.9 Prior to final decision making, and in good time to allow meaningful consultation, the Council will make arrangements to consult with the public, partners, staff and business community on the budget reduction proposals being considered for future financial years.
- 2.10 The Cabinet, having regard to comments resulting from the consultation process outlined above (including those of the relevant Overview and Scrutiny Committee), will consider these budget reduction proposals in detail and make its recommendations to the Council before the date set for the meeting of the Council which will determine the budget (Budget Council).
- 2.11 The Director of Finance will advise the Cabinet and the Council on the overall budget, the levels of Council Tax, the use of reserves and the need for contingency budgets/balances, the robustness of the estimates and affordability and prudence of capital investments and on the risks that may exist in relation to the forecasts of spending levels and income.
- 2.12 Senior Officers will, in accordance with the Business Planning timeframe, produce draft service plans and budgets in accordance with the Budget Planning totals. These draft plans will explain the service changes proposed to be made, taking into account the Council's Corporate Plan, performance targets and the resources allocated.

### **Resource Allocation**

- 2.13 The general level of balances and reserves to be maintained by the Council shall be calculated and recommended for approval by the Director of Finance using a risk based approach in advance of the setting of the Budget for the approaching financial year. This will support the budget decisions being taken at the Council meeting which sets the Council Tax. The level of balances and reserves shall be subject to regular review in the budget monitoring reports presented to Cabinet during the financial year. At the year-end as part of the production of the Annual Statement of Accounts the Director of Finance shall

assess the risks facing the Council and prepare the Statements to minimise future unbudgeted expenditure including the assessment of required reserves in accordance with the Councils agreed policy on Reserves.

- 2.14 The Director of Finance is responsible for developing and maintaining a resource allocation process which: ensures due consideration of the Council's policy framework; and takes into account properly, current information on the Council's financial position and prospects for the future. It will also include ~~over~~ an annual review of the budget to ensure that the resources allocated to each budget heading remain appropriate in the light of corporate priorities, business developments and national and local spending trends.

### **Reporting**

- 2.15 The Cabinet is responsible for ensuring that Service and Corporate Plans are implemented within the resources allocated in the Revenue and Capital Budgets. The Director of Finance will provide information on the Council's performance against the Revenue and Capital Budgets to Cabinet and the relevant Overview and Scrutiny Committee at regular intervals over the financial year. The report will include the projected out-turn on the agreed budgets, Collection Fund, Housing Revenue Account and Dedicated Schools Grant. In addition, and as appropriate, the Audit Committee will receive reports that include financial information on key partners and the progress made on issues identified with the Annual Governance Statement.
- 2.16 The general format of the budget proposed by the Cabinet to Council will follow that advised by the Director of Finance. The draft budget should include allocation to different services and projects, proposed taxation levels and any contingency funds/balances. The headings proposed will be those advised by the Director of Finance.
- 2.17 Senior Officers will control income and expenditure within their areas of responsibility. They will monitor performance, taking account of financial information provided by the Director of Finance. They should report on actual variances within their own areas, and on the possible likelihood of them. They must also: alert the Director of Finance to any problems; consult with the Director of Finance about the remedial action necessary to avoid exceeding their budget allocations: and take the remedial action agreed.
- 2.18 CIPB is responsible for advising Cabinet on the overall financial commitments on the overall capital programme in accordance with the overall capital strategy agreed by Cabinet.

### **Managing Budgets**

- 2.19 Senior Officers are responsible for managing budgets within their delegated authority. They must take action to avoid overspending budgets and report any difficulties to the Director of Finance.

- 2.20 Senior Officers should delegate authority to commit budgets to the appropriate level of management, make arrangements to set out clearly the extent of authority of managers, and review the performance of managers in managing these budgets.
- 2.21 Senior Officers must, in consultation with their financial support officers, use the financial reports from the financial ledger and review their budgets on a monthly basis. This must inform the regular budget monitoring undertaken by the Director of Finance.
- 2.22 The Director of Finance is accountable for all corporate and contingency budgets, which will be managed in the same way as service and activity budgets.
- 2.23 Where, as a result of a mistake or error by an officer, the Council becomes liable for any charges, penalties or additional expenses, such costs will be met by the Service in which the error is made.

### **Carry forwards and recovery of overspends**

- 2.24 Carry forward is a mechanism for transferring budgetary resources from one year to the next, or vice versa. This will be determined during the production of the Statement of Accounts.
- 2.25 The Cabinet is responsible for approving changes to the Council's Revenue Budget arising from the carry forward process.
- ~~2.26 The Cabinet is responsible for recommending changes to the Revenue Budget arising from the carry forward process.~~
- 2.267 If the carry forward process is to be applied, there will be a presumption that underspending will only be allowed subject to a Directorate managing its resources in line with its agreed budget. All overspendings may be recovered in the following financial year following the advice of the Director of Finance.
- 2.278 The Council, in determining the Revenue Budget for a particular year, will review any arrangements for carry forward for that year and can change the guidance on advice from the Director of Finance.

### **Risk Management and Control of Resources**

- 2.289 It is essential that robust, integrated systems exist to identify and evaluate all significant operational risks to the Council. These systems will be maintained by the proactive participation of everyone associated with the planning and delivery of Oldham Council's services to its citizens.
- 2.2930 The Director of Finance is responsible for preparing the Council's Risk Management Strategy and Framework, which includes the approach to ensuring proper insurance cover, and for promoting the Strategy and

Framework throughout the Council, and for ensuring advice to the Cabinet Member with responsibility for Finance on appropriate insurance cover.

2.304 The Cabinet is responsible for approving the Council's Risk Management Strategy and Framework. Monitoring of the effectiveness of risk management is undertaken by the Audit Committee on behalf of the Cabinet.

2.312 Internal Control is the systems of control devised by management to help ensure the Council's objectives are achieved in ways which promote economic, efficient and effective use of resources and which ensure that the Council's assets and interests are safeguarded.

2.323 The Director of Finance will advise the Council at all levels on the requirements for an effective system of Internal Control. Arrangements devised and implemented will ensure compliance with all applicable statutes and regulations, and other relevant statements of best practice. They will also ensure that public money is properly safeguarded; and is used economically, efficiently, effectively and in accordance with the statutory and other authorities which govern their use.

2.334 It is the responsibility of Senior Officers to establish sound arrangements for planning, appraising, authorising and controlling their operations in order to achieve continuous improvement, economy, efficiency and effectiveness and for achieving their financial performance targets. In doing this they must consult as necessary with the Director of Finance about matters past and present and future which bear upon the framework of Internal Control.

2.345 The CIPB will develop and maintain sound arrangements for managing the Council's Capital Programme in accordance with the instructions of the Cabinet.

### **Production of Accounts**

2.356 The Director of Finance shall consolidate and produce the Authority's statutory accounts. Accounts will be prepared in accordance with the relevant statutory requirements.

2.367 Senior Officers shall assist the Director of Finance to undertake the closure of their Directorate accounts which must be in accordance with the standards, timescales and format set by the Director of Finance.

2.378 The Director of Finance is responsible for ensuring that the Annual Statement of Accounts is prepared in accordance with the CIPFA/LASSAC Code of Practice on Local Authority Accounting in the United Kingdom. This will include an assessment of the financial risks facing the Council.

2.38 The Audit Committee has delegated authority from the Council for approving the Annual Statement of Accounts.

- 2.39 The Director of Finance shall report to Cabinet and Council, after the accounts have been audited, the out-turn for the previous year for both the revenue and capital programme, identifying the out-turn against budget.

### **Grants from third parties (other than from Central Government or GMCA)**

- 2.40 Where a Head of Service proposes to accept grant funding from a third party or taking on accountable body status, which exceeds the sum of £50,000, then the Head of Service should, in advance of accepting the funding, seek an appraisal of that proposal which will involve the approval of the Director of Legal Services and Director of Finance.
- 2.41 Where the amount of the proposed third party grant exceeds the sum of £250,000, this will become a key decision and therefore a report to Cabinet will be required in order to gain approval to accept the funding.

## **3. CHANGES TO THE OVERALL AGREED REVENUE AND CAPITAL BUDGET**

- 3.1 Senior Officers will propose items during their normal course of business which could have financial implications to increase the overall agreed net revenue and/or capital budget of the Council. Where the expenditure is capital, the revenue implications also need to be calculated. Notification of Government grant funding often arrives late, after the annual budget has been set and therefore outside the normal budget approval cycles. Such grant notifications also often have short acceptance timeframes. If the net impact of a Government grant is neutral (i.e., the grant covers in full the anticipated expenditure) to the overall agreed budget, then the grant can be accepted, and funding committed in accordance with the grant conditions.
- 3.2 Where there is additional cost to the Council, then in each case the potential commitment needs to be fully costed setting out the impact on the budget with details of how any additional cost will be financed and its performance effect. Where appropriate and after consultation with the Director of Finance, a report must be presented to Cabinet for consideration, but a capital matter must first be considered at the CIPB.
- 3.3 Any motion or report submitted to the Council which, if carried, would increase the Council's net revenue or capital budget or might otherwise contravene Financial Procedure Rules shall stand adjourned without debate and be referred to the Cabinet to receive a report on the detailed financial implications. When the Council reconvenes to consider the motion or report, it shall receive the recommendation of the Cabinet on the matter before making a decision on the motion or report and on whether to effect any change to the Council's approved Budget.

3.4 In the event of urgency, the Council may consider such an item without delay on receipt of a report from the Cabinet Member with responsibility for Finance as to the financial implications.

3.5 All proposals which involve a change to the overall revenue or capital budget need to be considered in accordance with the advice of the Director of Legal Services and Director of Finance.

### **Virements**

#### **Revenue Budget Virements**

3.6 The Cabinet is responsible for agreeing procedures for virements (the transfer of resources) between department, earmarked reserves and service budget headings. The framework that exists ensures that virements which are associated with a significant change in the level of service from that set out in the service plan must be approved by the Member with Portfolio in consultation with the relevant Authorised Senior Officer.

3.7 The Director of Finance may approve an increase in an approved Department budget by a transfer from another approved Department budget under the control of another Authorised Senior Officer -where: -

- (i) both budget heads are cash limited; and
- (ii) the variation does not exceed £25,000.

3.8 Heads of Service, in consultation with the relevant Authorised Senior Officer, are authorised to transfer resources within a service budget subject only to the maximum amount of virement on any one activity not exceeding 5% or £50,000, whichever is the smaller. Where the aggregate of such virements exceeds £50,000 in a financial year, and if in the opinion of the Director of Finance it is appropriate to do so, the Director of Finance and the appropriate Senior Authorised Officer will jointly report to the relevant Member with Portfolio and the Cabinet Member with responsibility for Finance.

3.9 Authorised Senior Officers may approve a virement in an approved budget head by a transfer from another approved budget head where: -

- (i) both budget heads are cash limited; and
- (ii) the virement does not exceed £100,000.

Authorised Senior Officers are responsible for formally approving, and for notifying to the Director of Finance, the record of their approval to in-year virements within service budget headings, and within the limits delegated to them.

3.10 Authorised Senior Officers must consult with the Director of Finance about all virements above their approved, delegated limits before allowing any action in

respect of them to take place. All virements above the above limits must be approved by the relevant Members with [responsibility for Portfolios and Cabinet](#).

Note - "Approved budget" above means the original provision made when the annual budget was approved by Council, plus or minus any variation which has been approved subsequently.

### **Capital Budget Virements**

3.11 The Council has agreed that CIPB will make recommendations on virements within the overall agreed capital plan of the Council in the following areas:

- Between programme areas. This will be actioned by the Executive [Director, Place and Economic Growth](#) in consultation with the Director of Finance and Cabinet Member [with responsibility](#) for Finance; ~~and Corporate Services;~~
- Within approved programme areas. This will be actioned by the [Executive Director, Place and Economic Growth](#) in consultation with the Director of Finance and Cabinet Member [with responsibility](#) for Finance.

### **Virements – General Protocols**

3.12 The Director of Finance will report as part of the regular budget monitor to the Cabinet and the relevant Overview and Scrutiny Committee, summarising any variations of the annual estimates including transfers to and from earmarked reserves for consideration at that meeting.

3.13 A virement is specifically not allowed where the transfer of resources is from budgets for capital charges and statutory taxes and levies.

3.14 All virements will be recorded in a way prescribed by the Director of Finance, who will arrange for virements to be reported to the Cabinet, [where appropriate](#).

3.15 Heads of Service are authorised to incur any expenditure included in the approved revenue budget for the Service, as amended by any virement.

3.16 Whenever a project is to be funded via prudential borrowing it shall be done in accordance with the Council's Borrowing Strategy.

## **4. CAPITAL PLAN PREPARATION AND MANAGEMENT**

### **Responsibilities**

4.1 The Council is responsible for agreeing the overall allocation of resources to the Council's Capital Strategy and Programme.



- 4.2 The Cabinet is responsible for recommending to the Council a multi-year Capital Strategy and Programme. The CIPB undertakes overall management oversight for the Capital Strategy and Capital Programme on behalf of the Cabinet.

### **Capital Strategy and Programme Preparation**

- 4.3 The Cabinet will submit to the Council each year a multi-year Capital plan with planning totals for the main programme areas for at least the three following years, to align with the Medium Term Financial Strategy.
- 4.4 The Capital Investment Programme Board determine the criteria for the selection of projects to form the Capital Programme. This will assist the Director of Finance to prepare a programme of capital schemes for consideration by [Overview & Scrutiny Committee and then by](#) Cabinet.
- 4.5 The Cabinet will recommend, and Council will approve the initial allocations to projects and programme areas.
- 4.6 CIPB will recommend the subsequent allocations of resources from programme areas to projects within the overall total agreed by Council.
- 4.7 The Director of Finance will advise the Cabinet and the Council on the overall Capital Programme and levels of funding available.
- 4.8 Heads of Service are responsible for providing details of all projects in a format prescribed by the Director of Finance.

### **Capital Programme Management**

- 4.9 The Cabinet is responsible for implementing the Capital Programme within the resources allocated. The Cabinet will provide summary monitoring information to the Council when required. The CIPB delivers the detailed implementation of the Capital Programme. CIPB operates in accordance with the principles set out in these [Financial](#) Procedure Rules.
- 4.10 The CIPB will recommend capital budget virements in accordance with the protocol set out at paragraph 3.5
- 4.11 The Leader of the Council [in consultation with the Chair of the CIPB](#), may also delegate authority under Financial Procedure Rules 4.10 to individual Cabinet members, in consultation with ~~and~~ key statutory officers. The ~~Leader of the Council~~, [in consultation with the Chair of the CIPB](#) is required to determine arrangements for delegation, which may differ between service areas. The Leader, [in consultation with the Chair of the CIPB](#), may delegate to Directors authority to exercise virement within a programme area, provided that: -
- (a) the spending on the whole programme area being contained within the resources allocated;

- (b) Directors report retrospectively to Cabinet on the use of this authority as part of the regular monitoring on the Capital Programme.

Such delegations will be recorded in a scheme of delegation to Cabinet members included at Part 3 of the Constitution.

- 4.12 All virement will be recorded in a way prescribed by the Director of Finance, who will arrange for virements to be reported to the Cabinet.
- 4.13 Heads of Service are responsible for managing programmes and projects. They must take action to avoid overspending the amounts provided in the Capital Plan and report any difficulties to the Director of Finance.
- 4.14 Heads of Service must prepare regular reports on the progress of projects in a format and to a timetable prescribed by the Director of Finance.
- 4.15 The Director of Finance will report to the Cabinet and the relevant Overview and Scrutiny Committee on the projected overall out-turn of the Capital Programme as part of the regular budget monitoring reports.
- 4.16 The inclusion of a project within the Capital Programme confers authority to proceed with planning applications and the completion of feasibility studies and option appraisals.
- 4.17 Heads of Service must prepare a business case in respect of each project before proceeding to detailed project design or land acquisition. The business case should be prepared in a format prescribed by the Director of Finance and must be considered by the CIPB. The Cabinet will in some instances decide that the business case should be prepared for a whole programme area, or a group of projects. The Cabinet may delegate its authority to approve business cases to Authorised Senior Officers in consultation with Cabinet members or CIPB.
- 4.18 Once a business case is approved, Heads of Service are authorised to proceed to detailed design and to commit to contracts providing: -
  - (a) that the total costs of a project including tenders or quotations, fees etc, are estimated to be less than or equal to the amount approved in the business case and the Capital Programme;
  - (b) that where the total costs of a project exceed the amount approved in the business case and the Capital Programme and the excess is within the agreed tolerance levels, the appropriate virement has been approved to finance the additional cost;
  - (c) all necessary external approvals, if any, have been obtained;
  - (d) the incurring of the expenditure has been authorised by the Director of Finance;

(e) that any contract ~~over £50,000~~ shall be executed in accordance with the Contract Procedure Rules.

4.19 The tolerance levels set out in Financial Procedure Rule 4.18(b) will be calculated at 10% of the approved estimate or £25,000 whichever is the greater. If this tolerance level is exceeded the approval to proceed must be sought by reporting to Cabinet (which may be by inclusion of the issue within the regular capital monitoring report).

4.20 The Director of Finance will authorise the incurring of the full project costs provided he/she is satisfied that the approval will not give rise to any further expenditure not provided for in either the Capital Programme or the Revenue Budget.

4.21 During the completion of corporate projects totalling £250,000 and over, Heads of Service must co-operate with any requirement to complete a gateway review and the production of reports to CIPB setting out the outcomes from the project and whether these are matching the planned outcomes set out in the original business cases. Further phased expenditure on a project cannot be agreed until an appropriate business case has been approved by CIPB and an appropriate report produced as per agreed delegations.

## **5. FINANCIAL SYSTEMS AND PROCEDURES**

5.1 The Director of Finance is responsible for setting the standards of the operation of the Councils accounting and financial systems, the form of accounts and the supporting financial records. Any changes to the existing financial systems, processes or procedures; or the establishment of new systems to meet the specific needs of a Service must have prior written express approval of the Director of Finance before being implemented.

5.2 Heads of Service and key partners must ensure that officers understand and are competent to undertake their financial responsibilities and receive relevant financial training that has been approved by the Director of Finance

5.3 Heads of Service and key partners are responsible for the proper operation of financial processes in their own departments and must ensure that all financial, costing, and other statistical information is recorded fully and accurately.

5.4 Heads of Service and key partners must ensure that financial documents are retained in accordance with the Council's approved retention schedule.

5.5 As far as practicable, Heads of Service must make arrangements for the separation of duties between the carrying out of transactions and the examining and checking of transactions.

5.6 Any departure from using corporate accounting and financial systems must be approved and justified on cost/service grounds to the Director of Finance before the commitment to change is agreed.

- 5.7 Authorised Senior Officers together with key partners must ensure that, when appropriate, computer based, and other systems are registered in accordance with Data Protection Legislation and that staff are aware of and fulfil their responsibilities under freedom of information legislation.
- 5.8 Grant claims, financial returns and submissions must be completed by the relevant Heads of Service and/or appropriate Finance Officers and authorised by the Director of Finance or their designated representative prior to submission to a Government Department or other external agency.
- 5.9 Where there is a requirement for the certification by the Chief Internal Auditor or the Chief Executive, of grant related expenditure incurred by the Council, this should be obtained by the Service in advance of the submission of the certified grant claim.
- 5.109 Any proposals to use leasing to finance any expenditure within the Council, excluding schools' budgets, should be subject to review by the Director of Finance or their representative to ensure the financial implications receive appropriate consideration.

## 6. INTERNAL AUDIT AND COUNTER FRAUD

### Responsibility & Authority

- 6.1 Under the Accounts and Audit Regulations 2015 the Director of Finance must arrange and direct a continuous Internal Audit, which is an independent review of the accounting, financial and other operations of the Council. The Public Sector Internal Audit Standards (PSIAS) ("Standards") came into effect on 1 April 2013, replacing the 2006 Code of Conduct, and was then revised in 2017. The Standards are mandatory for all central government departments, local government and agencies and have been developed based in global and national best practice. They are intended to promote professionalism, quality, consistency and effectiveness of Internal Audit across the public sector and for local authorities, are supported by CIPFA. Therefore, the scope, objectives and operation of Internal Audit in Oldham is that recommended by CIPFA and set out in the Standards.
- 6.2 The Chief Internal Auditor (the Assistant Director for Corporate Governance and Strategic Financial Management performs that role for Oldham Council), or role(s) designate will report directly to the Chief Executive and the Chair of the Audit Committee in any circumstance where the functions and responsibilities of the Director of Finance are being reviewed. The Standards note that a professional, independent and objective internal audit service is one of the key elements of good governance, as recognised throughout the UK public sector. The Chief Internal Auditor, in accordance with the PSIAS, will provide an Annual Opinion on the overall internal control environment of the Council.
- 6.3 Internal Audit and Counter Fraud Staff have the authority to:

- (a) enter at all times any Council premises or land or location from which Council services are provided;
- (b) have access to all property, records, documents and correspondence relating to all activities of the Council;
- (c) require and receive explanations concerning any matter; and
- (d) require any employee of the Council, without prior notice, to produce cash, stores or any other property for which they are responsible.

### **Reporting**

6.4 The Director of Finance must report upon:

- (a) the risks inherent in and associated with the operational/service processes and information technology.
- (b) the soundness, adequacy and application of the financial and other management controls and systems within each Service;
- (c) the extent of compliance with, and the financial effects of, established policies, plans and procedures;
- (d) the extent to which the organisation's assets and interests are accounted for and safeguarded from losses of all kinds arising from fraud, other offences, waste, extravagance and inefficient administration, poor value for money and other cause;
- (e) the suitability, accuracy and reliability of financial and other management data within the organisation; and
- (f) value for money aspects of service provision.

6.5 In respect of any Internal Audit and Counter Fraud report or communication issued, the Head of Service, and/or their nominated deputy, must reply within 3 weeks indicating the action proposed or taken, by whom and including target dates. Where a draft report is issued for initial comments a reply must be made within 2 weeks of issue.

6.6 Authorised Senior Officers responsible for an area of service provision / financial or other management system which is the subject of Internal Audit recommendations, must respond to Internal Audit and Counter Fraud requests for progress and status updates against previously agreed Internal Audit recommendations. This requirement exists until all recommendations are actioned satisfactorily.

6.7 The Chief Internal Auditor will report to the Audit Committee on a cyclical basis about the findings of Internal Audit and Counter Fraud, the progress on issues in the Directorate Risk Register and Assurance Statements in each of the Directorates. The Chief Internal Auditor will report the Annual Report and Opinion on the System of Internal Control for the year ended 31<sup>st</sup> March (year, as relevant) to the Audit Committee.

### **Investigations and Suspected Fraud or Corruption**

6.8 The Chief Internal Auditor is responsible for the provision of an appropriate Counter Fraud service to minimise fraud risks and to investigate potential fraud and corruption. The Counter Fraud service at Oldham Council operates as recommended by CIPFA. The Cabinet Office also provide guidance on professional Counter Fraud standards across the public sector, and such guidance is followed in Counter Fraud activities undertaken by Oldham Council.

6.9 The Director of Finance is responsible for the development and maintenance of the Counter Fraud suite of strategies and for directing the Council's efforts in fraud investigation. The Director of Legal Services supported by the Chief Internal Auditor is responsible for the development of the Whistleblowing Policy and the Chief Internal Auditor is responsible for the assessment of Whistleblowing disclosures against the Public Interests Disclosure Act 1998 and reporting disclosures to the Monitoring Officer.

6.10 Authorised Senior Officers must ensure that all Members and employees are:

- a) aware of the Council's Anti-Fraud and Anti-Corruption Strategy;
- b) aware of the Whistleblowing Policy;
- c) operating in a way that maximises internal check against inappropriate behaviour; and
- d) able to undertake the on-line training package on preventing fraud supported by the Council.

6.11 It is the duty of any officer who suspects or becomes aware of any matter which may involve loss or irregularity concerning cash, stores or other property of the Council or any suspected financial irregularity in the operations or exercise of the functions of the Council to immediately advise their Head of Service. The Head of Service concerned must immediately notify the Director of Finance who may take action by way of investigation and report.

6.12 Where, following investigation, the Director of Finance considers that there are reasonable grounds for suspecting that a loss has occurred as a result of misappropriation, irregular expenditure or fraud, consultations will be held with the Head of Service on the relevant courses of action, including the possibility

of police involvement and the invoking of any internal disciplinary procedure in accordance with the relevant conditions of service.

- 6.13 Where there are sufficient grounds to believe that a criminal act may have been committed and it is agreed to refer the matter to the Police for investigation, this should be recorded on a central log of “matters referred to the Police” maintained by Internal Audit and Counter Fraud.
- 6.14 The Chief Internal Auditor shall on an annual basis maintain and update the Fraud and Loss Risk Assessment of the Council.

## **7. INSURANCE**

- 7.1 The Director of Finance, in consultation with Heads of Service is responsible for assessing insurable risks and for arranging all insurance cover, including the management and control of the insurance fund. He/she will control all claims and maintain records of them.
- 7.2 Heads of Service must promptly notify the Director of Finance in writing of all new risks or assets to be insured and of any alterations affecting existing insurances. All insurances held must be reviewed on an annual basis.
- 7.3 In the event of any insurance claim or occurrence Heads of Service must:
- (a) not admit liability where this may prejudice the outcome of any settlement;
  - (b) promptly notify the Insurance Portfolio Manager in writing, of any loss, liability, damage or any event likely to lead to a claim; and
  - (c) inform the Police in the case of loss or malicious damage to Council property.
- 7.4 Heads of Service must consult the Director of Finance and the Director of Legal Services as to the terms of any indemnity the Council is required to give.
- 7.5 The Director of Finance will determine the extent of insurance cover which must be provided for in any external contract for the supply of goods, works or services. The Director of Finance, in consultation with the Head of Service and Director of Legal Services, may reduce the cover requirements in respect of specific contracts.

## **8. ASSETS**

- 8.1 Heads of Service are responsible for the care and custody of all current and fixed assets of the relevant service (including stocks, stores, inventory items and all other items used for the Council's purposes, including property). These items must only be used for the authorised purposes of the Council. Assets

must be recorded in Oldham Council's Asset Register, in accordance with the CIPFA Code of Practice.

- 8.2 Heads of Service must ensure that contingency plans exist for the security of assets and the continuity of service in the event of any disaster, significant event, or system failure. Whilst the Council's Emergency Plan, and its Disaster Recovery Plan for Information Systems are the main devices to be used and followed by Authorised Senior Officers, they are not exhaustive, and should be added to or improved upon by them when necessary.

### **Disposal of Assets**

- 8.3 Surplus or obsolete goods, materials and inventory items are to be disposed of by agreed transfer to another Service, competitive sale or public auction in accordance with both Contract Procedure Rules and the Land and Property Protocols, except when the Cabinet instructs otherwise. Where appropriate, the Council's Asset Register should be amended accordingly.
- 8.4 Leased items should only be disposed of in accordance with the instructions of the lessor.

### **Stores**

- 8.5 Heads of Service must keep records of all stock items in excess of £100 held and certify the value for accounting purpose at 31 March of each year. The Director of Finance will determine which items will be subject to stock accounting, the methods of recording and valuation.
- 8.6 Heads of Service must arrange periodical or continuous checks of stock. This should be by persons independent of the management of the stock. These arrangements must ensure that all items of stock are checked at least once per year. The Director of Finance will be notified of any discrepancies revealed by periodic checks and is authorised to amend records accordingly.
- 8.7 Stock holdings should be kept at minimum levels consistent with normal working practices

### **Inventories**

- 8.8 Heads of Service are responsible for ensuring that detailed inventories of all land, buildings, equipment, furniture, fittings, vehicles, plant and machinery are compiled and kept up to date. New inventory items must be entered promptly, and redundant items deleted and disposed of in accordance with Financial Procedure Rule 8.3. The form of inventory and the type of assets recorded thereon will be determined by the Director of Finance after consultation with the appropriate Head of Service.
- 8.9 The inventory should include:



- (a) the nature, type, model, serial number, location, quantity, value, date of acquisition;
  - (b) all items of, or collection of similar items valued at, more than £100;
  - (c) items of a lesser value which are portable and attractive; and
  - (d) evidence to indicate an annual inspection has been carried out.
- 8.10 When Council assets are loaned to employees, other Council services or other organisations, the Head of Service must record the reason for the loan, date/periods and name of the receiver.
- 8.11 Inventory items must be security marked, stamped or engraved with the Council's name.
- 8.12 Each Head of Service is responsible for ensuring that an annual check is made of all items on the inventory and must notify the Director of Finance of any discrepancies revealed by these checks.

### **Asset Register**

- 8.13 The Director of Finance must ensure that an Asset Register in accordance with agreed auditing standards is maintained. This will include all land and property
- 8.14 Each Head of Service must immediately notify the Director of Finance of the acquisition of any asset having a value of £10,000 or more.
- 8.15 Each Head of Service must immediately notify the Director of Finance of the disposal (or transfer to another Service) of any asset (or part of any asset) which is included on the Asset Register.
- 8.16 In respect of any item acquired by lease the inventory must be marked with the name of the leasing company and the date of expiry of the lease agreement. When requested by the leasing company the item must be suitably marked as the property of that company.

### **Land and Property Assets**

- 8.17 The Executive Director, Place and Economic Growth must ensure that the detailed record of all land and property owned by the Council is included in the Council's Asset Register.
- 8.18 The Director of Legal Services is responsible for the security and custody of all title deeds and must maintain a suitable register.
- 8.19 The disposal of land and property is dealt with additionally in Contract Procedure Rules and through the Land and Property Protocol.

## **9. SECURITY**

### **Security of Assets**

- 9.1 All staff are responsible for maintaining proper security at all times for all buildings, stocks, stores, furniture, equipment, cash and any other assets for which they are responsible. The Director of Finance must be consulted to establish adequate security arrangements.
- 9.2 All keys to safes and other places containing money, goods or other valuables are to be the responsibility of specified officers who must retain possession of such keys at all times. A register of keys and their holders must be maintained by each Head of Service. The loss of any key must be reported immediately to the Head of Service who must record details of the circumstances of the loss, and take such action as is necessary to protect the property of the Council.
- 9.3 Maximum limits for cash holdings in each separate establishment are to be agreed with the Director of Finance and must not be exceeded without permission.

### **Security of Information**

- 9.4 All staff must maintain proper security, privacy and use of information held in computers and all other recording systems under their control. Heads of Service must ensure that:
- (a) all employees are aware of and comply with the Council's Information Security and Information Management policies;
  - (b) all sensitive information is protected from unauthorised disclosure;
  - (c) the accuracy and completeness of information and software is safeguarded;
  - (d) software and other intellectual property is used only in accordance with licensing agreements;
  - (e) Data Protection legislation is complied with;
  - (f) the Freedom of Information Act and Environmental Information Regulations are complied with;
  - (g) proper controls to system and physical access are in place;
  - (h) the Council's intellectual property rights are protected; and
  - (i) data taken off site by staff has the appropriate security such as encryption in place to protect the data should it be lost.

## **Security of Property Relating to Clients and Customers**

- 9.5 Heads of Service must provide detailed written instructions on the collection, custody, investment, recording, safekeeping and secure disposal of customer/clients' property (including instructions on the disposal of property of deceased clients) for all staff whose duty is to administer, in any way, the property of clients. Due care should be exercised in the management of a customer or clients' money in order to maximise the benefits to the customer/client.
- 9.6 The Council is responsible for taking reasonable care of all items of property found by staff or members of the public on Council premises until the items are reclaimed or disposed of. Each Head of Service must nominate officers who are responsible for the custody of lost property and keep a register of such property received, detailing the item, date, time, name and address of finder and how and to whom the property is returned or disposed of. The [Information Management Team](#) must be informed of any loss for which the Council is the data controller, in line with the Security Incident Management policy.
- 9.7 Heads of Service may seek Cabinet authority on how lost property will be dealt with. Otherwise, if the lost property is not claimed within three months it vests in the Council. The Head of Service will then determine if the item is of value for use by the Council and arrange for its use for this purpose. All other items are to be disposed of by sale in accordance with Contract Procedure Rules.

## **Security Passes**

- 9.8 All staff who are located in offices are responsible for accessing the building in accordance with management instruction. This will include keeping their staff security badges secure and reporting any loss promptly to their line manager.

## **10. TREASURY MANAGEMENT**

### **Policies and Strategies**

- 10.1 The Council has adopted requirements of the Ministry of Housing, Communities and Local Government (MHCLG), [now the Department of Levelling Up, Housing and Communities \[DLUHC\]](#) Investment Guidance, the MHCLG Minimum Revenue Provision Guidance, the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code and the CIPFA Treasury Management Code.
- 10.2 The Council is responsible for adopting:
- (a) A treasury management policy statement, setting out the policies and objectives of its treasury management activities, and treasury management practices, setting out how those policies and objectives will be achieved and how treasury management will be managed and controlled.

- (b) An Annual Investment Strategy, determining the type and level of investments to be entered into over the coming year together with a policy on risk management and a creditworthiness policy, and the level of investment in specified and non-specified investments
- (c) The Minimum Revenue Provision policy (in line with Government Guidance) and the Borrowing Strategy.

10.3 The Director of Finance will prepare a report before each financial year recommending a treasury management strategy and investment plan, and subsequently an annual report after the end of the year. In addition, there will be a mid-year treasury management update including performance in relation to prudential indicators. Each of these reports must be considered by Cabinet where there will be a recommendation to Council where there will be final approval.

10.4 The Audit Committee is responsible for the ~~detailed scrutiny of~~ review of treasury management policies, procedures and practices and reviewing all treasury management reports (including reports presented to Cabinet and Council). ~~However, the~~ The relevant Overview and Scrutiny Committee will also undertake scrutiny of the Annual Treasury Management Strategy Report as part of its budget scrutiny function.

10.5 The Director of Finance is responsible for the execution and administration of treasury management decisions in accordance with the policy statement and agreed practices as set out at in the Treasury Management Strategy Statement report presented to Budget Council.

### **Administration**

10.6 All money under the management of the Council is to be aggregated for the purposes of treasury management and will be controlled by the Director of Finance.

10.7 Investments other than bearer securities are to be in the name of the Council or nominee approved by the Cabinet. All borrowings are to be in the name of the Council.

10.8 The Director of Finance will select the Council's Registrar of stocks, bonds and mortgages and must maintain records of all borrowings by the Council.

10.9 A suitable register must be maintained in respect of all investments, securities, bearer securities and borrowings.

10.10 The Director of Finance will arrange all loans. The Director of Finance is to be informed of all leases entered into by Service Managers.

## **Trust Funds**

- 10.11 All trust funds are to be, wherever possible, in the name of the Council. Officers acting as trustees by virtue of their official position must deposit all documents of title relating to the trust with the Director of Legal Services (unless the Trust Deed otherwise directs) who must maintain a register of all such documents deposited.

## **11. BANKING ARRANGEMENTS, CHEQUE SIGNING AND IMPREST ACCOUNTS**

### **Banking Arrangements**

- 11.1 All of the Council's banking arrangements are to be approved by the Director of Finance, who is authorised to operate such bank accounts as he or she considers appropriate.
- 11.2 Bank accounts must not be opened without the approval of the Director of Finance. Where a bank account is opened, the account name must describe the purpose of the account. All new accounts should be named in the format Oldham MBC, XYZ Account.

### **Cheques and Electronic Payments**

- 11.3 Payments to suppliers and employees will all be made by electronic means unless there is specific agreement with the Director of Finance to use another method.
- 11.4 All cheques are to be ordered only in accordance with arrangements approved by the Director of Finance, who is to ensure their safe custody. Cheques drawn on the Council's main bank accounts must either bear the facsimile signature of the Director of Finance and or be signed in manuscript by him/her or other authorised officers. All alterations and amendments are to be signed in manuscript by the Director of Finance, or other authorised officers.
- 11.5 Banking arrangements made for authorisation of payments to be made or received under electronic transfer are to be in a form approved by the Director of Finance.
- 11.6 There will only be cash advances made in relation to money for clients associated with care or specific exemptions agreed by the Director of Finance.

### **Imprest Accounts**

- 11.7 Heads of Service will determine what amount is appropriate for an individual imprest subject to any limit set by the Director of Finance, and keep a record of every imprest issued, including the name of the imprest holder, amount and location.

- 11.8 Any imprest holder (or sub imprest) must at any time account for the total imprest if requested to do so by the Director of Finance and keep adequate records in a form approved by the Director of Finance and supported by valid (VAT) receipts. On ceasing to be responsible for an imprest account the officer must account promptly to the Head of Service for the amount advanced.
- 11.9 Payments from imprest accounts are to be limited to minor items of expenditure and to any other items approved by the Director of Finance.
- 11.10 Where deemed appropriate by an imprest account holder a sub-imprest may be provided to another officer for which the main imprest account holder must obtain and retain an acknowledgement. In all cases where this occurs the main imprest holder must notify the Head of Service.

## **12. INCOME**

- 12.1 The Revenue Budget report presented to the relevant Overview and Scrutiny Committee for scrutiny prior to the start of each financial year will include proposals for fees and charges, including any amendments, for the forthcoming financial year. This will be prepared by the Director of Finance in consultation with Heads of Service/Directors. After comments from the Overview and Scrutiny Committee, the final approval of fees and charges will align with the budget process, with a report to Cabinet with a recommendation to Council. Any amendments in year should be reported to Cabinet for approval.
- 12.2 The methods of collecting, recording and banking of all income due to the Council are to be approved by the Director of Finance.
- 12.3 The Director of Finance must be notified, in accordance with practices agreed with the relevant Head of Service, of all income due to the Council and of contracts, leases and other agreements and arrangements entered into which involve the receipt of money by the Council.
- 12.4 Heads of Service must ensure that to the maximum extent possible income is collected by electronic means.

### **Collection and Banking of Income**

- 12.5 Heads of Service must make appropriate arrangements for the control and issue of all receipt forms, books, tickets, ticket machines or other acknowledgements for money.
- 12.6 All income received by the Council must be acknowledged by the issue of an official receipt or by another approved method indicating payment has been received.
- 12.7 All money received by an officer on behalf of the Council must be paid to the Council's bank account as the Director of Finance may determine, at intervals taking account of the security of the premises. No deductions are to be made

from such monies unless specifically authorised by the Director of Finance. Personal cheques must not be cashed out of monies held on behalf of the Council. Refunds must be made through the payments system.

- 12.8 Arrangements for opening incoming mail must ensure that any money so received is immediately recorded.
- 12.9 Every transfer of official money from one officer to another must be evidenced in the records of the services concerned by the signature of the receiving officer.
- 12.10 All requests to collect income using card machines require the approval of the Director of Finance. The Service requesting the card machines shall fund, from their own budgets, any expenditure required so the process is compliant with the Payment Card Industry Data Security Standard (PCI DSS).

### **Discrepancies in accounting records**

- 12.11 Each Head of Service must maintain a detailed record of all discrepancies in records including cash surpluses and deficiencies in a manner approved by the Director of Finance, and these must be recorded in the Council's accounts.
- 12.12 The Head of Service must investigate any apparent patterns of discrepancies.
- 12.13 Where such discrepancies are in excess of £100 individually, or in total within any period of 1 month, the Head of Service concerned must immediately investigate and notify the Director of Finance who may undertake such investigations as he/she deems appropriate.

### **Debtors**

- 12.14 Wherever possible, payment should be obtained in advance or at the time of provision of a service, goods, letting or works.
- 12.15 Where credit is given, Heads of Service must ensure that the credit status of each customer is satisfactory. Heads of Service are responsible for arranging for staff to raise debtor accounts using the financial ledger approved by the Director of Finance immediately a debt falls due. Each Head of Service, in conjunction with the Director of Finance must maintain adequate records to ensure that all credit income due to the Council is promptly recovered. Where services are proposed through the year's accounts, they should be raised on a monthly basis to the body in receipt of the service.
- 12.16 Authorised Senior Officers must each identify employees authorised to act on their behalf, or on behalf of the Cabinet, in respect of: income collection, together with the limits of each person's authority.

## Debts including Council Tax, Business Rates, Sundry Debt, Housing Benefit Payments

- 12.17 The Head of Service responsible for managing the ~~contract to~~ collection of Council Tax, Business Rates, Sundry Debt and Housing Benefit Overpayments shall regularly review the level of debts due from these activities and ensure, in conjunction with the Director of Finance, the adequate level of provisions required for bad and doubtful debts. Authorisation of write off for individual debts within this service is as follows: ~~at this stage:~~
- a) individual debts less than £100 by officers within the service. At the end of eEach quarter of the financial year, -the Head of Service shall submit a report to the Director of Finance detailing these write offs;
  - b) individual debts up to £5,000 by the Head of Service. At the end of each quarter of the financial year, the Head of Service shall submit a report to the Director of Finance detailing these write offs;
  - c) individual debts up to £10,000 by the Director of Finance.
  - e)d) individual debts up to £30,000 by the Director of Finance in conjunction with the Cabinet Member with responsibility for Finance;
  - ee) individual debts over £30,000 by Cabinet.
- 12.18 For debts other than those covered in 2.17 above, the authorisation limits for individual sundry debts are as follows:
- a) individual debts up to £10,000 by the relevant Authorised Senior Officer in conjunction with the Director of Finance; and
  - b) individual debts over £10,000 by Cabinet
- 20.19 As part of the closure of the final accounts the Director of Finance shall undertake a detailed review of the outstanding debts owed to the Council and write off amounts that the Director of Finance deems irrecoverable prior to the draft annual accounts being submitted to the Audit Committee for approval. The individual debts written off as part of this process shall be reported to the Cabinet Member with responsibility for Finance.
- 12.20 The 'writing off' of a debt does not absolve a Head of Service of the responsibility to collect such debts, and the position in relation to such debtors is to be monitored by the Head of Service.
- 12.21 Where the Director of Finance considers that individual services have not raised debtors accounts in a prompt manner the officer may calculate the interest lost to the Council and charge this amount to the service budget.



12.22 On an annual basis [\(and more frequently if required\)](#) Heads of Service will review the level of debtors' accounts in their particular area which remain unpaid. This will be discussed with the Director of Finance and/or their representative and provision made for any amounts which require a provision to be made for bad debts at the end of the financial year.

12.23 The amount of income to be credited in respect of sundry debts to individual Directorate accounts shall be determined by the Director of Finance with a clear reference to the actual cash amount received by the Council.

### **13. ORDERING AND PAYING FOR WORK, GOODS AND SERVICES**

#### **General**

13.1 Every Officer and Member of the Council has a responsibility to declare any links or personal interests that they may have with purchasers, suppliers and/or contractors if they are engaged in contractual or purchasing decisions on behalf of the authority, in accordance with appropriate codes of conduct. These interests should be registered with the Director of Legal Services as per the Council's agreed procedures.

13.2 Public money must be spent with demonstrable probity and in accordance with the Council's policies, including ensuring suppliers' compliance with taxation in accordance with resolutions of Council. Where appropriate a valid purchasing order shall be raised. Local Authorities have a statutory duty to achieve best value in part through economy and efficiency and the Council's procedures (Contract Procedure Rules, Scheme of Delegation, Financial Procedure Rules and in accordance with Procurement Policy and Practice) must be followed to help Directorates obtain value for money from their procurement arrangements.

13.3 Whilst Contract Procedure Rules have a threshold for written competitive quotations, it is nevertheless an obligation on officers to be able to show that they have received value for money at much lower levels than the formal requirement of these rules.

13.4 Where the Council has corporately negotiated contracts for goods, services or works, Directorates shall normally use these contracts for such supplies. Information on these contracts can be obtained from the Corporate Procurement Section. Where the Council is also the supplier of a service, officers ordering shall always give the in-house provider the opportunity to quote for the supply.

13.5 Heads of Service must ensure that all valid invoices are paid as a minimum within 30 days of receipt. Suppliers should be encouraged to participate in the early discount scheme of the Council and that invoices are submitted in a timely manner to maximise the amount of early payment. In payment of invoices all officers should comply with the detailed guidance issued by the Director of Finance. This includes an analysis where appropriate that a

supplier is financially robust to receive all payments via the early payments scheme.

- 13.6 The Director of Finance will determine the method and frequency of payment from one of the Council's main bank accounts, except for: -
- petty cash and other imprest accounts
  - delegated bank accounts approved by the Director of Finance.

### **Raising orders**

- 13.7 All orders for goods, services and works shall be made using the Council's agreed procurement system, A1/[Agresso](#). Unless agreed by the Director of Finance as an agreed exception, orders should be issued in advance of the receipt of the service and invoice.
- 13.8 Each [Authorised Senior Officer's](#) own Scheme of Delegation must identify employees authorised to act on [their](#) behalf, or on behalf of the Cabinet, in respect of payments and orders, together with the limits of each person's authority.
- 13.9 Heads of Service must approve a schedule of Council officers authorised to raise requisitions, undertake approvals up to order and invoice stages and to supply their names, job titles and authorised approval levels to the Director of Finance. The schedule must be reviewed at least once per year.
- 13.10 By approving a requisition the approving officer indicates that satisfactory checks have been carried out to ensure that:
- (a) the authoriser of the order should be satisfied that the goods and services ordered are appropriate and necessary;
  - (b) the order value indicates that prices, extensions, calculations, discounts, other allowances and all relevant taxes are correct;
  - (c) payment will be processed via a proper tax invoice;
  - (d) the proposed expenditure will be properly incurred, is within budget, and has been charged to the appropriate budget;
  - (e) entries will be made in asset registers, inventories, stores and other records as appropriate;
  - (f) the order has not been processed previously;
  - (g) the commitment is a proper liability of the Council.

There should be adequate controls to agree invoice values to contracts or non A1/[Agresso](#) orders where a dispensation has been received for not using A1/[Agresso](#) ordering as detailed in section 13.7. The supplier's sales invoice reference should be recorded in spreadsheet format by the budget holder's department to allow the tracing of invoices input to A1/[Agresso](#) in the absence of an A1/[Agresso](#) purchase order reference.

- 13.11 The correct receipt of goods shall be acknowledged by recording the details on A1/[Agresso](#) or the signature of an appropriate officer who checks for quantity and quality to the details set out on the delivery note to validate the receipt of goods or services. This should not be the same officer who has approved the order.
- 13.12 Signed delivery notes shall be matched and checked to the appropriate electronic order and retained as a record of receipt of the delivery.
- 13.13 System procedures must be followed for the treatment of part or incorrect deliveries and the system updated appropriately.
- 13.14 Goods shall be held with appropriate security and entered into stores or an inventory, if appropriate (see section 7). Permanent valuable items shall be marked as the property of Oldham Metropolitan Borough Council. This does not apply to equipment leased by the Council, which shall be marked to indicate the equipment is leased in such a way as not to deface the equipment.

### **Paying invoices**

- 13.15 Payments shall only be made in respect of goods or services properly received on receipt of an official invoice from the supplier. The invoice must contain, if appropriate, the company registration and VAT numbers and valid Purchase Order number. Failure to quote an order number will not allow the Council system to match with the original purchase order and as a result the invoice will be returned to the sender for the inclusion of this data.
- 13.16 Invoices will be received and processed by the Accounts Payable Team, who will electronically scan the invoices, which will be matched by the system to the relevant order and goods/services received record and passed for payment if within system tolerances.
- 13.17 An exception to this matching process relates to non-order invoices input under the dispensation rule detailed in 13.7 above where the budget holder effectively gives retrospective order approval after an invoice has been input.
- 13.18 Authorised Senior Officers are responsible for ensuring that undisputed invoices are processed for payment within a maximum of 30 days from receipt of the invoice.

## **Advance Payments**

- 13.19 Where a supplier or contractor requires payment prior to the despatch of goods or the provision of services, an official order signed by a duly authorised officer and clearly marked that payment is to be made before receipt of the goods or services must be completed. A pro forma invoice or supplier's order form detailing fully the goods/service to be obtained must be approved by an officer authorised to certify invoices and retained as a record of the payment made.

## **Transparency Agenda**

- 13.20 As a part of Transparency Agenda the Council shall publish all individual transaction for expenditure in excess of £500 within statutory deadlines.

## **14. PAYMENT CARDS**

- 14.1 All arrangements regarding payment and procurement cards must be approved by the Director of Finance.
- 14.2 Heads of Service in conjunction with Director of Finance will determine the credit limit for individual payment and procurement cards.
- 14.3 Each cardholder will ensure safe custody of the card and not exceed their monthly limit.
- 14.4 Cards may be used only in accordance with the approved scheme and for legitimate expenses incurred by the cardholder in the course of official Council business.

They must not be used:

- (a) to circumvent the procedures for the ordering of and payment for, goods and services under these regulations; or
  - (b) to purchase items for the private or personal use of cardholders.
- 14.5 Each cardholder must ensure that all expenditure incurred is supported by adequate records and in respect of payment cards, a VAT receipt is obtained to support all expenditure.

## **15. SALARIES, WAGES AND PENSIONS**

- 15.1 All payments of salaries, wages, pensions, compensations, gratuities, allowances and other emoluments to current or former employees and Members are to be made by the Councils Payroll Service (~~which is provided by the Unity Partnership~~) or an agreed payroll provider (in relation to schools) in accordance with information supplied by the Head of Service. All payroll transactions must be processed through the Council's payroll system. This

will include all Members and Officers expenses which are to be paid in arrears by payroll.

- 15.2 Heads of Service must ensure that appointments of all employees and agency staff are in accordance with the appropriate Conditions of Service of the Council or any approved scheme of delegation, and are within the approved budgets, grades and rates of pay. Any variations of terms and conditions must be in accordance with arrangements approved by the [Assistant Chief Executive](#).

### **Records**

- 15.3 Heads of Services must maintain adequate records to notify the Payroll Service of all appointments, resignations, dismissals, and retirements together with changes in pay rates, bonuses due, overtime worked and other matters affecting remuneration, and provide all information to ensure that the correct adjustments are made in respect of absences, pensions, income tax, national insurance, sickness and maternity pay and any other additions, to or deductions from pay. Heads of Service must also advise the Payroll Service of any employee benefit in kind to enable reporting for taxation purposes.
- 15.4 Time records and other pay documents must be maintained in a manner approved by [Unity the HR Transactional, Payroll and Pensions Operations Manager](#) and be certified by the [relevant](#) Head of Service or other authorised officers. A record of all authorised officers must be maintained together with specimen signatures, a copy of which will be sent to the Payroll Service.
- 15.5 Access to Payroll Data shall be made available to authorised Council representatives by all audit providers to the Council.

### **Overpayments**

- 15.6 The Director of Finance is authorised to write-off any net overpayment of salary/wage where death-in-service of an employee occurs, except where the Council holds a statutory obligation to recover such overpayments. All other overpayments of pay must be treated for the purposes of recovery and write off in accordance with Financial Procedure Rule 12.

## **16. TRAVEL, SUBSISTENCE AND OTHER ALLOWANCES**

- 16.1 Payment of all claims is to be made via payroll or under other arrangements approved by the Director of Finance and must be in accordance with Schemes of Conditions of Service adopted in respect of the employee to which the payment relates.
- 16.2 All claims for payment of car allowances, subsistence allowances, travelling and incidental expenses, must be made by the payroll system. The on-line system provides for certification by the Head of Service or authorised officer under individual [schemes of delegation for Authorised Senior Officers](#).

16.3 The certification of a claim by or on behalf of a Head of Service is taken to mean that the certifying officer is satisfied that the journeys were authorised, the expenses properly and necessarily incurred and that the allowances are properly payable by the Council. Expense claims which relate to a period more than 6 months before the date of submission will not be paid, except in special circumstances agreed by the Director of Finance.

16.4 Where air travel is required for business purposes, all such flights should be authorised in advance by the relevant Authorised Senior Officer.

## **17. TAXATION**

17.1 The Director of Finance is responsible for advising the Council / Authorised Senior Officers on all taxation issues that affect the Council.

17.2 Each Head of Service must ensure taxation is treated correctly and consult with the Director of Finance in the event of any uncertainty as to any taxation treatment. Should an error in taxation occur due to the failure of a Head of Service to follow an appropriate procedure then there shall be a charge against that Services budget.

17.3 The Director of Finance will maintain the Council's tax records, make all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate, as well as lead and co-ordinate discussion or negotiations with the Her Majesty's Revenue and Customs about any taxation matter.

## **18. GIFTS AND HOSPITALITY**

18.1 A separate Code of Conduct is available which sets out how officers and members should deal with issues such as receipt of personal gifts and offers of hospitality. All officers and members need to be aware of the requirements of the Code and ensure they are followed. All gifts and offers of hospitality over £25 need to be registered with the Director of Legal Services.

## **19. UNOFFICIAL AND VOLUNTARY FUNDS**

19.1 These regulations relate to funds administered by officers of the Council, the accounts of which are not included in the Authority's accounts.

19.2 Any proposed unofficial funds require the prior approval of the Head of Service concerned who must maintain a record of all such funds and ensure that officers are appointed to administer each fund.

19.3 A separate bank account must be maintained for each fund (in the name of the fund) and fund monies must be kept separate from Council monies.

19.4 Heads of Service must ensure that they receive a copy of the accounts of each fund and a certificate in the prescribed form from the auditors or independent

examiners of each fund that has to be audited or independently examined. Such accounts are to be prepared annually, and at the completion of the purpose for which the fund was set up.

- 19.5 The Director of Finance is to have access to any records relating to such funds and be immediately informed of any irregularities which arise in connection with them.

## **20. FINANCIAL CONTROL OF WHOLLY OWNED COMPANIES, PARTNERSHIPS, JOINT VENTURES, ASSOCIATED ORGANISATIONS AND SIMILAR ARRANGEMENTS**

### **Working in Partnership with Associated Organisations**

- 20.1 The Director of Finance is responsible for promoting and maintaining the same high standards of financial administration in wholly owned companies and partnerships that apply throughout the Council, or advising the Cabinet where he/she is aware that arrangements within a partnership are in conflict or are uncertain compared with the practices adopted by the Council.

- 20.2 The Director of Finance must ensure that the accounting arrangements to be adopted relating to wholly owned companies, partnerships and joint ventures are satisfactory, and must:

(a) consider the overall corporate governance arrangements and legal issues when arranging contracts with the wholly owned company/partner/joint venture or associated organisation;

(b) ensure that the risks have been fully appraised before agreements are entered into with the wholly owned company/partner/joint venture or associated organisation;

(c) approve the appointment of the external auditor;

(d) arrange for the accounts to be prepared by an appropriate professional;

(e) agree the financial ledger to be used by the organisation.

- 20.3 Heads of Service must ensure that in all grant agreements, contribution to partnerships and where appropriate in agreed contracts for the supply of works, goods and services, the Director of Finance has access to the accounts, records and all other documentation, and is entitled to seek explanations from Officers of the funded organisation regarding the deployment of the Council's funding payment.

### **Working for Other Organisations**

- 20.4 Heads of Service are responsible for ensuring that approval is obtained from the Director of Finance and Director of Legal Services before any negotiations

commence in relation to the provision of works or services to other organisations expected to exceed £10,000.

- 20.5 The Cabinet is responsible for approving the contractual arrangements for any work for other organisations expected to exceed £100,000. The Director of Finance may agree contractual arrangements below this level.
- 20.6 Heads of Service must ensure that any proposed arrangement to work for other organisations does not impact adversely upon the Services provided to or by the Council. All agreements, contracts or arrangements must be properly documented, and appropriate information must be provided to the Director of Finance to enable a note to be entered into the Council Statement of Accounts concerning material items.

### **Grants and Loans to Other Organisations**

- 20.7 Where a Head of Service proposes to offer a loan to any organisation in excess of £10,000, he/she may do so only following:
- (a) a full financial appraisal of the organisation to which the loan is to be granted, by the Director of Finance;
  - (b) a full financial appraisal of the project to which the loan relates, by the Director of Finance;
  - (c) the execution of a legal agreement approved by the Director of Legal Services;
  - (d) if it is in accordance with the agreed Council procedures on loans to third party organisations.
- 20.8 Where a Head of Service proposes to offer any grant in excess of £10,000, he/she may do so only:
- (a) where this accords wholly within the approved grants policy of the Council;
  - (b) following a full financial appraisal by the Director of Finance of the accounts of the organisation and an analysis of the necessity or otherwise of the funding proposal to be made and on the execution of a legal agreement approved by the Director of Legal Services; or
  - (c) in accordance with agreed Council procedure on grant support to third party organisations.

20.9 Grants in excess of £50,000 must be approved by Cabinet.



## 21. WORKFORCE

21.1 The Head of Paid Service is responsible for ensuring that there is proper use of the evaluation or other agreed systems for determining the remuneration for a job.

21.2 Authorised Senior Officers are responsible for controlling total numbers in the workforce and its cost by:

- advising the Director of Finance on the budget necessary in any given year to cover the workforce levels previously approved by Authorised Senior Officers,
- adjusting the workforce to levels that can be funded within approved budget provision, varying the numbers provided (though not the remuneration, or levels of remuneration for the specific categories of the workforce) as necessary, within that constraint, in order to fulfil operational needs;
- using the proper use of appointment procedures;
- ensuring an establishment list which includes job titles, names and contact details is prepared and maintained for their Directorate.

## 22. MONEY LAUNDERING

22.1 The legislation concerning money laundering impacts on local authorities. Potentially any member of staff could be caught by the money laundering provisions if they suspect money laundering and either become involved with it in some way and/or do nothing about it. The Council has therefore established an internal Anti-Money Laundering Policy and supporting Guidance Note designed to prevent the risk of the Council being involved in money laundering and to enable staff to report suspicions of money laundering activity to the Chief Internal Auditor (as the Council's nominated Money Laundering Reporting Officer).

22.2 All staff should have regard to the Council's Anti-Money Laundering Policy and supporting Guidance. A member of staff should ~~consider~~, in line with the Policy and Guidance, report any transaction which involves the receipt of £10,000 or more of cash to the Council's Money Laundering Reporting Officer; notwithstanding such financial limit, and member of staff who has reasonable grounds to believe that money laundering is taking place (or is being attempted) in respect of a smaller amount of cash should report the matter to the Council's Money Laundering Reporting Officer.

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# Part 4

# Financial Procedure Rules

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**Note: All references to Council posts in these Contract Procedure Rules shall be read as a reference to the equivalent post at the relevant point in time.**

For the purposes of these Financial Procedure Rules only, the following definitions apply:

**Senior Officer refers to** The Deputy Chief Executive, Assistant Chief Executive, Executive Director Place and Economic Growth, Managing Directors, Directors and Heads of Service

**Authorised Senior Officer refers to** those specific officers under the approved Scheme of Delegation to Officers under part 3 of the Council's Constitution.

## **1. FINANCIAL GOVERNANCE**

### **Council's responsibilities**

- 1.1 The Council has a statutory duty to make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has responsibility for the administration of those affairs. The Council has resolved that the Chief Financial Officer (the post is currently designated as the Director of Finance) is the responsible officer.
- 1.2 The Council is responsible for the approval of the Financial Procedure Rules to be used by all Members and officers, including any amendments or additions presented by the Director of Finance. The Council is responsible for approving the procedures for recording and reporting decisions taken by the Council itself, or by the Executive, or under approved delegation arrangements. The Scheme of Delegation, which includes financial limits, is set out in the Constitution at Part 3.

### **Cabinet's responsibilities**

- 1.3 The Cabinet is responsible for ensuring that the Financial Procedure Rules are followed across the Council. The Cabinet is also responsible for arranging for a review of the Financial Procedure Rules at least every three years and for recommendations for any changes to be made to the Council. This is normally arranged through the Constitutional Working Group.
- 1.4 The Cabinet is responsible for preparing and recommending to Council the annual revenue budget and Council Tax level and, once approved, for implementing and monitoring that budget.
- 1.5 The Cabinet is responsible for reviewing and recommending to Council a Capital Strategy and Capital Programme, a Medium Term Financial Strategy (which may be included within the Annual Revenue Budget Report), a Housing Revenue Account Budget, a Treasury Management Strategy and a Council

Tax Reduction Scheme, and once approved for implementing and monitoring the budgets and strategies.

- 1.6 The Cabinet is responsible for approving the Council's risk management policy statement and strategy and for reviewing the effectiveness of risk management arrangements.

### **Overview and Scrutiny responsibilities**

- 1.7 The Council will identify a relevant Overview and Scrutiny Committee or Committees to be responsible for scrutiny of the Administration's Budget proposals, including all related calculations, Policies and Strategies and for the forwarding of comments and recommendations on those matters to the Cabinet, prior to recommendation to Council.

- 1.8 The Council will identify a relevant Overview and Scrutiny Committee or Committees to be responsible for the overview of the Council's in-year financial performance.

### **Audit Committee's responsibilities**

- 1.9 The Audit Committee is responsible for reviewing the draft Annual Statement of Accounts and the Annual Governance Statement and approving the audited Council's Annual Statement of Accounts which incorporates the Annual Governance Statement. This Committee also provides oversight on the Council's Treasury Management Processes, the Corporate Risk Management Strategy, Counter Fraud Suite of Policies, Internal Control matters and Information Governance including the role of the Senior Information Risk Owner.

### **Capital Investment Programme Board (CIPB)**

- 1.10 The Capital Investment Programme Board has the following terms of reference. It will oversee the preparation and the delivery of the capital strategy and capital programme by:

- (a) Developing the overall Capital Strategy and annual programme in accordance with the priorities set out in the corporate plan
- (b) Recommending the overall capital strategy and programme to Cabinet and Council
- (c) Once the overall strategy and annual programme of expenditure has been approved at Council, the role of the CIPB is to:
  - i) Consider and recommend approval of the detail of the thematic programmes (e.g. Transport Capital Programme);
  - ii) Consider and recommend approval of any amendments to the annual programme;

- iii) Recommend approval of any new capital projects;
- iv) Undertake the detailed appraisal of projects, taking into consideration the Council's Capital Strategy, priorities and annual aims and objectives;
- v) Review the potential commercial risk and Value for Money issues on any proposal for the use of capital;
- vi) Provide a forum for establishing and providing robust challenge and debate around the Capital Programme;
- vii) Undertake a detailed annual review of the Capital Programme;
- viii) Review the Council's Capital Programme on an on-going basis and to ensure it is achieving the agreed outcomes together with consideration of the financial monitoring report;
- ix) Monitor the performance of projects and programmes within the Council's Capital Programme.

The CIPB oversees capital projects from inception to completion to ensure they are delivered efficiently and effectively and in line with the Council's corporate objectives.

The CIPB assesses all submissions for capital expenditure prior to them entering into the normal reporting process for approval. The Board therefore makes recommendations to the appropriate decision maker/forum, whether this is a Member under delegated responsibility, Cabinet or Council.

### **The Director of Finance**

1.11 The Director of Finance is responsible for the proper administration of the Council's financial affairs, and particularly for:

- (a) maintaining a continuous review of this Financial Procedure Rules and the submission of any additions or changes necessary for Council approval;
- (b) providing corporate financial advice and information to the Council i.e. on those issues where the Authority is regarded as one legal entity;
- (c) setting standards for good financial management including the accounting policies and financial procedures and records for the Council and monitoring compliance with those standards;
- (d) advising on the key financial controls necessary including maintaining an effective internal audit function to secure sound financial management;

- (e) ensuring that proper systems of internal control are operated and reporting breaches of the Financial and Contract Procedure Rules to Council, Cabinet, Audit Committee, or the Standards Committee as appropriate;
  - (f) co-ordinating the preparation of the General Fund Revenue Budget and Medium Term Financial Strategy, the Housing Revenue Account Budget, Capital Strategy and Programme, the Treasury Management Strategy, the Council Tax Reduction Scheme, and once approved preparing reports to monitor budgets and strategies;
  - (g) preparing the annual financial statements in accordance with the relevant accounting standards and codes of practice and any necessary technical accounting adjustments;
  - (h) treasury management activities, including reporting on prudential indicators;
  - (i) preparing a risk management policy statement and promoting/ embedding it throughout the Council.
- 1.12 The Director of Finance also has a range of statutory duties, rights and responsibilities in relation to the financial administration and stewardship of the Council and will have regard to the Statement of the Chartered Institute of Public Finance and Accountancy on the Role of the Chief Financial Officer in Local Government
- 1.13 The Director of Finance must report to the Council under Section 114 of the Local Government Finance Act 1988, if:
- (a) a decision has been made, or is about to be made, which involves the incurring of expenditure which is unlawful;
  - (b) there has been, or is about to be, an unlawful action resulting in a financial loss to the Council; or
  - (c) anyone or anybody is about to make an unlawful entry in the Council's accounts.
- 1.14 The Director of Finance may issue any instruction intended to fulfil these responsibilities and is entitled to any information or explanations as he/she may require.
- 1.15 The Director of Finance shall issue instructions and guidance to the Council in line with Section 25 of the 2003 Local Government Act. With regard to the robustness of the estimates.



## **Senior Officers**

- 1.16 Senior Officers must ensure that proper financial controls are maintained in their service area.
- 1.17 Senior Officers must make arrangements to ensure that all Officers involved in financial matters are aware of, and competent in the use of, these Financial Procedure Rules and the Council's financial ledger. The extent of delegated authority to officers must be recorded. See further guidance on the Scheme of Delegation in Part 3 of the Constitution. The main documents are also available on the Council's Website –
- [https://www.oldham.gov.uk/info/100004/about\\_the\\_council](https://www.oldham.gov.uk/info/100004/about_the_council)
- 1.18 Senior Officers must ensure that the financial implications of all proposals in advance of any "key decision" report have been subject to approval by the Director of Finance and their representatives and the subsequent report sets out the financial implications.
- 1.19 Senior Officers must ensure that the legal implications of all proposals in advance of the "key decision" report production have been subject to approval by the Director of Legal Services and the subsequent report sets out the legal implications.

## **Head of Paid Service (the Chief Executive)**

- 1.20 The Head of Paid Service is responsible for the corporate and overall strategic management of the Council as a whole. They must report to and provide information for the Council, the Cabinet; the Overview and Scrutiny Committees, and any other Committees of the Council. The Chief Executive is responsible for establishing the framework for management direction, style and standards and for the monitoring of performance for the organisation. The Head of Paid Service and the Monitoring Officer (the post is currently designated as the Director of Legal Services) are responsible for the system(s) of record keeping in relation to all the Council's decisions (see below).

## **Monitoring Officer (Director of Legal Services)**

- 1.21 The Monitoring Officer is responsible for promoting and maintaining high standards of conduct, including about financial matters, and therefore provides support to the Standards Committee. The Monitoring Officer is also responsible for reporting any actual or potential breaches of law or maladministration to the Council and/or to the Cabinet, and for ensuring that procedures for recording and reporting key decisions are operating effectively.
- 1.22 The Monitoring Officer must ensure that executive decisions and the reasons for them are made public as required by the Council's Access to Information Procedure Rules. The Monitoring Officer must ensure that Councillors are aware of such decisions made by the Cabinet, a Council Officer, or anyone

else acting on the Authority's behalf, who have delegated executive responsibility.

- 1.23 The Monitoring Officer is also responsible for providing advice to anyone regarding who has responsibility or authority to take a particular decision. In relation to financial matters, s/he will consult with the Director of Finance before giving advice.
- 1.24 The Monitoring Officer is responsible for advising the Council or Cabinet about whether a decision is likely to be considered contrary to or wholly in accordance with the Policy Framework. Responsibilities for actions contrary to the budgetary framework lie with the Director of Finance.

### **External agencies and partnerships**

- 1.25 Where, as a result of legislation or a decision of the Council or the Executive, as the case may be, part of the Council's or the Executive's functions are delivered by an associated organisation, funded partly or wholly by the Council, the organisation must submit for approval by the Council its own arrangements for corporate governance. These arrangements will incorporate the spirit of the Council's Financial Procedure Rules and will include the Council's right of access to financial information about the associated organisation and information of the Council processed by the third-party organisation. Whilst Cabinet is responsible for overall risk management and strategy, the Audit Committee shall monitor the specific Council risks in relation to partnerships as part of its governance role
- 1.26 Specific technical terms and conditions may be used when the Council is deemed the Accountable Body for external Government or other funding. Where the establishment of such terms and conditions is a condition of the funding, the obligations of and risk to the Council in its role will be set out in reports where approval to act as the Accountable Body is sought.
- 1.27 Schools with delegated budgets are subject to, and must comply with, the 'Oldham Scheme for Financing Schools', which has tailored these Financial Procedure Rules for use in those Schools.
- 1.28 A reference in the Financial Procedure Rules to the Director of Finance includes his or her nominees; and to an officer means any employee of the Council, or other persons contracted to carry out functions where these Financial Procedure Rules apply.

### **Staff and Councillors**

- 1.29 All staff and Councillors within the Authority are required to maintain and provide the highest standards of financial management, integrity and administration in line with those Financial Procedure Rules. Their conduct is also set out in the relevant Codes of Conduct included at Part 5 of the Constitution which they must be aware of and comply with at all times.

## **Council Owned Companies**

- 1.30 If the Council wants to set up an alternative delivery model for its services which involves the creation of a company including a Shareholding of the Council, it can only do so following consultation on the implications with the Director of Finance and the Director of Legal Services.

## **2. PREPARING AND MANAGING THE REVENUE AND CAPITAL BUDGET**

### **Financial Planning Framework**

- 2.1 It is a legal requirement for the Council to ringfence and separately manage many of its financial resources and expenditure. The main “ringfenced” areas include:
- Housing Revenue Account income and expenditure;
  - Income and expenditure relating to schools (including Dedicated Schools Grant);
  - Capital expenditure and resources;
  - The Collection Fund (Council Tax and Business Rates income).
- 2.2 Any income or expenditure which does not fall within ringfenced categories is deemed to fall within General Fund (non-schools).
- 2.3 Ringfencing means that the Council is either not permitted or is heavily restricted in its ability to vire resources in or out of a particular ring-fenced area. For example, the Council is not generally permitted to use capital resources to fund revenue expenditure (an exemption to this exists for the period 2022/23 to 2024/25 whereby the flexible use of capital receipts permits the use of such resources to finance expenditure incurred on transformational activity)
- 2.4 The situation is further complicated by the fact that certain resources within each of the ring-fenced areas have to be earmarked to particular activities. For example, capital and/or revenue grants that have been provided specifically to finance particular schemes.
- 2.5 Having regard to all statutory ring-fencing arrangements, the Director of Finance, after consulting the Cabinet and Authorised Senior Officers shall be responsible for designing and implementing the annual budget and medium-term financial planning arrangements. The Director of Finance is responsible for the preparation of a corporate revenue budget and advice on the setting of a Council Tax, a Capital Strategy and programme, a Treasury Management Strategy, a Housing Revenue Account budget and a Council Tax Reduction Scheme.

### **Preparation of the Corporate Plan**

- 2.6 The Chief Executive is responsible for proposing the Corporate Plan to the Cabinet for consideration before its submission to the Council for approval. When compiling the Plan, and in conjunction with other Authorised Senior

Officers the Chief Executive will ensure that the plan is assessed and moderated by the Director of Finance

### **Budget Preparation**

- 2.7 The Director of Finance will advise the Cabinet of each year about the detailed plans to prepare both the Annual Budget for the next financial year or two years and to update the Medium Term Financial Strategy (which can cover a period of up to five years). The budget process will then be prepared following the standards set out by the Director of Finance.
- 2.8 The Director of Finance, following the detailed work, will submit to the Budget Council meeting (usually held in February) each year a Medium Term Financial Strategy for the following three to five years, and budget planning totals for all services and central budgets.
- 2.9 Prior to final decision making, and in good time to allow meaningful consultation, the Council will make arrangements to consult with the public, partners, staff and business community on the budget reduction proposals being considered for future financial years.
- 2.10 The Cabinet, having regard to comments resulting from the consultation process outlined above (including those of the relevant Overview and Scrutiny Committee), will consider these budget reduction proposals in detail and make its recommendations to the Council before the date set for the meeting of the Council which will determine the budget (Budget Council).
- 2.11 The Director of Finance will advise the Cabinet and the Council on the overall budget, the levels of Council Tax, the use of reserves and the need for contingency budgets/balances, the robustness of the estimates and affordability and prudence of capital investments and on the risks that may exist in relation to the forecasts of spending levels and income.
- 2.12 Senior Officers will, in accordance with the Business Planning timeframe, produce draft service plans and budgets in accordance with the Budget Planning totals. These draft plans will explain the service changes proposed to be made, taking into account the Council's Corporate Plan, performance targets and the resources allocated.

### **Resource Allocation**

- 2.13 The general level of balances and reserves to be maintained by the Council shall be calculated and recommended for approval by the Director of Finance using a risk based approach in advance of the setting of the Budget for the approaching financial year. This will support the budget decisions being taken at the Council meeting which sets the Council Tax. The level of balances and reserves shall be subject to regular review in the budget monitoring reports presented to Cabinet during the financial year. At the year-end as part of the production of the Annual Statement of Accounts the Director of Finance shall assess the risks facing the Council and prepare the Statements to minimise

future unbudgeted expenditure including the assessment of required reserves in accordance with the Council's agreed policy on Reserves.

- 2.14 The Director of Finance is responsible for developing and maintaining a resource allocation process which: ensures due consideration of the Council's policy framework; and takes into account properly, current information on the Council's financial position and prospects for the future. It will also include an annual review of the budget to ensure that the resources allocated to each budget heading remain appropriate in the light of corporate priorities, business developments and national and local spending trends.

### **Reporting**

- 2.15 The Cabinet is responsible for ensuring that Service and Corporate Plans are implemented within the resources allocated in the Revenue and Capital Budgets. The Director of Finance will provide information on the Council's performance against the Revenue and Capital Budgets to Cabinet and the relevant Overview and Scrutiny Committee at regular intervals over the financial year. The report will include the projected out-turn on the agreed budgets, Collection Fund, Housing Revenue Account and Dedicated Schools Grant. In addition, and as appropriate, the Audit Committee will receive reports that include financial information on key partners and the progress made on issues identified with the Annual Governance Statement.
- 2.16 The general format of the budget proposed by the Cabinet to Council will follow that advised by the Director of Finance. The draft budget should include allocation to different services and projects, proposed taxation levels and any contingency funds/balances. The headings proposed will be those advised by the Director of Finance.
- 2.17 Senior Officers will control income and expenditure within their areas of responsibility. They will monitor performance, taking account of financial information provided by the Director of Finance. They should report on actual variances within their own areas, and on the possible likelihood of them. They must also: alert the Director of Finance to any problems; consult with the Director of Finance about the remedial action necessary to avoid exceeding their budget allocations: and take the remedial action agreed.
- 2.18 CIPB is responsible for advising Cabinet on the overall financial commitments on the overall capital programme in accordance with the overall capital strategy agreed by Cabinet.

### **Managing Budgets**

- 2.19 Senior Officers are responsible for managing budgets within their delegated authority. They must take action to avoid overspending budgets and report any difficulties to the Director of Finance.
- 2.20 Senior Officers should delegate authority to commit budgets to the appropriate level of management, make arrangements to set out clearly the extent of

authority of managers, and review the performance of managers in managing these budgets.

- 2.21 Senior Officers must, in consultation with their financial support officers, use the financial reports from the financial ledger and review their budgets on a monthly basis. This must inform the regular budget monitoring undertaken by the Director of Finance.
- 2.22 The Director of Finance is accountable for all corporate and contingency budgets, which will be managed in the same way as service and activity budgets.
- 2.23 Where, as a result of a mistake or error by an officer, the Council becomes liable for any charges, penalties or additional expenses, such costs will be met by the Service in which the error is made.

### **Carry forwards and recovery of overspends**

- 2.24 Carry forward is a mechanism for transferring budgetary resources from one year to the next, or vice versa. This will be determined during the production of the Statement of Accounts.
- 2.25 The Cabinet is responsible for approving changes to the Council's Revenue Budget arising from the carry forward process.
- 2.26 If the carry forward process is to be applied, there will be a presumption that underspending will only be allowed subject to a Directorate managing its resources in line with its agreed budget. All overspendings may be recovered in the following financial year following the advice of the Director of Finance.
- 2.27 The Council, in determining the Revenue Budget for a particular year, will review any arrangements for carry forward for that year and can change the guidance on advice from the Director of Finance.

### **Risk Management and Control of Resources**

- 2.28 It is essential that robust, integrated systems exist to identify and evaluate all significant operational risks to the Council. These systems will be maintained by the proactive participation of everyone associated with the planning and delivery of Oldham Council's services to its citizens.
- 2.29 The Director of Finance is responsible for preparing the Council's Risk Management Strategy and Framework, which includes the approach to ensuring proper insurance cover, and for promoting the Strategy and Framework throughout the Council, and for ensuring advice to the Cabinet Member with responsibility for Finance on appropriate insurance cover.
- 2.30 The Cabinet is responsible for approving the Council's Risk Management Strategy and Framework. Monitoring of the effectiveness of risk management is undertaken by the Audit Committee on behalf of the Cabinet.

- 2.31 Internal Control is the systems of control devised by management to help ensure the Council's objectives are achieved in ways which promote economic, efficient and effective use of resources and which ensure that the Council's assets and interests are safeguarded.
- 2.32 The Director of Finance will advise the Council at all levels on the requirements for an effective system of Internal Control. Arrangements devised and implemented will ensure compliance with all applicable statutes and regulations, and other relevant statements of best practice. They will also ensure that public money is properly safeguarded; and is used economically, efficiently, effectively and in accordance with the statutory and other authorities which govern their use.
- 2.33 It is the responsibility of Senior Officers to establish sound arrangements for planning, appraising, authorising and controlling their operations in order to achieve continuous improvement, economy, efficiency and effectiveness and for achieving their financial performance targets. In doing this they must consult as necessary with the Director of Finance about matters past and present and future which bear upon the framework of Internal Control.
- 2.34 The CIPB will develop and maintain sound arrangements for managing the Council's Capital Programme in accordance with the instructions of the Cabinet.

### **Production of Accounts**

- 2.35 The Director of Finance shall consolidate and produce the Authority's statutory accounts. Accounts will be prepared in accordance with the relevant statutory requirements.
- 2.36 Senior Officers shall assist the Director of Finance to undertake the closure of their Directorate accounts which must be in accordance with the standards, timescales and format set by the Director of Finance.
- 2.37 The Director of Finance is responsible for ensuring that the Annual Statement of Accounts is prepared in accordance with the CIPFA/LASSAC Code of Practice on Local Authority Accounting in the United Kingdom. This will include an assessment of the financial risks facing the Council.
- 2.38 The Audit Committee has delegated authority from the Council for approving the Annual Statement of Accounts.
- 2.39 The Director of Finance shall report to Cabinet and Council, after the accounts have been audited, the out-turn for the previous year for both the revenue and capital programme, identifying the out-turn against budget.

### **Grants from third parties (other than from Central Government or GMCA)**

- 2.40 Where a Head of Service proposes to accept grant funding from a third party or taking on accountable body status, which exceeds the sum of £50,000, then

the Head of Service should, in advance of accepting the funding, seek an appraisal of that proposal which will involve the approval of the Director of Legal Services and Director of Finance.

- 2.41 Where the amount of the proposed third party grant exceeds the sum of £250,000, this will become a key decision and therefore a report to Cabinet will be required in order to gain approval to accept the funding.

### **3. CHANGES TO THE OVERALL AGREED REVENUE AND CAPITAL BUDGET**

- 3.1 Senior Officers will propose items during their normal course of business which could have financial implications to increase the overall agreed net revenue and/or capital budget of the Council. Where the expenditure is capital, the revenue implications also need to be calculated. Notification of Government grant funding often arrives late, after the annual budget has been set and therefore outside the normal budget approval cycles. Such grant notifications also often have short acceptance timeframes. If the net impact of a Government grant is neutral (i.e., the grant covers in full the anticipated expenditure) to the overall agreed budget, then the grant can be accepted, and funding committed in accordance with the grant conditions.
- 3.2 Where there is additional cost to the Council, then in each case the potential commitment needs to be fully costed setting out the impact on the budget with details of how any additional cost will be financed and its performance effect. Where appropriate and after consultation with the Director of Finance, a report must be presented to Cabinet for consideration, but a capital matter must first be considered at the CIPB.
- 3.3 Any motion or report submitted to the Council which, if carried, would increase the Council's net revenue or capital budget or might otherwise contravene Financial Procedure Rules shall stand adjourned without debate and be referred to the Cabinet to receive a report on the detailed financial implications. When the Council reconvenes to consider the motion or report, it shall receive the recommendation of the Cabinet on the matter before making a decision on the motion or report and on whether to effect any change to the Council's approved Budget.
- 3.4 In the event of urgency, the Council may consider such an item without delay on receipt of a report from the Cabinet Member with responsibility for Finance as to the financial implications.
- 3.5 All proposals which involve a change to the overall revenue or capital budget need to be considered in accordance with the advice of the Director of Legal Services and Director of Finance.



## **Virements**

### **Revenue Budget Virements**

- 3.6 The Cabinet is responsible for agreeing procedures for virements (the transfer of resources) between department, earmarked reserves and service budget headings. The framework that exists ensures that virements which are associated with a significant change in the level of service from that set out in the service plan must be approved by the Member with Portfolio in consultation with the relevant Authorised Senior Officer.
- 3.7 The Director of Finance may approve an increase in an approved Department budget by a transfer from another approved Department budget under the control of another Authorised Senior Officer where: -
- (i) both budget heads are cash limited; and
  - (ii) the variation does not exceed £25,000.
- 3.8 Heads of Service, in consultation with the relevant Authorised Senior Officer, are authorised to transfer resources within a service budget subject only to the maximum amount of virement on any one activity not exceeding 5% or £50,000, whichever is the smaller. Where the aggregate of such virements exceeds £50,000 in a financial year, and if in the opinion of the Director of Finance it is appropriate to do so, the Director of Finance and the appropriate Senior Authorised Officer will jointly report to the relevant Member with Portfolio and the Cabinet Member with responsibility for Finance.
- 3.9 Authorised Senior Officers may approve a virement in an approved budget head by a transfer from another approved budget head where: -
- (i) both budget heads are cash limited; and
  - (ii) the virement does not exceed £100,000.

Authorised Senior Officers are responsible for formally approving, and for notifying to the Director of Finance, the record of their approval to in-year virements within service budget headings, and within the limits delegated to them.

- 3.10 Authorised Senior Officers must consult with the Director of Finance about all virements above their approved, delegated limits before allowing any action in respect of them to take place. All virements above the above limits must be approved by the relevant Members with responsibility for Portfolios and Cabinet.

Note - "Approved budget" above means the original provision made when the annual budget was approved by Council, plus or minus any variation which has been approved subsequently.

## **Capital Budget Virements**

- 3.11 The Council has agreed that CIPB will make recommendations on virements within the overall agreed capital plan of the Council in the following areas:
- Between programme areas. This will be actioned by the Executive Director, Place and Economic Growth in consultation with the Director of Finance and Cabinet Member with responsibility for Finance;
  - Within approved programme areas. This will be actioned by the Executive Director, Place and Economic Growth in consultation with the Director of Finance and Cabinet Member with responsibility for Finance.

## **Virements – General Protocols**

- 3.12 The Director of Finance will report as part of the regular budget monitor to the Cabinet and the relevant Overview and Scrutiny Committee, summarising any variations of the annual estimates including transfers to and from earmarked reserves for consideration at that meeting.
- 3.13 A virement is specifically not allowed where the transfer of resources is from budgets for capital charges and statutory taxes and levies.
- 3.14 All virements will be recorded in a way prescribed by the Director of Finance, who will arrange for virements to be reported to the Cabinet, where appropriate.
- 3.15 Heads of Service are authorised to incur any expenditure included in the approved revenue budget for the Service, as amended by any virement.
- 3.16 Whenever a project is to be funded via prudential borrowing it shall be done in accordance with the Council's Borrowing Strategy.

## **4. CAPITAL PLAN PREPARATION AND MANAGEMENT**

### **Responsibilities**

- 4.1 The Council is responsible for agreeing the overall allocation of resources to the Council's Capital Strategy and Programme.
- 4.2 The Cabinet is responsible for recommending to the Council a multi-year Capital Strategy and Programme. The CIPB undertakes overall management oversight for the Capital Strategy and Capital Programme on behalf of the Cabinet.

### **Capital Strategy and Programme Preparation**

- 4.3 The Cabinet will submit to the Council each year a multi-year Capital plan with planning totals for the main programme areas for at least the three following years, to align with the Medium Term Financial Strategy.
- 4.4 The Capital Investment Programme Board determine the criteria for the selection of projects to form the Capital Programme. This will assist the Director of Finance to prepare a programme of capital schemes for consideration by Overview & Scrutiny Committee and then by Cabinet.
- 4.5 The Cabinet will recommend, and Council will approve the initial allocations to projects and programme areas.
- 4.6 CIPB will recommend the subsequent allocations of resources from programme areas to projects within the overall total agreed by Council.
- 4.7 The Director of Finance will advise the Cabinet and the Council on the overall Capital Programme and levels of funding available.
- 4.8 Heads of Service are responsible for providing details of all projects in a format prescribed by the Director of Finance.

### **Capital Programme Management**

- 4.9 The Cabinet is responsible for implementing the Capital Programme within the resources allocated. The Cabinet will provide summary monitoring information to the Council when required. The CIPB delivers the detailed implementation of the Capital Programme. CIPB operates in accordance with the principles set out in these Financial Procedure Rules.
- 4.10 The CIPB will recommend capital budget virements in accordance with the protocol set out at paragraph 3.5
- 4.11 The Leader of the Council in consultation with the Chair of the CIPB , may also delegate authority under Financial Procedure Rules 4.10 to individual Cabinet members, in consultation with key statutory officers. The Leader of the Council, in consultation with the Chair of the CIPB is required to determine arrangements for delegation, which may differ between service areas. The Leader, in consultation with the Chair of the CIPB, may delegate to Directors authority to exercise virement within a programme area, provided that: -
- (a) the spending on the whole programme area being contained within the resources allocated;
  - (b) Directors report retrospectively to Cabinet on the use of this authority as part of the regular monitoring on the Capital Programme.

Such delegations will be recorded in a scheme of delegation to Cabinet members included at Part 3 of the Constitution.

- 4.12 All virement will be recorded in a way prescribed by the Director of Finance, who will arrange for virements to be reported to the Cabinet.
- 4.13 Heads of Service are responsible for managing programmes and projects. They must take action to avoid overspending the amounts provided in the Capital Plan and report any difficulties to the Director of Finance.
- 4.14 Heads of Service must prepare regular reports on the progress of projects in a format and to a timetable prescribed by the Director of Finance.
- 4.15 The Director of Finance will report to the Cabinet and the relevant Overview and Scrutiny Committee on the projected overall out-turn of the Capital Programme as part of the regular budget monitoring reports.
- 4.16 The inclusion of a project within the Capital Programme confers authority to proceed with planning applications and the completion of feasibility studies and option appraisals.
- 4.17 Heads of Service must prepare a business case in respect of each project before proceeding to detailed project design or land acquisition. The business case should be prepared in a format prescribed by the Director of Finance and must be considered by the CIPB. The Cabinet will in some instances decide that the business case should be prepared for a whole programme area, or a group of projects. The Cabinet may delegate its authority to approve business cases to Authorised Senior Officers in consultation with Cabinet members or CIPB.
- 4.18 Once a business case is approved, Heads of Service are authorised to proceed to detailed design and to commit to contracts providing: -
- (a) that the total costs of a project including tenders or quotations, fees etc, are estimated to be less than or equal to the amount approved in the business case and the Capital Programme;
  - (b) that where the total costs of a project exceed the amount approved in the business case and the Capital Programme and the excess is within the agreed tolerance levels, the appropriate virement has been approved to finance the additional cost;
  - (c) all necessary external approvals, if any, have been obtained;
  - (d) the incurring of the expenditure has been authorised by the Director of Finance;
  - (e) that any contract shall be executed in accordance with the Contract Procedure Rules.
- 4.19 The tolerance levels set out in Financial Procedure Rule 4.18(b) will be calculated at 10% of the approved estimate or £25,000 whichever is the greater. If this tolerance level is exceeded the approval to proceed must be

sought by reporting to Cabinet (which may be by inclusion of the issue within the regular capital monitoring report).

- 4.20 The Director of Finance will authorise the incurring of the full project costs provided he/she is satisfied that the approval will not give rise to any further expenditure not provided for in either the Capital Programme or the Revenue Budget.
- 4.21 During the completion of corporate projects totalling £250,000 and over, Heads of Service must co-operate with any requirement to complete a gateway review and the production of reports to CIPB setting out the outcomes from the project and whether these are matching the planned outcomes set out in the original business cases. Further phased expenditure on a project cannot be agreed until an appropriate business case has been approved by CIPB and an appropriate report produced as per agreed delegations.

## **5. FINANCIAL SYSTEMS AND PROCEDURES**

- 5.1 The Director of Finance is responsible for setting the standards of the operation of the Council's accounting and financial systems, the form of accounts and the supporting financial records. Any changes to the existing financial systems, processes or procedures; or the establishment of new systems to meet the specific needs of a Service must have prior written express approval of the Director of Finance before being implemented.
- 5.2 Heads of Service and key partners must ensure that officers understand and are competent to undertake their financial responsibilities and receive relevant financial training that has been approved by the Director of Finance
- 5.3 Heads of Service and key partners are responsible for the proper operation of financial processes in their own departments and must ensure that all financial, costing, and other statistical information is recorded fully and accurately.
- 5.4 Heads of Service and key partners must ensure that financial documents are retained in accordance with the Council's approved retention schedule.
- 5.5 As far as practicable, Heads of Service must make arrangements for the separation of duties between the carrying out of transactions and the examining and checking of transactions.
- 5.6 Any departure from using corporate accounting and financial systems must be approved and justified on cost/service grounds to the Director of Finance before the commitment to change is agreed.
- 5.7 Authorised Senior Officers together with key partners must ensure that, when appropriate, computer based, and other systems are registered in accordance with Data Protection Legislation and that staff are aware of and fulfil their responsibilities under freedom of information legislation.

- 5.8 Grant claims, financial returns and submissions must be completed by the relevant Heads of Service and/or appropriate Finance Officers and authorised by the Director of Finance or their designated representative prior to submission to a Government Department or other external agency.
- 5.9 Where there is a requirement for the certification by the Chief Internal Auditor or the Chief Executive, of grant related expenditure incurred by the Council, this should be obtained by the Service in advance of the submission of the certified grant claim.
- 5.10 Any proposals to use leasing to finance any expenditure within the Council, excluding schools' budgets, should be subject to review by the Director of Finance or their representative to ensure the financial implications receive appropriate consideration.

## **6. INTERNAL AUDIT AND COUNTER FRAUD**

### **Responsibility & Authority**

- 6.1 Under the Accounts and Audit Regulations 2015 the Director of Finance must arrange and direct a continuous Internal Audit, which is an independent review of the accounting, financial and other operations of the Council. The Public Sector Internal Audit Standards (PSIAS) ("Standards") came into effect on 1 April 2013, replacing the 2006 Code of Conduct, and was then revised in 2017. The Standards are mandatory for all central government departments, local government and agencies and have been developed based in global and national best practice. They are intended to promote professionalism, quality, consistency and effectiveness of Internal Audit across the public sector and for local authorities, are supported by CIPFA. Therefore, the scope, objectives and operation of Internal Audit in Oldham is that recommended by CIPFA and set out in the Standards.
- 6.2 The Chief Internal Auditor (the Assistant Director for Corporate Governance and Strategic Financial Management performs that role for Oldham Council), or role(s) designate will report directly to the Chief Executive and the Chair of the Audit Committee in any circumstance where the functions and responsibilities of the Director of Finance are being reviewed. The Standards note that a professional, independent and objective internal audit service is one of the key elements of good governance, as recognised throughout the UK public sector. The Chief Internal Auditor, in accordance with the PSIAS, will provide an Annual Opinion on the overall internal control environment of the Council.
- 6.3 Internal Audit and Counter Fraud Staff have the authority to:
- (a) enter at all times any Council premises or land or location from which Council services are provided;
  - (b) have access to all property, records, documents and correspondence relating to all activities of the Council;

- (c) require and receive explanations concerning any matter; and
- (d) require any employee of the Council, without prior notice, to produce cash, stores or any other property for which they are responsible.

### **Reporting**

6.4 The Director of Finance must report upon:

- (a) the risks inherent in and associated with the operational/service processes and information technology.
- (b) the soundness, adequacy and application of the financial and other management controls and systems within each Service;
- (c) the extent of compliance with, and the financial effects of, established policies, plans and procedures;
- (d) the extent to which the organisation's assets and interests are accounted for and safeguarded from losses of all kinds arising from fraud, other offences, waste, extravagance and inefficient administration, poor value for money and other cause;
- (e) the suitability, accuracy and reliability of financial and other management data within the organisation; and
- (f) value for money aspects of service provision.

6.5 In respect of any Internal Audit and Counter Fraud report or communication issued, the Head of Service, and/or their nominated deputy, must reply within 3 weeks indicating the action proposed or taken, by whom and including target dates. Where a draft report is issued for initial comments a reply must be made within 2 weeks of issue.

6.6 Authorised Senior Officers responsible for an area of service provision / financial or other management system which is the subject of Internal Audit recommendations, must respond to Internal Audit and Counter Fraud requests for progress and status updates against previously agreed Internal Audit recommendations. This requirement exists until all recommendations are actioned satisfactorily.

6.7 The Chief Internal Auditor will report to the Audit Committee on a cyclical basis about the findings of Internal Audit and Counter Fraud, the progress on issues in the Directorate Risk Register and Assurance Statements in each of the Directorates. The Chief Internal Auditor will report the Annual Report and Opinion on the System of Internal Control for the year ended 31<sup>st</sup> March (year, as relevant) to the Audit Committee.

## **Investigations and Suspected Fraud or Corruption**

- 6.8 The Chief Internal Auditor is responsible for the provision of an appropriate Counter Fraud service to minimise fraud risks and to investigate potential fraud and corruption. The Counter Fraud service at Oldham Council operates as recommended by CIPFA. The Cabinet Office also provide guidance on professional Counter Fraud standards across the public sector, and such guidance is followed in Counter Fraud activities undertaken by Oldham Council.
- 6.9 The Director of Finance is responsible for the development and maintenance of the Counter Fraud suite of strategies and for directing the Council's efforts in fraud investigation. The Director of Legal Services supported by the Chief Internal Auditor is responsible for the development of the Whistleblowing Policy and the Chief Internal Auditor is responsible for the assessment of Whistleblowing disclosures against the Public Interests Disclosure Act 1998 and reporting disclosures to the Monitoring Officer.
- 6.10 Authorised Senior Officers must ensure that all Members and employees are:
- a) aware of the Council's Anti-Fraud and Anti-Corruption Strategy;
  - b) aware of the Whistleblowing Policy;
  - c) operating in a way that maximises internal check against inappropriate behaviour; and
  - d) able to undertake the on-line training package on preventing fraud supported by the Council.
- 6.11 It is the duty of any officer who suspects or becomes aware of any matter which may involve loss or irregularity concerning cash, stores or other property of the Council or any suspected financial irregularity in the operations or exercise of the functions of the Council to immediately advise their Head of Service. The Head of Service concerned must immediately notify the Director of Finance who may take action by way of investigation and report.
- 6.12 Where, following investigation, the Director of Finance considers that there are reasonable grounds for suspecting that a loss has occurred as a result of misappropriation, irregular expenditure or fraud, consultations will be held with the Head of Service on the relevant courses of action, including the possibility of police involvement and the invoking of any internal disciplinary procedure in accordance with the relevant conditions of service.
- 6.13 Where there are sufficient grounds to believe that a criminal act may have been committed and it is agreed to refer the matter to the Police for investigation, this should be recorded on a central log of "matters referred to the Police" maintained by Internal Audit and Counter Fraud.



6.14 The Chief Internal Auditor shall on an annual basis maintain and update the Fraud and Loss Risk Assessment of the Council.

## **7. INSURANCE**

7.1 The Director of Finance, in consultation with Heads of Service is responsible for assessing insurable risks and for arranging all insurance cover, including the management and control of the insurance fund. He/she will control all claims and maintain records of them.

7.2 Heads of Service must promptly notify the Director of Finance in writing of all new risks or assets to be insured and of any alterations affecting existing insurances. All insurances held must be reviewed on an annual basis.

7.3 In the event of any insurance claim or occurrence Heads of Service must:

- (a) not admit liability where this may prejudice the outcome of any settlement;
- (b) promptly notify the Insurance Portfolio Manager in writing, of any loss, liability, damage or any event likely to lead to a claim; and
- (c) inform the Police in the case of loss or malicious damage to Council property.

7.4 Heads of Service must consult the Director of Finance and the Director of Legal Services as to the terms of any indemnity the Council is required to give.

7.5 The Director of Finance will determine the extent of insurance cover which must be provided for in any external contract for the supply of goods, works or services. The Director of Finance, in consultation with the Head of Service and Director of Legal Services, may reduce the cover requirements in respect of specific contracts.

## **8. ASSETS**

8.1 Heads of Service are responsible for the care and custody of all current and fixed assets of the relevant service (including stocks, stores, inventory items and all other items used for the Council's purposes, including property). These items must only be used for the authorised purposes of the Council. Assets must be recorded in Oldham Council's Asset Register, in accordance with the CIPFA Code of Practice.

8.2 Heads of Service must ensure that contingency plans exist for the security of assets and the continuity of service in the event of any disaster, significant event, or system failure. Whilst the Council's Emergency Plan, and its Disaster Recovery Plan for Information Systems are the main devices to be used and followed by Authorised Senior Officers, they are not exhaustive, and should be added to or improved upon by them when necessary.

### **Disposal of Assets**

- 8.3 Surplus or obsolete goods, materials and inventory items are to be disposed of by agreed transfer to another Service, competitive sale or public auction in accordance with both Contract Procedure Rules and the Land and Property Protocols, except when the Cabinet instructs otherwise. Where appropriate, the Council's Asset Register should be amended accordingly.
- 8.4 Leased items should only be disposed of in accordance with the instructions of the lessor.

### **Stores**

- 8.5 Heads of Service must keep records of all stock items in excess of £100 held and certify the value for accounting purpose at 31 March of each year. The Director of Finance will determine which items will be subject to stock accounting, the methods of recording and valuation.
- 8.6 Heads of Service must arrange periodical or continuous checks of stock. This should be by persons independent of the management of the stock. These arrangements must ensure that all items of stock are checked at least once per year. The Director of Finance will be notified of any discrepancies revealed by periodic checks and is authorised to amend records accordingly.
- 8.7 Stock holdings should be kept at minimum levels consistent with normal working practices

### **Inventories**

- 8.8 Heads of Service are responsible for ensuring that detailed inventories of all land, buildings, equipment, furniture, fittings, vehicles, plant and machinery are compiled and kept up to date. New inventory items must be entered promptly, and redundant items deleted and disposed of in accordance with Financial Procedure Rule 8.3. The form of inventory and the type of assets recorded thereon will be determined by the Director of Finance after consultation with the appropriate Head of Service.
- 8.9 The inventory should include:
- (a) the nature, type, model, serial number, location, quantity, value, date of acquisition;
  - (b) all items of, or collection of similar items valued at, more than £100;
  - (c) items of a lesser value which are portable and attractive; and
  - (d) evidence to indicate an annual inspection has been carried out.

- 8.10 When Council assets are loaned to employees, other Council services or other organisations, the Head of Service must record the reason for the loan, date/periods and name of the receiver.
- 8.11 Inventory items must be security marked, stamped or engraved with the Council's name.
- 8.12 Each Head of Service is responsible for ensuring that an annual check is made of all items on the inventory and must notify the Director of Finance of any discrepancies revealed by these checks.

### **Asset Register**

- 8.13 The Director of Finance must ensure that an Asset Register in accordance with agreed auditing standards is maintained. This will include all land and property
- 8.14 Each Head of Service must immediately notify the Director of Finance of the acquisition of any asset having a value of £10,000 or more.
- 8.15 Each Head of Service must immediately notify the Director of Finance of the disposal (or transfer to another Service) of any asset (or part of any asset) which is included on the Asset Register.
- 8.16 In respect of any item acquired by lease the inventory must be marked with the name of the leasing company and the date of expiry of the lease agreement. When requested by the leasing company the item must be suitably marked as the property of that company.

### **Land and Property Assets**

- 8.17 The Executive Director, Place and Economic Growth must ensure that the detailed record of all land and property owned by the Council is included in the Council's Asset Register.
- 8.18 The Director of Legal Services is responsible for the security and custody of all title deeds and must maintain a suitable register.
- 8.19 The disposal of land and property is dealt with additionally in Contract Procedure Rules and through the Land and Property Protocol.

## **9. SECURITY**

### **Security of Assets**

- 9.1 All staff are responsible for maintaining proper security at all times for all buildings, stocks, stores, furniture, equipment, cash and any other assets for which they are responsible. The Director of Finance must be consulted to establish adequate security arrangements.

- 9.2 All keys to safes and other places containing money, goods or other valuables are to be the responsibility of specified officers who must retain possession of such keys at all times. A register of keys and their holders must be maintained by each Head of Service. The loss of any key must be reported immediately to the Head of Service who must record details of the circumstances of the loss, and take such action as is necessary to protect the property of the Council.
- 9.3 Maximum limits for cash holdings in each separate establishment are to be agreed with the Director of Finance and must not be exceeded without permission.

### **Security of Information**

- 9.4 All staff must maintain proper security, privacy and use of information held in computers and all other recording systems under their control. Heads of Service must ensure that:
- (a) all employees are aware of and comply with the Council's Information Security and Information Management policies;
  - (b) all sensitive information is protected from unauthorised disclosure;
  - (c) the accuracy and completeness of information and software is safeguarded;
  - (d) software and other intellectual property is used only in accordance with licensing agreements;
  - (e) Data Protection legislation is complied with;
  - (f) the Freedom of Information Act and Environmental Information Regulations are complied with;
  - (g) proper controls to system and physical access are in place;
  - (h) the Council's intellectual property rights are protected; and
  - (i) data taken off site by staff has the appropriate security such as encryption in place to protect the data should it be lost.

### **Security of Property Relating to Clients and Customers**

- 9.5 Heads of Service must provide detailed written instructions on the collection, custody, investment, recording, safekeeping and secure disposal of customer/clients' property (including instructions on the disposal of property of deceased clients) for all staff whose duty is to administer, in any way, the property of clients. Due care should be exercised in the management of a customer or clients' money in order to maximise the benefits to the customer/client.

- 9.6 The Council is responsible for taking reasonable care of all items of property found by staff or members of the public on Council premises until the items are reclaimed or disposed of. Each Head of Service must nominate officers who are responsible for the custody of lost property and keep a register of such property received, detailing the item, date, time, name and address of finder and how and to whom the property is returned or disposed of. The Information Management Team must be informed of any loss for which the Council is the data controller, in line with the Security Incident Management policy.
- 9.7 Heads of Service may seek Cabinet authority on how lost property will be dealt with. Otherwise, if the lost property is not claimed within three months it vests in the Council. The Head of Service will then determine if the item is of value for use by the Council and arrange for its use for this purpose. All other items are to be disposed of by sale in accordance with Contract Procedure Rules.

### **Security Passes**

- 9.8 All staff who are located in offices are responsible for accessing the building in accordance with management instruction. This will include keeping their staff security badges secure and reporting any loss promptly to their line manager.

## **10. TREASURY MANAGEMENT**

### **Policies and Strategies**

- 10.1 The Council has adopted requirements of the Ministry of Housing, Communities and Local Government (MHCLG), now the Department of Levelling Up, Housing and Communities [DLUHC] Investment Guidance, the MHCLG Minimum Revenue Provision Guidance, the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code and the CIPFA Treasury Management Code.
- 10.2 The Council is responsible for adopting:
- (a) A treasury management policy statement, setting out the policies and objectives of its treasury management activities, and treasury management practices, setting out how those policies and objectives will be achieved and how treasury management will be managed and controlled.
  - (b) An Annual Investment Strategy, determining the type and level of investments to be entered into over the coming year together with a policy on risk management and a creditworthiness policy, and the level of investment in specified and non-specified investments
  - (c) The Minimum Revenue Provision policy (in line with Government Guidance) and the Borrowing Strategy.

- 10.3 The Director of Finance will prepare a report before each financial year recommending a treasury management strategy and investment plan, and subsequently an annual report after the end of the year. In addition, there will be a mid-year treasury management update including performance in relation to prudential indicators. Each of these reports must be considered by Cabinet where there will be a recommendation to Council where there will be final approval.
- 10.4 The Audit Committee is responsible for the review of treasury management policies, procedures and practices and reviewing all treasury management reports (including reports presented to Cabinet and Council). The relevant Overview and Scrutiny Committee will also undertake scrutiny of the Annual Treasury Management Strategy Report as part of its budget scrutiny function.
- 10.5 The Director of Finance is responsible for the execution and administration of treasury management decisions in accordance with the policy statement and agreed practices as set out at in the Treasury Management Strategy Statement report presented to Budget Council.

### **Administration**

- 10.6 All money under the management of the Council is to be aggregated for the purposes of treasury management and will be controlled by the Director of Finance.
- 10.7 Investments other than bearer securities are to be in the name of the Council or nominee approved by the Cabinet. All borrowings are to be in the name of the Council.
- 10.8 The Director of Finance will select the Council's Registrar of stocks, bonds and mortgages and must maintain records of all borrowings by the Council.
- 10.9 A suitable register must be maintained in respect of all investments, securities, bearer securities and borrowings.
- 10.10 The Director of Finance will arrange all loans. The Director of Finance is to be informed of all leases entered into by Service Managers.

### **Trust Funds**

- 10.11 All trust funds are to be, wherever possible, in the name of the Council. Officers acting as trustees by virtue of their official position must deposit all documents of title relating to the trust with the Director of Legal Services (unless the Trust Deed otherwise directs) who must maintain a register of all such documents deposited.

## **11. BANKING ARRANGEMENTS, CHEQUE SIGNING AND IMPREST ACCOUNTS**

### **Banking Arrangements**

- 11.1 All of the Council's banking arrangements are to be approved by the Director of Finance, who is authorised to operate such bank accounts as he or she considers appropriate.
- 11.2 Bank accounts must not be opened without the approval of the Director of Finance. Where a bank account is opened, the account name must describe the purpose of the account. All new accounts should be named in the format Oldham MBC, XYZ Account.

### **Cheques and Electronic Payments**

- 11.3 Payments to suppliers and employees will all be made by electronic means unless there is specific agreement with the Director of Finance to use another method.
- 11.4 All cheques are to be ordered only in accordance with arrangements approved by the Director of Finance, who is to ensure their safe custody. Cheques drawn on the Council's main bank accounts must either bear the facsimile signature of the Director of Finance and or be signed in manuscript by him/her or other authorised officers. All alterations and amendments are to be signed in manuscript by the Director of Finance, or other authorised officers.
- 11.5 Banking arrangements made for authorisation of payments to be made or received under electronic transfer are to be in a form approved by the Director of Finance.
- 11.6 There will only be cash advances made in relation to money for clients associated with care or specific exemptions agreed by the Director of Finance.

### **Imprest Accounts**

- 11.7 Heads of Service will determine what amount is appropriate for an individual imprest subject to any limit set by the Director of Finance, and keep a record of every imprest issued, including the name of the imprest holder, amount and location.
- 11.8 Any imprest holder (or sub imprest) must at any time account for the total imprest if requested to do so by the Director of Finance and keep adequate records in a form approved by the Director of Finance and supported by valid (VAT) receipts. On ceasing to be responsible for an imprest account the officer must account promptly to the Head of Service for the amount advanced.
- 11.9 Payments from imprest accounts are to be limited to minor items of expenditure and to any other items approved by the Director of Finance.

- 11.10 Where deemed appropriate by an imprest account holder a sub-imprest may be provided to another officer for which the main imprest account holder must obtain and retain an acknowledgement. In all cases where this occurs the main imprest holder must notify the Head of Service.

## **12. INCOME**

- 12.1 The Revenue Budget report presented to the relevant Overview and Scrutiny Committee for scrutiny prior to the start of each financial year will include proposals for fees and charges, including any amendments, for the forthcoming financial year. This will be prepared by the Director of Finance in consultation with Heads of Service/Directors. After comments from the Overview and Scrutiny Committee, the final approval of fees and charges will align with the budget process, with a report to Cabinet with a recommendation to Council. Any amendments in year should be reported to Cabinet for approval.
- 12.2 The methods of collecting, recording and banking of all income due to the Council are to be approved by the Director of Finance.
- 12.3 The Director of Finance must be notified, in accordance with practices agreed with the relevant Head of Service, of all income due to the Council and of contracts, leases and other agreements and arrangements entered into which involve the receipt of money by the Council.
- 12.4 Heads of Service must ensure that to the maximum extent possible income is collected by electronic means.

### **Collection and Banking of Income**

- 12.5 Heads of Service must make appropriate arrangements for the control and issue of all receipt forms, books, tickets, ticket machines or other acknowledgements for money.
- 12.6 All income received by the Council must be acknowledged by the issue of an official receipt or by another approved method indicating payment has been received.
- 12.7 All money received by an officer on behalf of the Council must be paid to the Council's bank account as the Director of Finance may determine, at intervals taking account of the security of the premises. No deductions are to be made from such monies unless specifically authorised by the Director of Finance. Personal cheques must not be cashed out of monies held on behalf of the Council. Refunds must be made through the payments system.
- 12.8 Arrangements for opening incoming mail must ensure that any money so received is immediately recorded.



- 12.9 Every transfer of official money from one officer to another must be evidenced in the records of the services concerned by the signature of the receiving officer.
- 12.10 All requests to collect income using card machines require the approval of the Director of Finance. The Service requesting the card machines shall fund, from their own budgets, any expenditure required so the process is compliant with the Payment Card Industry Data Security Standard (PCI DSS).

#### **Discrepancies in accounting records**

- 12.11 Each Head of Service must maintain a detailed record of all discrepancies in records including cash surpluses and deficiencies in a manner approved by the Director of Finance, and these must be recorded in the Council's accounts.
- 12.12 The Head of Service must investigate any apparent patterns of discrepancies.
- 12.13 Where such discrepancies are in excess of £100 individually, or in total within any period of 1 month, the Head of Service concerned must immediately investigate and notify the Director of Finance who may undertake such investigations as he/she deems appropriate.

#### **Debtors**

- 12.14 Wherever possible, payment should be obtained in advance or at the time of provision of a service, goods, letting or works.
- 12.15 Where credit is given, Heads of Service must ensure that the credit status of each customer is satisfactory. Heads of Service are responsible for arranging for staff to raise debtor accounts using the financial ledger approved by the Director of Finance immediately a debt falls due. Each Head of Service, in conjunction with the Director of Finance must maintain adequate records to ensure that all credit income due to the Council is promptly recovered. Where services are proposed through the year's accounts, they should be raised on a monthly basis to the body in receipt of the service.
- 12.16 Authorised Senior Officers must each identify employees authorised to act on their behalf, or on behalf of the Cabinet, in respect of: income collection, together with the limits of each person's authority.

#### **Debts including Council Tax, Business Rates, Sundry Debt, Housing Benefit Payments**

- 12.17 The Head of Service responsible for managing the collection of Council Tax, Business Rates, Sundry Debt and Housing Benefit Overpayments shall regularly review the level of debts due from these activities and ensure, in conjunction with the Director of Finance, the adequate level of provisions required for bad and doubtful debts. Authorisation of write off for individual debts within this service is as follows:

- a) individual debts less than £100 by officers within the service. At the end of each quarter of the financial year, the Head of Service shall submit a report to the Director of Finance detailing these write offs;
  - b) individual debts up to £5,000 by the Head of Service. At the end of each quarter of the financial year, the Head of Service shall submit a report to the Director of Finance detailing these write offs;
  - c) individual debts up to £10,000 by the Director of Finance.
  - d) individual debts up to £30,000 by the Director of Finance in conjunction with the Cabinet Member with responsibility for Finance;
  - e) individual debts over £30,000 by Cabinet.
- 12.18 For debts other than those covered in 2.17 above, the authorisation limits for individual sundry debts are as follows:
- a) individual debts up to £10,000 by the relevant Authorised Senior Officer in conjunction with the Director of Finance; and
  - b) individual debts over £10,000 by Cabinet
- 20.19 As part of the closure of the final accounts the Director of Finance shall undertake a detailed review of the outstanding debts owed to the Council and write off amounts that the Director deems irrecoverable prior to the draft annual accounts being submitted to the Audit Committee for approval. The individual debts written off as part of this process shall be reported to the Cabinet Member with responsibility for Finance.
- 12.20 The 'writing off' of a debt does not absolve a Head of Service of the responsibility to collect such debts, and the position in relation to such debtors is to be monitored by the Head of Service.
- 12.21 Where the Director of Finance considers that individual services have not raised debtors accounts in a prompt manner the officer may calculate the interest lost to the Council and charge this amount to the service budget.
- 12.22 On an annual basis (and more frequently if required) Heads of Service will review the level of debtors' accounts in their particular area which remain unpaid. This will be discussed with the Director of Finance and/or their representative and provision made for any amounts which require a provision to be made for bad debts at the end of the financial year.
- 12.23 The amount of income to be credited in respect of sundry debts to individual Directorate accounts shall be determined by the Director of Finance with a clear reference to the actual cash amount received by the Council.

## **13. ORDERING AND PAYING FOR WORK, GOODS AND SERVICES**

### **General**

- 13.1 Every Officer and Member of the Council has a responsibility to declare any links or personal interests that they may have with purchasers, suppliers and/or contractors if they are engaged in contractual or purchasing decisions on behalf of the authority, in accordance with appropriate codes of conduct. These interests should be registered with the Director of Legal Services as per the Council's agreed procedures.
- 13.2 Public money must be spent with demonstrable probity and in accordance with the Council's policies, including ensuring suppliers' compliance with taxation in accordance with resolutions of Council. Where appropriate a valid purchasing order shall be raised. Local Authorities have a statutory duty to achieve best value in part through economy and efficiency and the Council's procedures (Contract Procedure Rules, Scheme of Delegation, Financial Procedure Rules and in accordance with Procurement Policy and Practice) must be followed to help Directorates obtain value for money from their procurement arrangements.
- 13.3 Whilst Contract Procedure Rules have a threshold for written competitive quotations, it is nevertheless an obligation on officers to be able to show that they have received value for money at much lower levels than the formal requirement of these rules.
- 13.4 Where the Council has corporately negotiated contracts for goods, services or works, Directorates shall normally use these contracts for such supplies. Information on these contracts can be obtained from the Corporate Procurement Section. Where the Council is also the supplier of a service, officers ordering shall always give the in-house provider the opportunity to quote for the supply.
- 13.5 Heads of Service must ensure that all valid invoices are paid as a minimum within 30 days of receipt. Suppliers should be encouraged to participate in the early discount scheme of the Council and that invoices are submitted in a timely manner to maximise the amount of early payment. In payment of invoices all officers should comply with the detailed guidance issued by the Director of Finance. This includes an analysis where appropriate that a supplier is financially robust to receive all payments via the early payments scheme.
- 13.6 The Director of Finance will determine the method and frequency of payment from one of the Council's main bank accounts, except for: -
- a) petty cash and other imprest accounts
  - b) delegated bank accounts approved by the Director of Finance

### **Raising orders**

- 13.7 All orders for goods, services and works shall be made using the Council's agreed procurement system, A1/Agresso. Unless agreed by the Director of Finance as an agreed exception, orders should be issued in advance of the receipt of the service and invoice.
- 13.8 Each Authorised Senior Officer's own Scheme of Delegation must identify employees authorised to act on their behalf, or on behalf of the Cabinet, in respect of payments and orders, together with the limits of each person's authority.
- 13.9 Heads of Service must approve a schedule of Council officers authorised to raise requisitions, undertake approvals up to order and invoice stages and to supply their names, job titles and authorised approval levels to the Director of Finance. The schedule must be reviewed at least once per year.
- 13.10 By approving a requisition the approving officer indicates that satisfactory checks have been carried out to ensure that:
- (a) the authoriser of the order should be satisfied that the goods and services ordered are appropriate and necessary;
  - (b) the order value indicates that prices, extensions, calculations, discounts, other allowances and all relevant taxes are correct;
  - (c) payment will be processed via a proper tax invoice;
  - (d) the proposed expenditure will be properly incurred, is within budget, and has been charged to the appropriate budget;
  - (e) entries will be made in asset registers, inventories, stores and other records as appropriate;
  - (f) the order has not been processed previously;
  - (g) the commitment is a proper liability of the Council.

There should be adequate controls to agree invoice values to contracts or non A1/Agresso orders where a dispensation has been received for not using A1/Agresso ordering as detailed in section 13.7. The supplier's sales invoice reference should be recorded in spreadsheet format by the budget holder's department to allow the tracing of invoices input to A1/Agresso in the absence of an A1/Agresso purchase order reference.

- 13.11 The correct receipt of goods shall be acknowledged by recording the details on A1/Agresso or the signature of an appropriate officer who checks for quantity and quality to the details set out on the delivery note to validate the

receipt of goods or services. This should not be the same officer who has approved the order.

- 13.12 Signed delivery notes shall be matched and checked to the appropriate electronic order and retained as a record of receipt of the delivery.
- 13.13 System procedures must be followed for the treatment of part or incorrect deliveries and the system updated appropriately.
- 13.14 Goods shall be held with appropriate security and entered into stores or an inventory, if appropriate (see section 7). Permanent valuable items shall be marked as the property of Oldham Metropolitan Borough Council. This does not apply to equipment leased by the Council, which shall be marked to indicate the equipment is leased in such a way as not to deface the equipment.

### **Paying invoices**

- 13.15 Payments shall only be made in respect of goods or services properly received on receipt of an official invoice from the supplier. The invoice must contain, if appropriate, the company registration and VAT numbers and valid Purchase Order number. Failure to quote an order number will not allow the Council system to match with the original purchase order and as a result the invoice will be returned to the sender for the inclusion of this data.
- 13.16 Invoices will be received and processed by the Accounts Payable Team, who will electronically scan the invoices, which will be matched by the system to the relevant order and goods/services received record and passed for payment if within system tolerances.
- 13.17 An exception to this matching process relates to non-order invoices input under the dispensation rule detailed in 13.7 above where the budget holder effectively gives retrospective order approval after an invoice has been input.
- 13.18 Authorised Senior Officers are responsible for ensuring that undisputed invoices are processed for payment within a maximum of 30 days from receipt of the invoice.

### **Advance Payments**

- 13.19 Where a supplier or contractor requires payment prior to the despatch of goods or the provision of services, an official order signed by a duly authorised officer and clearly marked that payment is to be made before receipt of the goods or services must be completed. A pro forma invoice or supplier's order form detailing fully the goods/service to be obtained must be approved by an officer authorised to certify invoices and retained as a record of the payment made.

## **Transparency Agenda**

- 13.20 As a part of Transparency Agenda the Council shall publish all individual transaction for expenditure in excess of £500 within statutory deadlines.

### **14. PAYMENT CARDS**

- 14.1 All arrangements regarding payment and procurement cards must be approved by the Director of Finance.
- 14.2 Heads of Service in conjunction with Director of Finance will determine the credit limit for individual payment and procurement cards.
- 14.3 Each cardholder will ensure safe custody of the card and not exceed their monthly limit.
- 14.4 Cards may be used only in accordance with the approved scheme and for legitimate expenses incurred by the cardholder in the course of official Council business.

They must not be used:

- (a) to circumvent the procedures for the ordering of and payment for, goods and services under these regulations; or
  - (b) to purchase items for the private or personal use of cardholders.
- 14.5 Each cardholder must ensure that all expenditure incurred is supported by adequate records and in respect of payment cards, a VAT receipt is obtained to support all expenditure.

### **15. SALARIES, WAGES AND PENSIONS**

- 15.1 All payments of salaries, wages, pensions, compensations, gratuities, allowances and other emoluments to current or former employees and Members are to be made by the Council's Payroll Service or an agreed payroll provider (in relation to schools) in accordance with information supplied by the Head of Service. All payroll transactions must be processed through the Council's payroll system. This will include all Members and Officers expenses which are to be paid in arrears by payroll.
- 15.2 Heads of Service must ensure that appointments of all employees and agency staff are in accordance with the appropriate Conditions of Service of the Council or any approved scheme of delegation, and are within the approved budgets, grades and rates of pay. Any variations of terms and conditions must be in accordance with arrangements approved by the Assistant Chief Executive.

## **Records**

- 15.3 Heads of Services must maintain adequate records to notify the Payroll Service of all appointments, resignations, dismissals, and retirements together with changes in pay rates, bonuses due, overtime worked and other matters affecting remuneration, and provide all information to ensure that the correct adjustments are made in respect of absences, pensions, income tax, national insurance, sickness and maternity pay and any other additions, to or deductions from pay. Heads of Service must also advise the Payroll Service of any employee benefit in kind to enable reporting for taxation purposes.
- 15.4 Time records and other pay documents must be maintained in a manner approved by the HR Transactional, Payroll and Pensions Operations Manager and be certified by the relevant Head of Service or other authorised officers. A record of all authorised officers must be maintained together with specimen signatures, a copy of which will be sent to the Payroll Service.
- 15.5 Access to Payroll Data shall be made available to authorised Council representatives by all audit providers to the Council.

## **Overpayments**

- 15.6 The Director of Finance is authorised to write-off any net overpayment of salary/wage where death-in-service of an employee occurs, except where the Council holds a statutory obligation to recover such overpayments. All other overpayments of pay must be treated for the purposes of recovery and write off in accordance with Financial Procedure Rule 12.

## **16. TRAVEL, SUBSISTENCE AND OTHER ALLOWANCES**

- 16.1 Payment of all claims is to be made via payroll or under other arrangements approved by the Director of Finance and must be in accordance with Schemes of Conditions of Service adopted in respect of the employee to which the payment relates.
- 16.2 All claims for payment of car allowances, subsistence allowances, travelling and incidental expenses, must be made by the payroll system. The on-line system provides for certification by the Head of Service or authorised officer under individual schemes of delegation for Authorised Senior Officers.
- 16.3 The certification of a claim by or on behalf of a Head of Service is taken to mean that the certifying officer is satisfied that the journeys were authorised, the expenses properly and necessarily incurred and that the allowances are properly payable by the Council. Expense claims which relate to a period more than 6 months before the date of submission will not be paid, except in special circumstances agreed by the Director of Finance.
- 16.4 Where air travel is required for business purposes, all such flights should be authorised in advance by the relevant Authorised Senior Officer.

## **17. TAXATION**

- 17.1 The Director of Finance is responsible for advising the Council / Authorised Senior Officers on all taxation issues that affect the Council.
- 17.2 Each Head of Service must ensure taxation is treated correctly and consult with the Director of Finance in the event of any uncertainty as to any taxation treatment. Should an error in taxation occur due to the failure of a Head of Service to follow an appropriate procedure then there shall be a charge against that Services budget.
- 17.3 The Director of Finance will maintain the Council's tax records, make all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate, as well as lead and co-ordinate discussion or negotiations with the Her Majesty's Revenue and Customs about any taxation matter.

## **18. GIFTS AND HOSPITALITY**

- 18.1 A separate Code of Conduct is available which sets out how officers and members should deal with issues such as receipt of personal gifts and offers of hospitality. All officers and members need to be aware of the requirements of the Code and ensure they are followed. All gifts and offers of hospitality over £25 need to be registered with the Director of Legal Services.

## **19. UNOFFICIAL AND VOLUNTARY FUNDS**

- 19.1 These regulations relate to funds administered by officers of the Council, the accounts of which are not included in the Authority's accounts.
- 19.2 Any proposed unofficial funds require the prior approval of the Head of Service concerned who must maintain a record of all such funds and ensure that officers are appointed to administer each fund.
- 19.3 A separate bank account must be maintained for each fund (in the name of the fund) and fund monies must be kept separate from Council monies.
- 19.4 Heads of Service must ensure that they receive a copy of the accounts of each fund and a certificate in the prescribed form from the auditors or independent examiners of each fund that has to be audited or independently examined. Such accounts are to be prepared annually, and at the completion of the purpose for which the fund was set up.
- 19.5 The Director of Finance is to have access to any records relating to such funds and be immediately informed of any irregularities which arise in connection with them.



## **20. FINANCIAL CONTROL OF WHOLLY OWNED COMPANIES, PARTNERSHIPS, JOINT VENTURES, ASSOCIATED ORGANISATIONS AND SIMILAR ARRANGEMENTS**

### **Working in Partnership with Associated Organisations**

- 20.1 The Director of Finance is responsible for promoting and maintaining the same high standards of financial administration in wholly owned companies and partnerships that apply throughout the Council, or advising the Cabinet where he/she is aware that arrangements within a partnership are in conflict or are uncertain compared with the practices adopted by the Council.
- 20.2 The Director of Finance must ensure that the accounting arrangements to be adopted relating to wholly owned companies, partnerships and joint ventures are satisfactory, and must:
- (a) consider the overall corporate governance arrangements and legal issues when arranging contracts with the wholly owned company/partner/joint venture or associated organisation;
  - (b) ensure that the risks have been fully appraised before agreements are entered into with the wholly owned company/partner/joint venture or associated organisation;
  - (c) approve the appointment of the external auditor;
  - (d) arrange for the accounts to be prepared by an appropriate professional;
  - (e) agree the financial ledger to be used by the organisation.
- 20.3 Heads of Service must ensure that in all grant agreements, contribution to partnerships and where appropriate in agreed contracts for the supply of works, goods and services, the Director of Finance has access to the accounts, records and all other documentation, and is entitled to seek explanations from Officers of the funded organisation regarding the deployment of the Council's funding payment.

### **Working for Other Organisations**

- 20.4 Heads of Service are responsible for ensuring that approval is obtained from the Director of Finance and Director of Legal Services before any negotiations commence in relation to the provision of works or services to other organisations expected to exceed £10,000.
- 20.5 The Cabinet is responsible for approving the contractual arrangements for any work for other organisations expected to exceed £100,000. The Director of Finance may agree contractual arrangements below this level.

20.6 Heads of Service must ensure that any proposed arrangement to work for other organisations does not impact adversely upon the Services provided to or by the Council. All agreements, contracts or arrangements must be properly documented, and appropriate information must be provided to the Director of Finance to enable a note to be entered into the Council Statement of Accounts concerning material items.

### **Grants and Loans to Other Organisations**

20.7 Where a Head of Service proposes to offer a loan to any organisation in excess of £10,000, he/she may do so only following:

- (a) a full financial appraisal of the organisation to which the loan is to be granted, by the Director of Finance;
- (b) a full financial appraisal of the project to which the loan relates, by the Director of Finance;
- (c) the execution of a legal agreement approved by the Director of Legal Services;
- (d) if it is in accordance with the agreed Council procedures on loans to third party organisations.

20.8 Where a Head of Service proposes to offer any grant in excess of £10,000, he/she may do so only:

- (a) where this accords wholly within the approved grants policy of the Council;
- (b) following a full financial appraisal by the Director of Finance of the accounts of the organisation and an analysis of the necessity or otherwise of the funding proposal to be made and on the execution of a legal agreement approved by the Director of Legal Services; or
- (c) in accordance with agreed Council procedure on grant support to third party organisations.

20.9 Grants in excess of £50,000 must be approved by Cabinet.

## **21. WORKFORCE**

21.1 The Head of Paid Service is responsible for ensuring that there is proper use of the evaluation or other agreed systems for determining the remuneration for a job.

21.2 Authorised Senior Officers are responsible for controlling total numbers in the workforce and its cost by:

- advising the Director of Finance on the budget necessary in any given year to cover the workforce levels previously approved by Authorised Senior Officers,
- adjusting the workforce to levels that can be funded within approved budget provision, varying the numbers provided (though not the remuneration, or levels of remuneration for the specific categories of the workforce) as necessary, within that constraint, in order to fulfil operational needs;
- using the proper use of appointment procedures;
- ensuring an establishment list which includes job titles, names and contact details is prepared and maintained for their Directorate.

## **22. MONEY LAUNDERING**

- 22.1 The legislation concerning money laundering impacts on local authorities. Potentially any member of staff could be caught by the money laundering provisions if they suspect money laundering and either become involved with it in some way and/or do nothing about it. The Council has therefore established an internal Anti-Money Laundering Policy and supporting Guidance Note designed to prevent the risk of the Council being involved in money laundering and to enable staff to report suspicions of money laundering activity to the Chief Internal Auditor (as the Council's nominated Money Laundering Reporting Officer).
- 22.2 All staff should have regard to the Council's Anti-Money Laundering Policy and supporting Guidance. A member of staff should, in line with the Policy and Guidance, report any transaction which involves the receipt of £10,000 or more of cash to the Council's Money Laundering Reporting Officer; notwithstanding such financial limit, and member of staff who has reasonable grounds to believe that money laundering is taking place (or is being attempted) in respect of a smaller amount of cash should report the matter to the Council's Money Laundering Reporting Officer.

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## Report to Council

### Revision to the Contract Procedure Rules

**Portfolio Holder:** Cllr Mushtaq

**Officer Contact:** Paul Entwistle, Director of Legal Services & Steve Boyd, Head of Procurement

**Report Author:** Sarah Orrell, Commercial & Procurement Solicitor

**13 July 2022**

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#### Reason for Decision

A review of the Contract Procedure Rules (CPRs) has been undertaken to ensure the Rules are up to date and fit for purpose. The consequent revised CPRs are therefore presented for consideration.

Also, as a consequence of the review of the CPRs, a revision to Article 15.4.2 of Part 2 of the Constitution is proposed to align Article 15.4.2 with the revised CPRs.

#### Executive Summary

A comprehensive review of the CPRs has been undertaken by officers from Legal Services, the Commercial Procurement Unit, Finance and Internal Audit. This has resulted in a range of proposed changes to improve the CPRs so that they reflect updated legislation, the current operating arrangements of the Council and current best practice.

The document at Appendix 1 highlights the changes and the document at Appendix 2 is that recommended for approval. The summary of changes is extensive; many of the amendments are minor and relate to the use of terminology or are proposed for administrative reasons. Others have been made to reflect the ever-changing commercial market and amendments to the Council's structure and operating procedures.

It is, essential that the Council's CPRs are regularly maintained and that they are up to date, accurate, fit for purpose and that they reflect best practice.

## **Recommendations**

It is recommended that Council agree to the proposed revisions to Article 15.4.2 of Part 2 of the Constitution and to the Contract Procedure Rules in Part 4G of the Constitution.

**1 Background**

- 1.1 A review of the Contract Procedure Rules (CPRs) has been undertaken to ensure the Rules are up to date and fit for purpose. The consequent revised CPRs are therefore presented for consideration.
- 1.2 Attached as an Appendix 1 is a document that shows proposed changes to the CPRs and Appendix 2 is an updated version of CPRs for the consideration of Group Leaders.

**2 Current Position**

- 2.1 A comprehensive review of the Contract Procedure Rules (CPRs) has been undertaken by officers from Legal Services, the Commercial Procurement Unit, Finance and Internal Audit. This has resulted in a range of proposed changes to improve the CPRs so that they reflect updated legislation, the current operating arrangements of the Council and current best practice.
- 2.2 The document at Appendix 1 to this report highlights the proposed changes to CPRs and the document at Appendix 2 is that recommended for approval. The summary of changes is extensive; many of the amendments are minor and relate to the use of terminology or are proposed for administrative reasons. Others have been made to reflect the ever-changing commercial market and amendments to the Council's structure and operating procedures.
- 2.3 Article 15.4.2 of Part 2 of the Constitution requires two signatories under a Contract or Call Off Contract (which is not sealed). It is proposed to amend 15.4.2 to permit one authorised signature under the departmental scheme of delegation where a contract is not under seal in order to be consistent with the CPRs
- 2.4 The changes to the CPRs that are shown in Appendix 1 and have been incorporated at Appendix 2 and recommended for approval can be summarised as follows:

Rule	Change(s)	Reason for Change
N/A	Note added at commencement of CPRs to accommodate changes to roles	Roles and job titles are periodically changed so the inclusion of this note allows for such changes to take place without impacting on the validity of the CPRs
1	<ul style="list-style-type: none"> <li>• Provision is made for Call-Off Contracts where orders are placed under Framework Agreements</li> <li>• Reference is now made to Council companies and local authority/NHS partnering arrangements</li> <li>• Numbering updated</li> <li>• Changes made to reflect the UK's departure from the EU and the consequential legislative changes</li> </ul>	<ul style="list-style-type: none"> <li>• Call-Offs are now referenced to show the distinction between an order and a Contract</li> <li>• CPRs apply to Council companies and where the Council is acting as host or lead under partnering arrangements. This is clarified by the inserted wording.</li> <li>• Numbering is an admin change.</li> </ul>

	<ul style="list-style-type: none"> <li>• Rule 1.5 and Rule 1.6 have been updated to link to the Scheme of Delegation, under which officers are afforded delegated powers to take specified action</li> <li>• The amendments at Rule 1.8 details those circumstances in which the CPRs do not apply. This list should be regularly reviewed to ensure it remains accurate and that it complies with any overarching legislation.</li> <li>• Rules 1.9, 1.10 and 1.13 updated to reference the correct officers</li> </ul>	<ul style="list-style-type: none"> <li>• Legislation was updated when the UK left the EU. The CPRs must align with current legislation.</li> <li>• Authorisations stem from the Scheme of Delegation and this is clarified by the amendments to Rule 1.5 and to Rule 1.6</li> <li>• Amendments to Rule 1.8 made to clarify the circumstances in which the CPRs will not apply and to keep Rule 1.8 fit for purpose</li> <li>• Roles updated in Rules 1.9, 1.10 and 1.13 to reflect current and up to date procedures.</li> </ul>
2	<ul style="list-style-type: none"> <li>• Rule 2.1 updated in line to reflect current forward Plan procedures</li> <li>• Rule 2.2, Rule 2.3 and Rule 2.7 – terminology updated</li> <li>• Rule 2.4 and Rule 2.5 and Rule 2.6 amended to reflect the UK's departure from the EU and the ensuing changes to data protection legislation and procurement legislation</li> <li>• Rule 2.8 inserted to reflect current arrangements regarding the commissioning cycle and the required involvement of the Commercial Procurement Unit</li> </ul>	<ul style="list-style-type: none"> <li>• Rule 2.1 updated in line with current procedures.</li> <li>• Amendments to Rule 2.2, 2.3 and Rule 2.7 made for admin reasons</li> <li>• Rule 2.4 and Rule 2.5 and Rule 2.6 – legislation updates</li> <li>• Rule 2.8 inserted to reflect current practices and procedures and to protect the Council when commissioning and contracting</li> </ul>
3	Wording updated and reference is made to amended procurement legislation	Changes made to clarify Rule 3 and to reflect the changes in legislation following the UK's departure from the EU
4	<ul style="list-style-type: none"> <li>• Rules 4.1 – 4.3 – terminology amended.</li> <li>• Procedure table updated to clarify procedures and to increase the quotation threshold for Supplies and Services Contracts from £49,999 - £99,999.</li> <li>• References to the EU Treaty removed.</li> </ul>	<ul style="list-style-type: none"> <li>• Rules 4.1 – 4.3 – updates to terminology ensure the rules are up to date and fit for purpose and that defined terms and successfully used.</li> <li>• Procedure table updated to ensure procedures are as clear as possible and to align the quotation threshold for Supplies and Services with the threshold for Works.</li> <li>• References to EU Treaty no longer required following the UK's departure from the EU; a</li> </ul>



		call all term (Procurement Regulations) is now used.
5	Wording updated in line with defined terms and wording clarified in relation to the quotation process	Changes made to more clearly describe the quotation processes which must be followed and to ensure defined terms are used, where relevant.
6	Terminology updates	Changes made in line with defined terms and for clarification purposes
7	Terminology updates and updated legislation references made.	Changes made to reflect that the UK has left the EU and there have been consequential legislative changes
8	Terminology updates, but also procedures clarified in terms of the actions which must be completed prior to utilising a third party's framework agreement.	Legislation and terminology updated for clarification purposes and processes clarified to ensure the Council's compliance with legislation.
9	Clarifications inserted in respect of tender documentation and wording amended to exclude commissioning activity in accordance with a third party's framework agreement	Clarifications made to ensure that processes are up to date, clear and concise, references to legislation updated and wording clarified so Rule 9 does not capture Call-Off Contracts under a third party's Framework Agreement.
10	Contract terms and conditions clarified along with the role of the Commercial Procurement Unit and Legal Services in the process. Specific reference to minimum insurance requirements included.	Changes made to ensure Contract and Call Off Contract terms are fit for purpose and that all required officers are involved in the development of the terms and conditions. The changes have been made to protect the Council's position.
11	Procedures re electronic tenders updated	For clarification purposes.
12	Tender clarification process extended	For clarification purposes
13	Tender evaluation wording extended and procedures clarified.	For clarification purposes and to ensure compliance with legislation and protect the Council's position.
14	<ul style="list-style-type: none"> <li>• Table at Rule 14.1 updated in line with changes to Rule 4.</li> <li>• Rule 14.2 - £50,000 reduced to £25,000 in terms of authorisation for spend.</li> <li>• Rule 14.3 – terminology.</li> <li>• Rule 14.4 and 14.5 moved.</li> <li>• Rules 14.6 – 14.7 – legislation updated and amended to more clearly explain the processes.</li> </ul>	<ul style="list-style-type: none"> <li>• Rule 14.1 updates to mirror Rule 4 in terms of the increase in the quotation threshold for Supplies and Services</li> <li>• Rule 14.2 amended in line with legislative requirements.</li> <li>• Rule 14.3 – for clarification purposes.</li> <li>• Rules 14.4 and 14.4 elevated to a higher position in the process for clarification purposes.</li> </ul>

	<ul style="list-style-type: none"> <li>• Rule 14.8 – update to sealing requirements for contracts with a value of £100,000 and over (previously £50,000). Call-Off Contracts for personal social or health care or educational need where the overarching Framework Agreement has been sealed are excluded from this requirement.</li> <li>• Rule 14.9 – inserted to clarify the process for Contracts and Call-Off Contracts with a value below £100,000.</li> <li>• Rule 14.10 prevents delivery of a Supplies, Services or Works under a Contract or Call Off Contract until the same is in place.</li> <li>• Rule 14.12 makes provision for the execution of Contracts and Call Off Contracts by electronic means.</li> </ul>	<ul style="list-style-type: none"> <li>• Rules 14.6 – 14.8 amended for clarification purposes and to align with legislation.</li> <li>• Rule 14.8 has been amended to a more realistic figure in the current market and has been clarified. Call-Off Contracts for personal social or health care or educational need where the overarching Framework Agreement has been sealed have been excluded because placement agreements etc must be made on an urgent basis and are often raised electronically.</li> <li>• Rule 14.9 inserted for clarificatory purposes and to inform officers of the signing requirements.</li> <li>• Rule 14.10 protects the Council.</li> <li>• Rule 14.12 enables electronic signatures to be used in limited circumstances to provide flexibility to the Council.</li> </ul>
15	Clarificatory amendments	Wording updated for clarificatory purposes
16	Clarificatory amendments	Wording updated for clarificatory purposes
17	Changes made to clarify the wording and align the use of terminology and defined terms. A new Rule 17.2(f) has been added for low value modifications.	Use of terminology and defined terms and to make provision for low value modifications.
18	Clarificatory amendments	Wording updated for clarificatory purposes
19	Updates to terminology and to officers responsible for managing claims.	Updates are for clarificatory purposes and changes to officers made to align with the current Council structure.
20	Changes made to clarify the wording and align the use of terminology and defined terms.	Use of terminology and defined terms and to clarify procedures and ensure the involvement of the Commercial Procurement Unit in contract management.
21	Changes made to clarify the wording and align the use of terminology and defined terms. Additional detail also added into Rule 21. The procedures in Rule 21.4 refined to avoid repetition of actions. Rule 21.8 inserted to	Use of terminology and defined terms and to both clarify and simplify procedures. Rule 21.8 inserted to ensure that a suitable contract is put in place following an exemption to CPRs.

	make reference to contracting arrangements.	
22	One term altered	To align with terminology used in other rules.
23	Definitions updated and new definitions inserted, where needed.	To ensure all terms used in the CPRs are accurate and sufficiently defined.

2.5 Whilst it may seem an extensive list of changes, the CPRs have been subject to a comprehensive review and some of the revisions are comparatively minor but provide improved clarity of purpose. It is important that the Council's CPRs reflect best practice and are updated to reflect recent local and national changes.

### **3 Options/Alternatives**

3.1 There are three options as follows:

- (a) Accept the proposed changes to Article 15.4.2 of Part 2 of the Constitution and the CPRs at Part 4G of the Constitution.
- (b) Reject some or all of the changes to Article 15.4.2 of Part 2 of the Constitution and the CPRs at Part 4G of the Constitution.
- (c) Propose alternative revisions to Article 15.4.2 of Part 2 of the Constitution and the CPRs at Part 4G of the Constitution.

### **4 Preferred Option**

4.1 Option (a) at 3.1 is the preferred option, that the proposed changes are accepted.

### **5 Consultation**

5.1 There has been internal Council consultation on the revision to CPRs with officers from Legal Services, Commercial Procurement, Finance and Internal Audit.

### **6 Financial Implications**

6.1 There are no specific financial implications arising from this report.

### **7 Legal Services Comments**

7.1 There are no direct legal implications arising from the report.

### **8 Co-operative Agenda**

8.1 The updated rules have been prepared to support the Council in its delivery of the cooperative agenda.

### **9 Human Resources Comments**

9.1 There are no specific human resources implications.

### **10 Risk Assessments**

10.1 Reviews of the Constitution are regularly undertaken to ensure that the Council is complying with up to date legislation and rules, current best practice and revised working

arrangements within the Council. The proposed changes remove the risk that any activities undertaken will rely on outdated procedures and practices.

**11 IT Implications**

11.1 There are no specific IT implications.

**12 Property Implications**

12.1 There are no specific property implications.

**13 Procurement Implications**

13.1 There are no specific procurement implications.

**14 Environmental and Health & Safety Implications**

14.1 There are no specific Environmental and Health & Safety Implications.

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

15.1 There are no specific equality, community cohesion and crime implications.

**16 Equality Impact Assessment Completed**

16.1 Not Applicable.

**17 Key Decision**

17.1 No.

**18 Key Decision Reference**

18.1 N/A

**19 Background Papers**

19.1 Background papers are shown in the Appendices

**20 Appendices**

20.1 Appendix 1: Contract Procedure Rules – Proposed Changes  
Appendix 2: Contract Procedure Rules – Revised Version



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# Part 4G

# Contract Procedure Rules

## APPENDIX 1

## INDEX

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## PART 4G – CONTRACT PROCEDURE RULES

**Note:** All references to Council posts in these Contract Procedure Rules shall be read as a reference to the equivalent post at the relevant point in time

### 1. APPLICATION/COMPLIANCE WITH CONTRACT PROCEDURE RULES

- 1.1 These Contract Procedure Rules are made under Section 135 of the Local Government Act 1972 and apply to all Contracts and Call-Off Contracts for the procurement of Supplies, Works, Services or Concessions made in the name of the Council.
- 1.2 Where in these Rules “the Council” is referred to, the term shall include the reference to School Governing Bodies by virtue of the Scheme for Financing Schools, the Unity Partnership Limited and the Miocare Group. For the avoidance of doubt, in instances of pooled funds arrangements made under section 75 of the National Health Service Act 2006 and the NHS Bodies and Local Authorities Partnership Arrangements Regulations 2000 the lead commissioning organisation’s rules will take precedence.
- 1.3 Every Contract and Call-Off Contract entered into by the Council shall be entered into pursuant to or in connection with the Council’s functions and shall comply with:
  - 1.3.1 all relevant statutory legislation and provisions and in particular the Procurement Regulations and any relevant case law;
  - 1.3.2 the Council’s Constitution including these Contract Procedure Rules, the Council’s Financial Procedure Rules and the Officer and the Executive Member Scheme of Delegation; and
  - 1.3.3 the Council’s strategic objectives and policies including, amongst others, the Corporate Plan.
- 1.4 These Contract Procedure Rules apply to all Contracts and Call-Off Contracts awarded by the Council for Supplies, Works, Services or Concessions, regardless of the source of funding for the Contract or Call-Off Contract. They apply to procurement by any form of official Council purchase order and equally to Contracts and Call-Off Contracts awarded by any person, firm or body on the Council’s behalf.
- 1.5 No Contract or Call-Off Contract shall be entered into unless those relevant officers specified in the Scheme of Delegation at Part 3 of the Council’s Constitution are satisfied that there is adequate budget provision and all necessary consents to the expenditure have been obtained.
- 1.6 Where a Contract or Call-Off Contract involves the making of a Key Decision as defined in Part 2, Article 14.3.2 -14.3.3 of the Constitution, those relevant officers specified in the Scheme of Delegation at Part 3 of the Council’s Constitution shall ensure that the Director of Legal Services and the Director

of Finance are consulted throughout the procurement process.

- 1.7 It shall be a condition of any Contract or Call-Off Contract between the Council and any persons (not being Officers of the Council) who are required to supervise a Contract or Call-Off Contract on the Council's behalf, that in relation to such Contract or Call-Off Contract, those persons shall comply with the requirements of these Contract Procedure Rules as if they were Officers of the Council.
- 1.8 These Contract Procedure Rules shall not apply to:
  - 1.8.1 Contracts of employment.
  - 1.8.2 Contracts for direct payments or for personal social or health care or educational need where neither a quotation or tender procedure are, in the opinion of the Deputy Chief Executive, or Managing Director (following consultation with Director of Legal Services) viable methods of procurement in the circumstances.
  - 1.8.3 Contracts for the purchase or sale of land or securities, or Contracts for the taking or granting of any interest in land, unless such Contracts involve details of the Council's specific requirements which would amount to a Works contract and must be procured in accordance with these Rules.
  - 1.8.4 Contracts for supplies to be purchased at auction and where the Director of Finance has agreed in writing that the Council's interests will best be served by purchase through auction and has similarly agreed an upper limit for bids.
  - 1.8.5 Contracts for the use of counsel or other legal representation where the Director of Legal Services considers that a Procurement exercise would not protect or support the Council's interests. All contracts for the use of counsel or other legal representation must be commissioned and/or approved by The Director of Legal Services.
  - 1.8.6 Contracts for works of art or theatre, which are genuinely exclusive.
  - 1.8.7 A Call-Off Contract made under a legally compliant Framework Agreement which has been procured correctly and where the Council is a named Contracting Authority (see Rule 8).
  - 1.8.8 The sale or provision of Supplies, Works or Services delivered by the Council as traded services.
  - 1.8.9 Grants received by the Council and Grants distributed by the Council provided the Grant received by the Council does not require the Council to procure Supplies, Works or Services.
- 1.9 Any failure to comply with any of the provisions of these Contract Procedure Rules shall be reported to the Head of Commercial Procurement Unit who will refer the matter to the Director of Legal Services or the Director of Finance, as

appropriate and the officer. A breach of these Rules may result in disciplinary action.

- 1.10 The relevant officer referenced in Rule 1.9 shall, where appropriate, take immediate action in the event of a failure to inform the appropriate Director who will consider and determine the appropriate action.
- 1.11 Any dispute regarding the application of these Contract Procedure Rules shall be referred to the Directors of Finance and Legal Services for advice.
- 1.12 The final arbiter for resolution of disputes regarding the application or interpretation of these Contract Procedure Rules shall be the Director of Legal Services whose decision shall be binding and final.
- 1.13 Persistent breach of the Contract Procedure Rules will also be reported to the Audit Committee.

## **2. COMMISSIONING AND PROCUREMENT PLANNING**

- 2.1 Prior to the start of each financial year, the Council shall create a strategic procurement forward plan in consultation with the Head of the Commercial Procurement Unit and members of the Legal Services team setting out its current Contracts and Call-Off Contracts and Contracts and Call-Off Contracts to be procured for the forthcoming financial year. The procurement pipeline should be refreshed at intervals as the need arises. The coordination and updating of this plan will be the responsibility of the Commercial Procurement Unit. The strategic procurement forward plan will be published on the Oldham Council website.
- 2.2 The Council shall, where appropriate, make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness in accordance with Section 3 Local Government Act 1999 (“Best Value”). This includes where appropriate, consultation with representative groups of payers of Council Tax and Business Rates stakeholder(s) and any other relevant interested groups prior to commissioning services.
- 2.3 The Council shall consider its obligations under the Public Services (Social Value) Act 2012 and have regard to economic, social and environmental well-being in connection with public services contracts and for connected purposes in its planning and commissioning processes.
- 2.4 The Council shall, where appropriate, consider its obligations with regard to data protection under the UK General Data Protection Regulation and the Data Protection Act 2018 as amended from time to time and in particular its responsibilities and that of the Contractor in relation to the processing of personal data through the outsourcing of its services, including specifying the conditions for processing and retaining personal data.
- 2.5 The Council shall, where appropriate, ensure that any collaborative arrangements/agreements with other public bodies to procure Supplies, Works

or Services comply with the Procurement Regulations and ensure value for money and that the Council's interests are fully protected.

- 2.6 As permitted by the Procurement Regulations, soft market testing may be undertaken provided it does not distort competition and is transparent and non-discriminatory.
- 2.7 Where an organisation has been involved at a pre-procurement stage (whether in soft market testing or otherwise, e.g., incumbents), the Council must ensure that there is a level playing field when the tender process starts such as making information available to all Tenderers that has been made available at a pre-procurement stage.
- 2.8 The Contract Owner is responsible for the full commissioning cycle including contract management and must ensure the Council enters into a legally binding Contract or Call-Off Contract with the Contractor prior to the provision of the Supplies, Works or Services. The Contract Owner must ensure that the Contract or Call-Off is signed and lodged with the Commercial Procurement Unit where the value of the Contract is £10,000 and over.

### **3. CALCULATION OF CONTRACT VALUE**

- 3.1 The estimated value of a Contract or Call-Off Contract shall be the total consideration payable, including Value Added Tax (where applicable), which the Council expects to be payable under the Contract or Call-Off Contract and shall be calculated in accordance with Rule 3.2 below.
- 3.2 The total Contract Value shall be calculated as follows:
  - 3.2.1 Where the Contract or Call-Off Contract is for a fixed period, by taking the total price to be paid during the lifetime of the Contract or Call-Off Contract or the price which might be paid during the whole of the period including any permitted extension.
  - 3.2.2 Where the term of a Contract or Call-Off Contract is indefinite or uncertain, by taking the monthly price payable under the Contract multiplied by 48.
  - 3.2.3 In relation to a compliant Framework Agreement with no guaranteed commitment, the Contract Value will be the estimated value of the Supplies, Works or Services over the full duration of the Framework Agreement.
  - 3.2.4 Where the Contract may have a value above the Procurement Regulations threshold, for procurement purposes the Contract Value must be calculated inclusive of VAT.
- 3.3 Under the Procurement Regulations, Contracting Authorities may divide tender opportunities into smaller lots to encourage small and medium sized business enterprises to submit bids and must provide reasons for not doing so. The cumulative value of the individual lots will form the total Contract Value. If the Council chooses not to divide tender opportunities into smaller lots, it will record

a reason for not doing so, and this record will be held by the Commercial Procurement Unit.

- 3.4 A Contract Value shall not be artificially under or overestimated or divided into two or more separate Contracts where the purpose is to avoid the application of these Contract Procedure Rules.

#### 4. PROCUREMENT PROCEDURES

- 4.1 Where an existing Contract, Call-Off Contract, Dynamic Purchasing System or in-house service is available to meet the Council's specific procurement requirements and offers value for money it should be used unless there are particular circumstances which justify an alternative route to market.

- 4.2 An E-auction process may form part of the overall tender process and shall be used in conjunction with the relevant tender procedures. The Contract Notice or advertisement and the Invitation to Tender documentation shall state that an E-auction will form part of the Tender process.

- 4.3 If Rule 4.1 does not apply, the Council must comply with the procurement table below, which sets out the required procedure for different Contract Values, the minimum number of tenders that must be invited and how invitations to tender must be publicised.

Contract Value	Procurement Activity	Instructions	Minimum Requirement for Advertising the Opportunity
<b>Less than £10,000 for Supplies, Works and Services</b>	1 Written Quotation.	Service Area to obtain at least 1 written Quotation specifying that the Council's terms and conditions will apply following the instructions in Rule 5.1 below and file ready for audit inspection. Local Supply Chain including SMEs to be considered where practical.	N/A
<b>Between £10,000 and £24,999 for Supplies, Works and Services</b>	Approach a minimum of 3 organisations for a written Quotation.	Service Area to contact the Commercial Procurement Unit who will conduct an appropriate procurement	The Chest

		procedure and facilitate the process using the Council's E-Procurement System (The Chest). Local Supply Chain including SMEs to be considered – at least 1 local Contractor (where practical) to be included.	
<b>Between £25,000 and £99,999 for Supplies, Works and Services</b>	Open Request for Quotations or for the completion of a compliant framework arrangement	Service Area to contact the Commercial Procurement Unit who will conduct an appropriate procurement procedure and facilitate the process using the Council's E-Procurement System (The Chest). Local Supply Chain including SMEs to be considered – at least 1 local Contractor (where practical) to be included.	The Chest and Contracts Finder
<b>Between £100,000 and Procurement Regulations threshold for Supplies, Works and Services</b>	Formal Open Tender Process or for the completion of a compliant framework arrangement	Service Area to contact the Commercial Procurement Unit who will conduct an appropriate procurement procedure to follow in accordance with these Contract Procedure Rules and facilitate the process using the Council's E-Procurement System (The Chest).	The Chest and Contracts Finder
<b>Procurement Regulations threshold and above for Supplies, Works and Services</b>	Full Procurement Regulations compliant Procedure	Service Area to contact Commercial Procurement Unit who will conduct an appropriate procurement procedure, in compliance with the Procurement Regulations, and follow and facilitate the process using the Council's E-Procurement System	Open advert mandated in Find a Tender Service and Contracts Finder with the exception of Framework Call-Off competitions.

		(The Chest) and Contracts Finder.	
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4.4 The rules relating to the required process and timescales shall be observed for all Contracts as shall the principles of the Procurement Regulations. The procurement process needs to be conducted in accordance with the principles of equal treatment, non-discrimination, transparency, mutual recognition, proportionality, competition, the protection of legitimate expectations, the requirement to act without manifest error and good administration – which underpin the Procurement Regulations.

## 5. QUOTATION PROCESS

5.1 Full written Quotation(s) below £10,000 shall be obtained from Contractor(s) pursuant to the procedure set out in the table in Rule 4.3 before a formal purchase order and or Contract can be issued. A formal purchase order and or Contract shall be issued after the Quotation(s) have been received and shall specify the Supplies, Works or Services to be provided or Concession to be granted and set out the price and terms of payment and incorporate the Council's relevant terms and conditions of contract (either by inclusion on the purchase order or Contract or by reference).

5.2 Requests for Quotations of £10,000 or above for Supplies, Works and Services must be advertised on the Council's E-procurement system (The Chest) and any Requests for Quotations of £25,000 and above must also be advertised on Contracts Finder.

5.3 At least one local Contractor should be included in each Request for Quotation, where possible.

5.4 The standard Council templates for Quotations shall be utilised for all Procurement activity and these are held by the Commercial Procurement Unit.

5.5 All Quotation(s) sought shall be recorded in writing for audit purposes via the Council's E-procurement system (The Chest).

## 6. TENDER PROCESS – Below Public Contracts Regulations Thresholds

6.1 All Procurement opportunities should be advertised via the Council's e-procurement system (The Chest) and Contracts Finder (See table Rule 4.3). The Invitation to Tender should include all of the information listed in Rule 9.2 below.

6.2. Any Procurement opportunity advertised shall:

6.2.1 specify the Contract or Call-Off terms and conditions which will apply;

6.2.2 invite persons or bodies to express an interest in tendering;

6.2.3 specify a date or time limit, being not less than 14 days within which such Tenders are to be submitted.

6.2.4 be advertised in Contracts Finder if the Contract Value exceeds £25,000.

## **7. TENDER PROCESS – Above the Procurement Regulations Thresholds**

7.1 Where an estimated Contract Value exceeds the current Procurement Regulations' Thresholds, the Contract shall be tendered in accordance with the Procurement Regulations. Under the Public Contract Regulations 2015, the Contract may be Tendered under Open, Competitive Dialogue, Competitive Procedure with Negotiation or Innovation Partnerships Procedure. Under the Concession Contracts Regulations 2016 the Council shall have the freedom to organise the procedure, subject to compliance with the Regulations

7.2 A Contract Notice in the prescribed form must be published in Find a Tender in order to invite Tenders and a Prior Information Notice may be used to invite Expressions of Interest.

7.3 All Find a Tender notices shall be published by the Commercial Procurement Unit.

### **7.4 Competitive Procedures**

7.4.1 A Competitive Dialogue procedure or Competitive Procedure with Negotiation may be beneficial in circumstances where greater flexibility is needed, e.g., for highly complex and risky projects where Tenderers will have a major role in defining the solution or where an Open Procedure may not deliver the expected outcomes.

7.4.2 A Competitive Dialogue procedure or a Competitive Procedure with Negotiation allows the Council to negotiate proposed solutions with Tenderers to achieve a desired outcome.

7.4.3 The Council must publish the minimum requirements, the award criteria and their weightings, which should not be changed during the negotiation process. During the dialogue, the Council must ensure the equal treatment of all participants and must not provide information in a discriminatory manner which may give any participant an advantage over others.

7.4.4 Advice from Legal Services must be sought prior to embarking upon a Competitive Dialogue Process or a Competitive Procedure with Negotiation.

### **7.5 Concession Contract**

7.5.1 A Concession governed by The Concession Contracts Regulations 2016 must be advertised in accordance with the Regulations and the value of the concession must be calculated in accordance with Regulation 8. As such there are certain procedural guarantees which must be met; award criteria must be published in descending order of importance and the tender evaluation made in accordance with them; minimum time limits for the receipt of tenders and the mandatory and



discretionary exclusion criteria must be applied. A Find a Tender notice must be published for over threshold tenders.

## **8. COMPLIANT FRAMEWORK AGREEMENTS**

### **8.1 CALL-OFF CONTRACTS**

8.1.1 Where an appropriate compliant Framework Agreement is recommended by the Commercial Procurement Unit, that has been established by a consortium, collaboration, the Council or other public body, the Council may consider using this compliant Framework Agreement to place an order (Call-Off) if:

- (a) the Framework Agreement has been established by an entity, and via a process, which permits the Council to access those arrangements lawfully;
- (b) the Council is a named Contracting Authority in the official notice.

8.1.2 Before undertaking a Call-Off under any compliant Framework Agreement, thorough due diligence should be undertaken and advice sought from the Commercial Procurement Unit and Legal Services to confirm the following (as a minimum):

- the Council is a named Contracting Authority in the official notice,
- the compliant Framework Agreement is signed,
- the compliant Framework Agreement is still valid,
- the estimated Contract Value in respect of the proposed call-offs that would be made under the compliant Framework,
- that the maximum aggregate spend under the Framework Agreement has not been reached,
- that the Call-Off terms and conditions are fit for purpose,
- a copy of the User Guide / any other documentation is available.

8.1.3 Call-Off Contracts must be awarded based on the evaluation criteria identified in the compliant Framework Agreement.

8.1.4 Where the Call-Off is undertaken via a direct award process (which is prescribed in the compliant Framework Agreement), the Contractor must be requested, in writing, to supply a written submission, that is verified to confirm it can meet the requirements of the Council in accordance with the terms and conditions and the pricing established in the compliant Framework Agreement, in advance of executing a Call-Off contract.

### **8.2 ESTABLISHING A COMPLIANT FRAMEWORK AGREEMENT**

- 8.2.1 Where the Council is establishing a compliant Framework Agreement which may be accessed by other named Contracting Authorities, including any subsidiary companies of the Council, the estimated Contract Value that may be contracted for under the compliant Framework Agreement must take account of all potential work that may be put through the agreement (see Rule 4) and follow the procedures set out in these Contract Procedure Rules.
- 8.2.2 If the Council is establishing a compliant Framework Agreement in accordance with Contract Procedure Rule 8.2.1, reference must be made within the procurement documents explaining that the compliant Framework Agreement is intended for a wider use and advice should be sought from Legal Services to ensure the terms upon which other Contracting Authorities access those arrangements are clear and offer appropriate protection to the Council.
- 8.2.3 In establishing a compliant Framework Agreement, the total duration (including any extensions) cannot exceed four years except in exceptional circumstances where this can be duly justified (as required under Public Contract Regulations Rule 33(3)). Any proposal to establish a compliant Framework Agreement with a duration exceeding four years should be referred to the Commercial Procurement Unit and Legal Services for advice.
- 8.2.4 Where, taking into account the above, the estimated value of the compliant Framework Agreement is above the relevant procurement threshold, the authorised officer must ensure that any other public bodies (Contracting Authorities) are included in Find a Tender or any official notice either individually or by an identifiable class.
- 8.2.5 In establishing a compliant Framework Agreement, the Council must ensure that the terms of the compliant Framework Agreement make the process clear by which Call-Off contracts under the compliant Framework Agreement are to be entered into.

## **9. TENDER DOCUMENTATION**

- 9.1 Save where a mini competition is to be carried out under another Contracting Authority's Framework Agreement, the standard Council templates for Tendering shall be utilised for all Procurement activity for Tenders of £10,000 or above.
- 9.2 As a minimum, Tender documents shall include details of the Council's requirements for the particular Contract or Call-Off Contract including, but not limited to:
- 9.2.1 a description of the Supplies, Works or Services being procured, or Concessions granted now or in the future;

- 9.2.2 the Procurement timetable including the Tender return date and time, which shall allow a reasonable period (a minimum of 14 days) for applicants to prepare their Tenders to submit electronically;
- 9.2.3 the timetables prescribed by the Procurement Regulations;
- 9.2.4 a detailed specification and instructions on whether any variant bids are permissible;
- 9.2.5 the Council's terms and conditions of Contract (where a compliant Framework Agreement is to be used, the Call-Off Contract shall be included)
- 9.2.6 the evaluation criteria to be used, including Social Value and including any weightings as considered appropriate;
- 9.2.7 payment schedule and terms and instructions for completion;
- 9.2.8 whether TUPE may apply (if applicable);
- 9.2.9 the pension arrangements for existing/former Council employees (if applicable);
- 9.2.10 form and content of method statements to be provided (if applicable);
- 9.2.11 rules for submitting of Tenders; and
- 9.2.12 any further information, which will inform or assist Tenderers in preparing Tenders.

## **10. CONTRACT TERMS AND CONDITIONS**

- 10.1 All written Contracts and Purchase Orders shall include appropriate terms and conditions for Supplies, Works, Services or Concessions (as relevant) or, where a compliant Framework Agreement is used, the applicable Call-Off terms and conditions. The Invitation to Tender or Quotation documentation shall state that the Contract which terms and conditions or Call-Off terms and conditions will apply, and these shall be available via Legal Services. Purchase Orders shall refer to the applicable terms and conditions.
- 10.2 All written Contracts and Call-Off Contracts shall include the Council's minimum requirements for insurance cover namely:
  - Public Liability Insurance - £10m
  - Employer's Liability Insurance - £5m and
  - Professional Indemnity Insurance - £2m (if applicable)

except where a compliant Framework Agreement is used; in which case the levels of cover specified in the compliant Framework Agreement shall apply.

Any departure from the agreed thresholds must be approved by the Assistant Director of Corporate Governance and Strategic Financial Management.

- 10.3 Any bespoke contractual terms and conditions required shall be confirmed by Legal Services prior to issuing as part of the Tender process.
- 10.4 All Contracts and Call-Off Contracts shall be documented before the Supplies, Works or Services are provided and shall include the following, as a minimum:
  - 10.4.1 every Contract or Call-Off Contract shall, as a minimum, unless there is good and sufficient reason to the contrary (or except where a compliant Framework Agreement is used; in which case the compliant Framework Agreement shall apply), require that all Supplies, Works or Services and all workmanship shall, if applicable, be in accordance with the relevant standard or equivalent International standard without prejudice to any higher standard required by the Contract or Call-Off Contract.
  - 10.4.2 a clause empowering the Council to cancel or terminate the Contract or Call-Off Contract, if the Contractor offers an inducement or reward in relation to the procurement of any Contract or Call-Off Contract by the Council, to exclude the Contractor from the tender, under mandatory grounds or discretionary grounds for a serious infringement of the Procurement Regulations, and to recover from the Contractor the amount of any loss resulting from such cancellation or termination.

## **11. RECEIPT AND OPENING OF TENDERS**

### **11.1 Electronic Tenders**

- 11.1.1 Requests for Quotations and Invitations to Tender must be transmitted by electronic means in accordance with the advice of the Head of Commercial Procurement Unit. Quotations and Tenders shall be submitted by electronic means e.g., the E procurement system (The Chest).
- 11.1.2 Evidence that the transmission was successfully completed is obtained and recorded.
- 11.1.3 Electronic Tenders are kept in a separate secure folder in The Chest or equivalent system and cannot be opened until the deadline has passed for receipt of Tenders.
- 11.1.4 A member of the Commercial Procurement Unit, who is not responsible for the procurement exercise, will open all requests for Quotations or bids received under a compliant Framework Agreement with a value in excess of £10,000.

## **12. PRE AND POST TENDER CLARIFICATIONS**

- 12.1 Pre-tender clarifications can be provided to potential or actual Tenderers. All responses should be published on The Chest and communicated to all concerned.
- 12.2 Post tender clarifications may be undertaken with tenderers provided the Council ensures equal treatment of all participants and specifies and applies a process for post tender clarifications in the Invitation to Tender and ensures that no Tenderer is given an advantage over any other Tenderer. For the sake of clarity, any clarifications on the commercial element of a bid must not change the original price offer. This includes verifying abnormally low bids where specific legal advice is required.
- 12.3 All pre and post tender clarifications must be conducted via The Chest. All communication must be documented and retained on The Chest.
- 12.4 At all times during the clarification process, the Council shall consider and implement the principles of non-discrimination, equal treatment and transparency.
- 12.5 Unless otherwise permitted by the Procurement Regulations, in no circumstances are post award negotiations permitted.

### **13. TENDER EVALUATION**

- 13.1 All Tenders subject to the Public Contracts Regulations 2015 and the Concession Contracts Regulations 2016 shall be evaluated in accordance with the relevant Procurement Regulations and the evaluation criteria set out in the Invitation to Tender. All other Tenders shall be evaluated in accordance with the evaluation criteria set out in the Invitation to Tender.
- 13.2 The procurement lead from within the Commercial Procurement Unit shall ensure that a representative from Finance is involved in the evaluation of tenders and that, where deemed appropriate by the Head of the Commercial Procurement Unit, Legal Services is consulted regarding the evaluation process for procurements in excess of £1 million.
- 13.3 The procurement lead of the evaluation team must ensure that no member of the evaluation team has a conflict of interest and completes the appropriate documentation.
- 13.4 The procurement lead must ensure that each bid is compliant and that the tenderer is not excluded from bidding under any of the mandatory or discretionary grounds listed in the Procurement Regulations.
- 13.5 The evaluation criteria shall be predetermined and approved by the procurement lead and listed in the Invitation to Tender documentation, in order of importance. In addition, the evaluation criteria shall be strictly observed (and remain unchanged) at all times throughout the award procedure.
- 13.6 All Tenders shall be awarded on the basis of being the “Most Economically Advantageous”.

13.7 All Tenders must be evaluated in accordance with the following principles:

- Transparency – there should be no departure from the award criteria
- Equal treatment - there should be an identical approach to the evaluation of each tender
- Manifest error – all scores and calculations should be checked to ensure that there is no manifest error.
- Record keeping – all original records should be kept together with handwritten comments to complete the audit trail.

13.8 Tenderers shall be given written feedback regarding their bid in accordance with the Procurement Regulations.

#### 14. AWARDING CONTRACTS AND CALL-OFF CONTRACTS

14.1 All Contracts and Call Off Contracts shall be awarded in accordance with the published evaluation criteria and in accordance with the Officer and Executive Member Scheme of Delegation in the table below and the decision notice recorded and published on Modern.gov:

<b>Contract Value</b>		<b>Awarded By</b>	<b>Decision Recorded on</b>
<b>Less than £10,000</b>		Authorised Officer (as per Departmental Scheme of Delegation)	Related spend is recorded (Purchase Order) via Finance Management System (Agresso)
<b>Between £10,000 and £99,999</b>		Authorised Officer (as per Departmental Scheme of Delegation)	Related spend is recorded (Purchase Order) via Finance Management System (Agresso),  The Chest, Modern Governance System and Contracts Finder for Contracts and Call-Off Contracts with a value over £25,000.00.
<b>Between £100,000 and £399,999</b>		Executive Member in consultation with the Deputy Chief Executive,	The Chest Modern Governance System and

		Assistant Chief Executive, Executive Director for Place and Economic Growth, Managing Directors and Directors (as relevant)	Contracts Finder and the Key decision document
<b>£400,000 or over</b>		Cabinet or Sub-Committee including Commissioning Partnership Board	The Chest, Modern Governance System, Contracts Finder and the Key Decision Document

N.B. The Unity Partnership Limited has a separate approval process which follows the same threshold limits as the Council. See below:

<b>Contract Value</b>	<b>Awarded By</b>
<b>Less than £100,000</b>	Director
<b>Greater than £100,000 and less than £400,000</b>	Director
<b>Greater than £400,000</b>	Director

14.2 No Contract or Call-Off Contract may be awarded unless budget release has been obtained in accordance with the Financial Procedure Rules and a Modern Gov report and Decision Notice is published authorising any spend of £25,000 or more confirming that the approved expenditure will be constantly monitored. A copy of the final version of the Modern Gov report must be forwarded to the procurement lead within the Commercial Procurement Unit to upload on The Chest.

14.3 Where the Tender is not within the relevant approved budget, but additional budgetary provision is available, the Contract or Call-Off Contract may be awarded, with the approval of the Director of Finance having ensured compliance with the Financial Procedure Rules.

14.4 Once the decision to award a Contract or Call-Off Contract is made, each Tenderer must be notified in writing of the outcome. All Tenderers must be notified simultaneously and as soon as possible of the intention to award the Contract or Call-Off Contract to the successful Tenderer(s) and this should be

done via The Chest. The letters must include a description of the characteristics and relative advantages of the successful Tender.

- 14.5 A Contract or Call-Off Contract award letter will be sent to the successful containing all relevant information, including all information prescribed by the Procurement Regulations, where relevant.
- 14.6 A Contract which has a Contract Value above the Procurement Regulations thresholds can only be awarded after a notice of the proposed award has been given to all unsuccessful Tenderers and the 10 day standstill period has elapsed from the day after the date upon which the notice was given. If the 10 days expire on a non-working day, then the notice period will be deemed to have lapsed on the next working day.
- 14.7 A Contract award notice must be published in Find a Tender and on the Council's website no later than 30 days after the date of award of the Contract (48 days in the case of a Concession Contract) where the Contract Value exceeds the Procurement Regulations threshold. A Contract award notice must also be published on Contracts Finder.
- 14.8 Save for Call-Off Contracts for personal social or health care or educational need where the overarching Framework Agreement has been sealed, Contracts and Call-Off Contracts for Supplies, Services or Works and any other contracts, including but not limited to Deeds of Variation, Deeds of Novation and Deeds of Assignment with a Contract Value of £100,000 or more shall be executed by deed and attested by no less than one authorised sealing officer within Legal Services.
- 14.9 Contracts and Call-Off Contracts for Supplies, Services or Works and any other contracts, including but not limited to agreements to vary, novate or assign together with Call-Off Contracts for personal social or health care or educational need and with a Contract Value of less than £100,000 shall be executed by no less than one officer of the Council with delegated authority to sign a Contract or contractual document under the Council's Officer and Executive Member Scheme of Delegation.
- 14.10 Reasonable endeavours shall be used to ensure that performance of a Contract or Call-Off Contract does not commence before the Contract or Call-Off Contract is executed.
- 14.11 All Contracts or Call-Off Contracts over £5,000 shall be published on and embedded in the Council's Contracts Register maintained by the Commercial Procurement Unit.
- 14.12 Where approved by an authorised sealing officer within Legal Services or the Director of Finance, Contracts and Call-Off Contracts for Supplies, Services or Works and any other contracts, including but not limited to agreements to vary, novate or assign with a Contract Value of less than £100,000 may be executed using the electronic signature of an officer of the Council authorised under the Council's Officer and Executive Member Scheme of Delegation or by such



authorised officer using an e-signature via appropriate and secure digital signature software.

## **15. FINANCE MANAGEMENT SYSTEM**

15.1 The Council's Financial Management System (Agresso), or equivalent, shall be used to process all orders with Contractors. This includes all orders processed after Quotations are received or a Tender process has been undertaken.

15.2 To set up a new Contractor, the guidance that is available to all officers (on the intranet) should be followed.

## **16. LIQUIDATED DAMAGES AND RETENTIONS**

16.1 The Director of Finance and the Director of Legal Services shall advise as to the appropriate degree of security (if any) required to protect the Council from a Contractor default prior to the invitation to tender. Liquidated damages clauses should always be used in a Contract or Call-Off Contract where appropriate.

16.2 A retention sum (appropriate to the circumstances of the Contract or Call-Off Contract) should be written into the terms and conditions of any Contract or Call-Off Contract for Works with a Contract Value of over £50,000, unless the Director of Legal Services agrees to waive the specific requirement.

## **17. MODIFICATIONS**

17.1 Subject to Rule 17.2 a Modification may be permitted if any of the limited criteria below applies:

(a) the original tendered Contract or Call-Off Contract contains clauses allowing such Modifications provided that such clauses:

- (i) list the scope and nature of possible Modifications as well as the conditions under which they may be used, and
- (ii) do not provide for Modifications that would alter the overall nature of the Contract or the Call-Off Contract;

(b) the Modification is for additional Supplies, Works and Services by the original Contractor that have become necessary and were not included in the initial procurement or commissioning exercise, where a change of Contractor:

- (i) cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, services or installations procured under the initial procurement, and
- (ii) would cause significant inconvenience or substantial duplication of costs for the Council

- (c) where all of the following conditions are fulfilled:
  - (i) the need for the Modification has been brought about by circumstances which a diligent Contracting Authority could not have foreseen; and
  - (ii) the Modification does not alter the overall nature of the Contract or Call-Off Contract;
- (d) where a new Contractor replaces the one to which the Council had initially awarded the Contract or Call-Off Contract as a consequence of:
  - (i) a clause or option in conformity with Rule 17.1(a); or
  - (ii) a takeover of the Contractor following corporate restructuring, including takeover, merger, acquisition or insolvency, by another Economic Operator that fulfils the criteria for qualitative selection initially established, provided that this does not entail any other substantial Modifications to the Contract or Call-Off Contract;
- (e) provided that the proposed Modification, irrespective of its value, is not substantial within the meaning of Rule 17.2.

17.2 A Modification of a Contract or Call-Off Contract during its term shall be considered substantial for the purposes of Rule 17.1 where one or more of the following conditions is met:

- (a) the Modification renders the Contract or Call-Off Contract materially different in character from the one initially concluded;
- (b) the Modification introduces conditions which, had they been part of the initial procurement procedure, would have:
  - (i) allowed for the admission of other candidates than those initially selected,
  - (ii) allowed for the acceptance of a Tender other than that originally accepted, or
  - (iii) attracted additional participants in the procurement procedure;
- (c) the Modification changes the economic balance of the Contract or Call-Off Contract in favour of the Contractor in a manner which was not provided for in the initial Contract or Call-Off Contract;
- (d) the Modification extends the scope of the Contract or Call-Off Contract considerably;
- (e) a new Contractor replaces the one to which the Council had initially awarded the Contract or Call-Off Contract in cases other than those provided for in Rule 17.1(d)

- (f) the Modification increases the contract value for Supplies or Services by more than 10% and for Works by 15%.

17.3 For the purposes of Rule 17.2, if several successive Modifications are made, the value shall be assessed on the basis of the net cumulative value of the successive Modifications.

#### 17.4 Procedure for Modifications

17.4.1 a Modern.gov report must be completed which provides full details of the Modification and any supplementary documentation to enable the relevant Decision Maker (see table in Rule 14.1) giving the approval to make a fully informed decision.

17.4.2 in giving approval, the Decision Maker must take account of any advice given by the Head of the Commercial Procurement Unit and the Director of Legal Services and must ensure that such advice is included in any report to the Decision Maker.

17.4.3 written approval must be obtained to any Modification in accordance with the Council's Officer and Executive Member Scheme of Delegation.

17.4.4 no commitment should be made to a potential Contractor prior to approval.

17.4.5 the Head of the Commercial Procurement Unit is responsible for ensuring that a complete record of all Modifications is kept and a record of the decision approving a Modification and the reasons for it must be stored electronically in Modern.gov and on The Chest.

17.4.6 a notice of the Modification of a Contract or Call-Off Contract under Rules 17.1 (b) and (c) with a value over the relevant procurement threshold shall, where required, be published in the Find a Tender in accordance with the Procurement Regulations.

### **18. TERMINATION OF CONTRACTS AND CALL-OFF CONTRACTS**

18.1 Prior to any action being taken, the Director of Legal Services shall be consulted with regard to any proposed termination of any Contract or Call-Off Contracts.

### **19. CLAIMS ARISING FROM CONTRACTS OR CALL-OFF CONTRACTS**

19.1 Officers shall inform the Head of the Commercial Procurement Unit immediately of any claims (or anticipated claims) by or against a Contractor that are the subject of a dispute between the Council and the Contractor, and the Head of the Commercial Procurement Unit shall inform and consult with the Director of Legal Services to agree a course of action.

19.2 Claims arising in respect of matters not clearly within the terms of any existing Contract shall be determined by the Deputy Chief Executive, the Assistant Chief

Executive, a Managing Director or a Director (as appropriate) after having taken the advice of the Director of Legal Services and the Director of Finance.

- 19.3 Where completion of the supply of Works, Supplies or Services under a Contract or Call-Off Contract are likely to be delayed, resulting in claims under the Contract or Call-Off Contract, Officers shall inform the Head of the Commercial Procurement Unit immediately, and the Head of the Commercial Procurement Unit shall inform and consult with the Director of Legal Services to agree a course of action.

## **20. MONITORING CONTRACTS AND CALL-OFF CONTRACTS**

- 20.1 All Contracts and Call-Off Contracts must have a Contract Owner.

- 20.2 The Contract Owner will be responsible for the whole of the commissioning, cycle including completing the governance and legal formalities, reviewing, monitoring and evaluating the Contract or Call-Off Contract to ensure that its provisions and the Supplies, Works or Services or (or Concession) within it are being followed and performed as they should be. The Contract Owner shall understand the Specification, contractual terms and the performance framework and must manage activity ensuring that Contracts and Call-Off Contracts do not require any extensions beyond the permitted or planned expiry.

- 20.3 During the life of the Contract or Call-Off Contract, the Contract Owner will monitor the Contract or Call-Off Contract in respect to the following, as a minimum:

- (a) performance (against agreed KPIs where relevant) ensuring that where performance falls below expected standards this is managed promptly;
- (b) compliance with the Specification and the terms and conditions of Contract or Call-Off Contract;
- (c) cost, ensuring that there are no unanticipated variations in price or spend;
- (d) any Social Value requirements;
- (e) risk Management ensuring risks associated with the Contract or Call-Off Contract are identified and managed and any risk registers are kept up to date;
- (f) safeguarding where appropriate; and
- (g) user satisfaction.

- 20.4 The final certificate for payment for any Contract or Call-Off Contract for the delivery of Works shall not be paid until the Contract Owner has performed a reconciliation of all Works completed against the approved costs of the scheme.

- 20.5 Where any sum or damages is payable to the Council as a result of the default of a Contractor, for example where completion of Works is delayed beyond the contractual completion date, it shall be the duty of the Contract Owner to claim whatever liquidated or other damages may be due under the terms of the Contract or Call-Off Contract and no waiver of such sum or damages may be given without the approval of the Director of Legal Services and the Director of Finance.
- 20.6 Where a Contractor is in breach of its performance of a Contract or Call-Off Contract, a default notice should be issued under the terms and conditions of the Contract or Call-Off Contract to enable the Council to exercise its discretion to claim damages and/or terminate the Contract or Call-Off Contract and exclude the tenderer from any future tender process.
- 20.7 Where the Contract is to be re-let, any information gathered by the Contract Owner shall be available to inform the approach to re-letting the next Contract or Call-Off Contract.
- 20.8 The Contract Owner shall provide advice and support, as required, on good practice in performance management of Contracts and Call-Off Contracts.
- 20.9 All Contracts and Call-Off Contracts with a value in excess of £5,000 must be included and published on the Contracts Register maintained by the Commercial Procurement Unit in line with the Local Government Transparency Code 2015. This is a mandatory requirement and it is the responsibility of the commissioning officers to inform the Commercial Procurement Unit.

## **21. EXEMPTION FROM THE CONTRACT PROCEDURE RULES**

- 21.1 These Rules are mandatory but, in limited circumstances, it may be necessary to seek an Exemption from these Rules. Guidance from the Commercial Procurement Unit must be sought before any Procurement activity commences for which an Exemption may be required.
- 21.2 An Exemption cannot be given where this would contravene the Procurement Regulations or any other legislation.
- 21.3 Exemptions will only be considered in exceptional circumstances, including but not limited to:
- (a) Proprietary or patented Supplies or Services are proposed to be purchased which are only obtainable from one entity and it can be demonstrated that no reasonably satisfactory alternative to those proprietary or patented Supplies or Services is available;
  - (b) No genuine competition can be obtained in respect of the purchase of particular Supplies, Services or execution of Works;
  - (c) The Services or execution of Works are of such a specialist nature that they can only be carried out by one entity (e.g., statutory undertakers);

- (d) Supplies are proposed to be purchased by or on behalf of the Council at a public auction;
- (e) Supplies or Services are proposed to be purchased which are of a specialist or unique nature (such as a particular performance artist or antiquities for museums);
- (f) Repairs or parts if the only option is to repair or buy new parts for existing Supplies, equipment or buildings, and there is only one Contractor;
- (g) To comply with a change in legal requirements;
- (h) The Contract is for Supplies, Services or the execution of Works which are required in circumstances of extreme urgency, for example, where immediate repairs are required to buildings, structures and other assets damaged by fire, bad weather or vandalism;
- (i) The provision of Supplies, Works or Services is urgently required because of the failure of a Contractor through unsatisfactory performance or the appointment of an administrator, receiver or liquidator to administer its affairs. The Contract should be re-let at the earliest opportunity in compliance with these Rules;
- (j) Where continued provision of Supplies, Works or Services is required for an additional period and this can be justified, for example where a service review includes the intention to co-terminate relevant Contracts within a reasonable period

#### 21.4 Procedure for Exemptions over £10,000

- 21.4.1 To request an exemption from these Contract Procedure Rules, a Modern.gov report must be completed seeking approval for the exemption and authorisation for any expenditure. It must be signed only by those authorised to award a Contract under Rule 14.1.
- 21.4.2 An exemption request can be authorised by the Deputy Chief Executive, the Assistant Chief Executive, the Executive Director or a Managing Director who does not have direct line management responsibility for the service.
- 21.4.3 The Modern.gov report must provide full details of the request and any supplementary documentation to support the request and refer to the specific ground for the exemption.
- 21.4.4 No commitment should be made to a potential Contractor prior to authorisation.
- 21.4.5 The Head of the Commercial Procurement Unit is responsible for ensuring that a complete record of all Exemptions is maintained. A copy of the signed delegated/Cabinet decision approving an Exemption and the reasons for it must be forwarded to the Commercial Procurement lead.

- 21.4.6 In circumstances of extreme urgency, the relevant decision maker utilising Rule 21.3 (h) or (i) above may authorise an Exemption in writing without the need to complete a Modern.gov report. As soon as practicable a Modern.gov report must be submitted and approved in accordance with this Rule.
- 21.4.7 The written authorisation must be provided in accordance with this Rule 21.4.6 and must be stored electronically on The Chest.
- 21.5 All Exemptions reports require comments from the Assistant Director of Corporate Governance and Strategic Financial Management.
- 21.6 A direct award of a Contract following an exemption should comply in all other respects with the Council's Contract Procedure Rules and the Council's terms and conditions of contract should be used where possible.
- 21.7 The Council cannot use an exemption to depart from the Procurement Regulations and a Voluntary Transparency Notice may be required to inform the market of a direct award.
- 21.8 Where an Exemption is granted, the Contract shall still be made subject to the Council's standard terms and conditions where possible and in accordance with any relevant requirements detailed in Rule 10.1. Any amendments required to the Council's standard terms and conditions shall be approved by Legal Services prior to issuing as part of the procurement process. Legal Services will review and draft the terms and conditions for any bespoke contracts.

## **22. DECLARATIONS OF INTEREST and ANTI-BRIBERY and CORRUPTION**

- 22.1 The Council's reputation with regards to Procurement activity is important and should be safeguarded from any imputation of dishonesty or corruption. All elected Members of the Council and Officers are reminded of their responsibilities in relation to gifts, hospitality and any conflicts of interest and should ensure that they comply with the obligations set out in the Council's Members' Code of Conduct and the Officers' Code of Conduct respectively and any other relevant policies, guidance or strategies relating to bribery, fraud and corruption issued or endorsed by the Council from time to time.
- 22.2 22.2 Any Officer or Member must declare any interest which could influence their judgement in relation to Procurement activity in accordance with the Council's Codes of Conduct.
- 22.3 No gifts or hospitality should be accepted from any Tenderers involved in Procurement activity except in accordance with the Council's Codes of Conduct. Relevant interests, gifts and hospitality should be registered on the Council's e-register.

## **23. DEFINITIONS**

- 23.1 Within the Contract Procedure Rules, the following definitions are used:

- 23.1.1 “Call-Off Contract” means a contract which is entered into under a Framework Agreement in accordance with the terms and conditions of that Framework Agreement
- 23.1.2 “Concession” means a contract under which a contracting authority outsources Supplies, Services or Works to a Contractor or provider, who then has the right to commercially exploit those Supplies, Services or Works in order to recoup its investment and make a return on the proviso that the contractor or provider bears the operating risk and has no guarantee of recouping its investment or operating costs
- 23.1.3 “Contract” means an agreement in writing for consideration (money or money’s worth) between the Council and a Contractor for the provision of Supplies, Works or Services by the Contractor or the granting of a Concession, including a compliant Framework Agreement
- 23.1.4 “Contracting Authority” has the meaning set out in the Public Contracts Regulations 2015;
- 23.1.5 “Contractor” includes any sole trader, partnership or company (limited or unlimited) or any duly incorporated trade, consortiums or unincorporated bodies, professional or commercial body or voluntary body; (although the Council must only contract with legal entities)
- 23.1.6 “Contract Owner” means the lead stakeholder or commissioner for the proposed contract
- 23.1.7 “Contract Value” means the amount the Council pays to the Contractor under the Contract excluding VAT
- 23.1.8 “Contracts Finder” the UK’s electronic procurement portal for contracts with a value of £25,000 or above
- 23.1.9 “Contracts Register” means a comprehensive list of all Contracts and Call-Off Contracts that the Council procures, detailing key attributes such as type, term, value and Contractor and Procurement/ Directorate contact details
- 23.1.10 “Director of Finance” means the Chief Officer designated under section 151 of the Local Government Act 1972 or his/her nominated representative
- 23.1.11 “Director of Legal Services” means the Council’s Principal Solicitor
- 23.1.12 “E-auction” is a means of carrying out purchasing negotiations via the Internet. It is a real time event that occurs online, allowing multiple Contractors in different geographic regions to place bids and modify simultaneously



- 23.1.13 “E-procurement System” means Council’s e-tendering portal, The Chest (or equivalent)
- 23.1.14 “Find a Tender” means the UK’s electronic procurement portal for contracts with a value which is above the relevant Procurement Regulations threshold
- 23.1.15 “Financial Management System” means the Council’s electronic purchasing and payments system, Agresso (or equivalent)
- 23.1.16 “Framework Agreement” means an agreement which allows the Council to execute Call-Off contracts for Supplies, Works or Services from a Contractor in accordance with the terms of the overarching agreement, including an agreement for a Dynamic Purchasing System
- 23.1.17 “Grant” means an award of money from the Council to another organisation or an award to the Council from a third party for the purpose of giving a benefit to a third party which is not Supplies, Services or Works. A grant awarded by the Council shall, where appropriate, be made subject to a written Grant agreement specifying the conditions upon which the grant is made and including that the grant can be clawed back if the conditions are not met
- 23.1.18 “Invitation to Tender” means a request for Contractors to submit a Tender to supply Supplies, execute Works or provide Services at specified charges or rates of charges
- 23.1.19 “Modification” means any change to a Contract
- 23.1.20 “Most Economically Advantageous” means using a cost-effectiveness approach or price/quality ratio which offers the best price (this will not necessarily be the lowest price)
- 23.1.21 “Open Procedure” means a procedure for inviting Tenders by advertisement in which an Invitation to Tender is sent to all Contractors who express an interest in Tendering
- 23.1.22 “Officer” includes any employee of the Council
- 23.1.23 “Procurement” means the process leading to the award of a Contract
- 23.1.24 “Procurement Regulations” means the Public Contracts Regulations 2015 and the Concession Contracts Regulations 2016 and the Utilities Contracts Regulations 2016 as amended by The Public Procurement (Amendment etc.) (EU Exit) Regulations 2020 (EU Exit Regulations) and as may be consolidated, extended, re-enacted or replaced together with such other UK regulations as may be made from time to time

- 23.1.25 “Purchasing Consortia” means an organised and constituted body of individuals who jointly participate in the Procurement and award of a Contract
- 23.1.26 “Quotation” means a formal offer to supply Supplies, execute Works or provide Services at specified charges or rates of charges
- 23.1.27 “Scheme of Delegation” means the document described as such within the Constitution
- 23.1.28 “Services” includes services for the provision of labour, advice, care and support services for people, installation, implementation, testing, management services (including project and programme management and consultancy services), maintenance, repair and support services
- 23.1.29 “Supplies” covers an item(s) of equipment, plant, machinery, vehicle, tool, portable building, materials, software or other similar object, whether inanimate or electronic, to be supplied or delivered by the Contractor and procured by Oldham Council and includes any documentation
- 23.1.30 “Tender” means a formal offer to supply or purchase Supplies, execute Works or provide Services at a stated price or offer to be granted a Concession
- 23.1.31 “Tenderer” shall mean any potential Contractor submitting a Tender

“Works” means the carrying out of construction or undertaking of engineering or other practical work, which normally requires the provision of labour services and materials to build, construct or physically provide parts of Services during a project implementation period.



# Part 4G

## Contract Procedure Rules

APPENDIX 2

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**Note: All references to Council posts in these Contract Procedure Rules shall be read as a reference to the equivalent post at the relevant point in time**

## **1. APPLICATION/COMPLIANCE WITH CONTRACT PROCEDURE RULES**

- 1.1 These Contract Procedure Rules are made under Section 135 of the Local Government Act 1972 and apply to all Contracts and Call-Off Contracts for the procurement of Supplies, Works, Services or Concessions made in the name of the Council. Where in these Rules “the Council” is referred to, the term shall include the reference to School Governing Bodies by virtue of the Scheme for Financing Schools, the Unity Partnership Limited and the Miocare Group. For the avoidance of doubt, in instances of pooled funds arrangements made under section 75 of the National Health Service Act 2006 and the NHS Bodies and Local Authorities Partnership Arrangements Regulations 2000 the lead commissioning organisation’s rules will take precedence.
- 1.3 Every Contract and Call-Off Contract entered into by the Council shall be entered into pursuant to or in connection with the Council’s functions and shall comply with:
  - 1.3.1 all relevant statutory legislation and provisions and in particular the Procurement Regulations and any relevant case law;
  - 1.3.2 the Council’s Constitution including these Contract Procedure Rules, the Council’s Financial Procedure Rules and the Officer and the Executive Member Scheme of Delegation; and
  - 1.3.3 the Council’s strategic objectives and policies including, amongst others, the Corporate Plan.
- 1.4 These Contract Procedure Rules apply to all Contracts and Call-Off Contracts awarded by the Council for Supplies, Works, Services or Concessions, regardless of the source of funding for the Contract or Call-Off Contract. They apply to procurement by any form of official Council purchase order and equally to Contracts and Call-Off Contracts awarded by any person, firm or body on the Council’s behalf.
- 1.5 No Contract or Call-Off Contract shall be entered into unless those relevant officers specified in the Scheme of Delegation at Part 3 of the Council’s Constitution are satisfied that there is adequate budget provision and all necessary consents to the expenditure have been obtained.
- 1.6 Where a Contract or Call-Off Contract involves the making of a Key Decision as defined in Part 2, Article 14.3.2 -14.3.3 of the Constitution, those relevant officers specified in the Scheme of Delegation at Part 3 of the Council’s Constitution shall ensure that the Director of Legal Services and the Director of Finance are consulted throughout the procurement process.
- 1.7 It shall be a condition of any Contract or Call-Off Contract between the Council and any persons (not being Officers of the Council) who are required to

supervise a Contract or Call-Off Contract on the Council's behalf, that in relation to such Contract or Call-Off Contract, those persons shall comply with the requirements of these Contract Procedure Rules as if they were Officers of the Council.

- 1.8 These Contract Procedure Rules shall not apply to:
  - 1.8.1 Contracts of employment.
  - 1.8.2 Contracts for direct payments or for personal social or health care or educational need where neither a quotation or tender procedure are, in the opinion of the Deputy Chief Executive, or Managing Director (following consultation with Director of Legal Services) viable methods of procurement in the circumstances.
  - 1.8.3 Contracts for the purchase or sale of land or securities, or Contracts for the taking or granting of any interest in land, unless such Contracts involve details of the Council's specific requirements which would amount to a Works contract and must be procured in accordance with these Rules.
  - 1.8.4 Contracts for supplies to be purchased at auction and where the Director of Finance has agreed in writing that the Council's interests will best be served by purchase through auction and has similarly agreed an upper limit for bids.
  - 1.8.5 Contracts for the use of counsel or other legal representation where the Director of Legal Services considers that a Procurement exercise would not protect or support the Council's interests. All contracts for the use of counsel or other legal representation must be commissioned and/or approved by The Director of Legal Services.
  - 1.8.6 Contracts for works of art or theatre, which are genuinely exclusive.
  - 1.8.7 A Call-Off Contract made under a legally compliant Framework Agreement which has been procured correctly and where the Council is a named Contracting Authority (see Rule 8).
  - 1.8.8 The sale or provision of Supplies, Works or Services delivered by the Council as traded services.
  - 1.8.9 Grants received by the Council and Grants distributed by the Council provided the Grant received by the Council does not require the Council to procure Supplies, Works or Services.
- 1.9 Any failure to comply with any of the provisions of these Contract Procedure Rules shall be reported to the Head of Commercial Procurement Unit who will refer the matter to the Director of Legal Services or the Director of Finance, as appropriate and the officer. A breach of these Rules may result in disciplinary action.
- 1.10 The relevant officer referenced in Rule 1.9

shall, where appropriate, take immediate action in the event of a failure to inform the appropriate Director who will consider and determine the appropriate action.

- 1.11 Any dispute regarding the application of these Contract Procedure Rules shall be referred to the Directors of Finance and Legal Services for advice.
- 1.12 The final arbiter for resolution of disputes regarding the application or interpretation of these Contract Procedure Rules shall be the Director of Legal Services whose decision shall be binding and final.
- 1.13 Persistent breach of the Contract Procedure Rules will also be reported to the Audit Committee.

## **2. COMMISSIONING AND PROCUREMENT PLANNING**

- 2.1 Prior to the start of each financial year, the Council shall create a strategic procurement forward plan in consultation with the Head of the Commercial Procurement Unit and members of the Legal Services team setting out its current Contracts and Call-Off Contracts and Contracts and Call-Off Contracts to be procured for the forthcoming financial year. The procurement pipeline should be refreshed at intervals as the need arises. The coordination and updating of this plan will be the responsibility of the Commercial Procurement Unit. The strategic procurement forward plan will be published on the Oldham Council website.
- 2.2 The Council shall, where appropriate, make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness in accordance with Section 3 Local Government Act 1999 (“Best Value”). This includes where appropriate, consultation with representative groups of payers of Council Tax and Business Rates stakeholder(s) and any other relevant interested groups prior to commissioning services.
- 2.3 The Council shall consider its obligations under the Public Services (Social Value) Act 2012 and have regard to economic, social and environmental well-being in connection with public services contracts and for connected purposes in its planning and commissioning processes.
- 2.4 The Council shall, where appropriate, consider its obligations with regard to data protection under the UK General Data Protection Regulation and the Data Protection Act 2018 as amended from time to time and in particular its responsibilities and that of the Contractor in relation to the processing of personal data through the outsourcing of its services, including specifying the conditions for processing and retaining personal data.
- 2.5 The Council shall, where appropriate, ensure that any collaborative arrangements/agreements with other public bodies to procure Supplies, Works or Services comply with the Procurement Regulations and ensure value for money and that the Council’s interests are fully protected.

- 2.6 As permitted by the Procurement Regulations, soft market testing may be undertaken provided it does not distort competition and is transparent and non-discriminatory.
- 2.7 Where an organisation has been involved at a pre-procurement stage (whether in soft market testing or otherwise, e.g., incumbents), the Council must ensure that there is a level playing field when the tender process starts such as making information available to all Tenderers that has been made available at a pre-procurement stage.
- 2.8 The Contract Owner is responsible for the full commissioning cycle including contract management and must ensure the Council enters into a legally binding Contract or Call-Off Contract with the Contractor prior to the provision of the Supplies, Works or Services. The Contract Owner must ensure that the Contract or Call-Off is signed and lodged with the Commercial Procurement Unit where the value of the Contract is £10,000 and over.

### **3. CALCULATION OF CONTRACT VALUE**

- 3.1 The estimated value of a Contract or Call-Off Contract shall be the total consideration payable, including Value Added Tax (where applicable), which the Council expects to be payable under the Contract or Call-Off Contract and shall be calculated in accordance with Rule 3.2 below.
- 3.2 The total Contract Value shall be calculated as follows:
- 3.2.1 Where the Contract or Call-Off Contract is for a fixed period, by taking the total price to be paid during the lifetime of the Contract or Call-Off Contract or the price which might be paid during the whole of the period including any permitted extension.
- 3.2.2 Where the term of a Contract or Call-Off Contract is indefinite or uncertain, by taking the monthly price payable under the Contract multiplied by 48.
- 3.2.3 In relation to a compliant Framework Agreement with no guaranteed commitment, the Contract Value will be the estimated value of the Supplies, Works or Services over the full duration of the Framework Agreement.
- 3.2.4 Where the Contract may have a value above the Procurement Regulations threshold, for procurement purposes the Contract Value must be calculated inclusive of VAT.
- 3.3 Under the Procurement Regulations, Contracting Authorities may divide tender opportunities into smaller lots to encourage small and medium sized business enterprises to submit bids and must provide reasons for not doing so. The cumulative value of the individual lots will form the total Contract Value. If the Council chooses not to divide tender opportunities into smaller lots, it will record a reason for not doing so, and this record will be held by the Commercial Procurement Unit.



3.4 A Contract Value shall not be artificially under or overestimated or divided into two or more separate Contracts where the purpose is to avoid the application of these Contract Procedure Rules.

#### 4. PROCUREMENT PROCEDURES

4.1 Where an existing Contract, Call-Off Contract, Dynamic Purchasing System or in-house service is available to meet the Council's specific procurement requirements and offers value for money it should be used unless there are particular circumstances which justify an alternative route to market.

4.2 An E-auction process may form part of the overall tender process and shall be used in conjunction with the relevant tender procedures. The Contract Notice or advertisement and the Invitation to Tender documentation shall state that an E-auction will form part of the Tender process.

4.3 If Rule 4.1 does not apply, the Council must comply with the procurement table below, which sets out the required procedure for different Contract Values, the minimum number of tenders that must be invited and how invitations to tender must be publicised.

Contract Value	Procurement Activity	Instructions	Minimum Requirement for Advertising the Opportunity
<b>Less than £10,000 for Supplies, Works and Services</b>	1 Written Quotation.	Service Area to obtain at least 1 written Quotation specifying that the Council's terms and conditions will apply following the instructions in Rule 5.1 below and file ready for audit inspection. Local Supply Chain including SMEs to be considered where practical.	N/A
<b>Between £10,000 and £24,999 for Supplies, Works and Services</b>	Approach a minimum of 3 organisations for a written Quotation.	Service Area to contact the Commercial Procurement Unit who will conduct an appropriate procurement procedure and facilitate the process using the Council's E-Procurement System (The Chest). Local Supply Chain including SMEs to be considered – at least 1 local Contractor (where practical) to be included.	The Chest

<b>Between £25,000 and £99,999 for Supplies, Works and Services</b>	Open Request for Quotations or for the completion of a compliant framework arrangement	Service Area to contact the Commercial Procurement Unit who will conduct an appropriate procurement procedure and facilitate the process using the Council's E-Procurement System (The Chest). Local Supply Chain including SMEs to be considered – at least 1 local Contractor (where practical) to be included.	The Chest and Contracts Finder
<b>Between £100,000 and Procurement Regulations threshold for Supplies, Works and Services</b>	Formal Open Tender Process or for the completion of a compliant framework arrangement	Service Area to contact the Commercial Procurement Unit who will conduct an appropriate procurement procedure to follow in accordance with these Contract Procedure Rules and facilitate the process using the Council's E-Procurement System (The Chest).	The Chest and Contracts Finder
<b>Procurement Regulations threshold and above for Supplies, Works and Services</b>	Full Procurement Regulations compliant Procedure	Service Area to contact Commercial Procurement Unit who will conduct an appropriate procurement procedure, in compliance with the Procurement Regulations, and follow and facilitate the process using the Council's E-Procurement System (The Chest) and Contracts Finder.	Open advert mandated in Find a Tender Service and Contracts Finder with the exception of Framework Call-Off competitions.

4.4 The rules relating to the required process and timescales shall be observed for all Contracts as shall the principles of the Procurement Regulations. The procurement process needs to be conducted in accordance with the principles of equal treatment, non-discrimination, transparency, mutual recognition, proportionality, competition, the protection of legitimate expectations, the requirement to act without manifest error and good administration – which underpin the Procurement Regulations.

## 5. QUOTATION PROCESS

5.1 Full written Quotation(s) below £10,000 shall be obtained from Contractor(s) pursuant to the procedure set out in the table in Rule 4.3 before a formal purchase order and or Contract can be issued. A formal purchase order and or Contract shall be issued after the Quotation(s) have been received and shall specify the Supplies, Works or Services to be provided or Concession to be granted and set out the price and terms of payment and incorporate the Council's relevant terms and conditions of contract (either by inclusion on the purchase order or Contract or by reference).

- 5.2 Requests for Quotations of £10,000 or above for Supplies, Works and Services must be advertised on the Council's E-procurement system (The Chest) and any Requests for Quotations of £25,000 and above must also be advertised on Contracts Finder.
- 5.3 At least one local Contractor should be included in each Request for Quotation, where possible.
- 5.4 The standard Council templates for Quotations shall be utilised for all Procurement activity and these are held by the Commercial Procurement Unit.
- 5.5 All Quotation(s) sought shall be recorded in writing for audit purposes via the Council's E-procurement system (The Chest).

## **6. TENDER PROCESS – Below Public Contracts Regulations Thresholds**

- 6.1 All Procurement opportunities should be advertised via the Council's e-procurement system (The Chest) and Contracts Finder (See table Rule 4.3). The Invitation to Tender should include all of the information listed in Rule 9.2 below.
- 6.2. Any Procurement opportunity advertised shall:
  - 6.2.1 specify the Contract or Call-Off terms and conditions which will apply;
  - 6.2.2 invite persons or bodies to express an interest in tendering;
  - 6.2.3 specify a date or time limit, being not less than 14 days within which such Tenders are to be submitted.
  - 6.2.4 be advertised in Contracts Finder if the Contract Value exceeds £25,000.

## **7. TENDER PROCESS – Above the Procurement Regulations Thresholds**

- 7.1 Where an estimated Contract Value exceeds the current Procurement Regulations' Thresholds, the Contract shall be tendered in accordance with the Procurement Regulations. Under the Public Contract Regulations 2015, the Contract may be Tendered under Open, Competitive Dialogue, Competitive Procedure with Negotiation or Innovation Partnerships Procedure. Under the Concession Contracts Regulations 2016 the Council shall have the freedom to organise the procedure, subject to compliance with the Regulations
- 7.2 A Contract Notice in the prescribed form must be published in Find a Tender in order to invite Tenders and a Prior Information Notice may be used to invite Expressions of Interest.
- 7.3 All Find a Tender notices shall be published by the Commercial Procurement Unit.
- 7.4 **Competitive Procedures**

- 7.4.1 A Competitive Dialogue procedure or Competitive Procedure with Negotiation may be beneficial in circumstances where greater flexibility is needed, e.g., for highly complex and risky projects where Tenderers will have a major role in defining the solution or where an Open Procedure may not deliver the expected outcomes.
- 7.4.2 A Competitive Dialogue procedure or a Competitive Procedure with Negotiation allows the Council to negotiate proposed solutions with Tenderers to achieve a desired outcome.
- 7.4.3 The Council must publish the minimum requirements, the award criteria and their weightings, which should not be changed during the negotiation process. During the dialogue, the Council must ensure the equal treatment of all participants and must not provide information in a discriminatory manner which may give any participant an advantage over others.
- 7.4.4 Advice from Legal Services must be sought prior to embarking upon a Competitive Dialogue Process or a Competitive Procedure with Negotiation.

## **7.5 Concession Contract**

- 7.5.1 A Concession governed by The Concession Contracts Regulations 2016 must be advertised in accordance with the Regulations and the value of the concession must be calculated in accordance with Regulation 8. As such there are certain procedural guarantees which must be met; award criteria must be published in descending order of importance and the tender evaluation made in accordance with them; minimum time limits for the receipt of tenders and the mandatory and discretionary exclusion criteria must be applied. A Find a Tender notice must be published for over threshold tenders.

## **8 COMPLIANT FRAMEWORK AGREEMENTS**

### **8.1 CALL-OFF CONTRACTS**

- 8.1.1 Where an appropriate compliant Framework Agreement is recommended by the Commercial Procurement Unit, that has been established by a consortium, collaboration, the Council or other public body, the Council may consider using this compliant Framework Agreement to place an order (Call-Off) if:
  - (a) the Framework Agreement has been established by an entity, and via a process, which permits the Council to access those arrangements lawfully;
  - (b) the Council is a named Contracting Authority in the official notice.
- 8.1.2 Before undertaking a Call-Off under any compliant Framework Agreement, thorough due diligence should be undertaken and advice

sought from the Commercial Procurement Unit and Legal Services to confirm the following (as a minimum):

- the Council is a named Contracting Authority in the official notice,
- the compliant Framework Agreement is signed,
- the compliant Framework Agreement is still valid,
- the estimated Contract Value in respect of the proposed call-offs that would be made under the compliant Framework,
- that the maximum aggregate spend under the Framework Agreement has not been reached,
- that the Call-Off terms and conditions are fit for purpose,
- a copy of the User Guide / any other documentation is available.

8.1.3 Call-Off Contracts must be awarded based on the evaluation criteria identified in the compliant Framework Agreement.

8.1.4 Where the Call-Off is undertaken via a direct award process (which is prescribed in the compliant Framework Agreement), the Contractor must be requested, in writing, to supply a written submission, that is verified to confirm it can meet the requirements of the Council in accordance with the terms and conditions and the pricing established in the compliant Framework Agreement, in advance of executing a Call-Off contract.

## **8.2 ESTABLISHING A COMPLIANT FRAMEWORK AGREEMENT**

8.2.1 Where the Council is establishing a compliant Framework Agreement which may be accessed by other named Contracting Authorities, including any subsidiary companies of the Council, the estimated Contract Value that may be contracted for under the compliant Framework Agreement must take account of all potential work that may be put through the agreement (see Rule 4) and follow the procedures set out in these Contract Procedure Rules.

8.2.2 If the Council is establishing a compliant Framework Agreement in accordance with Contract Procedure Rule 8.2.1, reference must be made within the procurement documents explaining that the compliant Framework Agreement is intended for a wider use and advice should be sought from Legal Services to ensure the terms upon which other Contracting Authorities access those arrangements are clear and offer appropriate protection to the Council.

8.2.3 In establishing a compliant Framework Agreement, the total duration (including any extensions) cannot exceed four years except in exceptional circumstances where this can be duly justified (as

required under Public Contract Regulations Rule 33(3). Any proposal to establish a compliant Framework Agreement with a duration exceeding four years should be referred to the Commercial Procurement Unit and Legal Services for advice.

8.2.4 Where, taking into account the above, the estimated value of the compliant Framework Agreement is above the relevant procurement threshold, the authorised officer must ensure that any other public bodies (Contracting Authorities) are included in Find a Tender or any official notice either individually or by an identifiable class.

8.2.5 In establishing a compliant Framework Agreement, the Council must ensure that the terms of the compliant Framework Agreement make the process clear by which Call-Off contracts under the compliant Framework Agreement are to be entered into.

## **9. TENDER DOCUMENTATION**

9.1 Save where a mini competition is to be carried out under another Contracting Authority's Framework Agreement, the standard Council templates for Tendering shall be utilised for all Procurement activity for Tenders of £10,000 or above.

9.2 As a minimum, Tender documents shall include details of the Council's requirements for the particular Contract or Call-Off Contract including, but not limited to:

9.2.1 a description of the Supplies, Works or Services being procured, or Concessions granted now or in the future;

9.2.2 the Procurement timetable including the Tender return date and time, which shall allow a reasonable period (a minimum of 14 days) for applicants to prepare their Tenders to submit electronically;

9.2.3 the timetables prescribed by the Procurement Regulations;

9.2.4 a detailed specification and instructions on whether any variant bids are permissible;

9.2.5 the Council's terms and conditions of Contract (where a compliant Framework Agreement is to be used, the Call-Off Contract shall be included)

9.2.6 the evaluation criteria to be used, including Social Value and including any weightings as considered appropriate;

9.2.7 payment schedule and terms and instructions for completion;

9.2.8 whether TUPE may apply (if applicable);

9.2.9 the pension arrangements for existing/former Council employees (if applicable);

- 9.2.10 form and content of method statements to be provided (if applicable);
- 9.2.11 rules for submitting of Tenders; and
- 9.2.12 any further information, which will inform or assist Tenderers in preparing Tenders.

## **10. CONTRACT TERMS AND CONDITIONS**

10.1 All written Contracts and Purchase Orders shall include appropriate terms and conditions for Supplies, Works, Services or Concessions (as relevant) or, where a compliant Framework Agreement is used, the applicable Call-Off terms and conditions. The Invitation to Tender or Quotation documentation shall state that the Contract which terms and conditions or Call-Off terms and conditions will apply, and these shall be available via Legal Services. Purchase Orders shall refer to the applicable terms and conditions.

10.2 All written Contracts and Call-Off Contracts shall include the Council's minimum requirements for insurance cover namely:

- Public Liability Insurance - £10m
- Employer's Liability Insurance - £5m and
- Professional Indemnity Insurance - £2m (if applicable)

except where a compliant Framework Agreement is used; in which case the levels of cover specified in the compliant Framework Agreement shall apply.

Any departure from the agreed thresholds must be approved by the Assistant Director of Corporate Governance and Strategic Financial Management.

10.3 Any bespoke contractual terms and conditions required shall be confirmed by Legal Services prior to issuing as part of the Tender process.

10.4 All Contracts and Call-Off Contracts shall be documented before the Supplies, Works or Services are provided and shall include the following, as a minimum:

10.4.1 every Contract or Call-Off Contract shall, as a minimum, unless there is good and sufficient reason to the contrary (or except where a compliant Framework Agreement is used; in which case the compliant Framework Agreement shall apply), require that all Supplies, Works or Services and all workmanship shall, if applicable, be in accordance with the relevant standard or equivalent International standard without prejudice to any higher standard required by the Contract or Call-Off Contract.

10.4.2 a clause empowering the Council to cancel or terminate the Contract or Call-Off Contract, if the Contractor offers an inducement or reward in relation to the procurement of any Contract or Call-Off Contract by the Council, to exclude the Contractor from the tender, under mandatory grounds or discretionary grounds for a serious

infringement of the Procurement Regulations, and to recover from the Contractor the amount of any loss resulting from such cancellation or termination.

## **11. RECEIPT AND OPENING OF TENDERS**

### **11.1 Electronic Tenders**

- 11.1.1 Requests for Quotations and Invitations to Tender must be transmitted by electronic means in accordance with the advice of the Head of Commercial Procurement Unit. Quotations and Tenders shall be submitted by electronic means e.g., the E procurement system (The Chest).
- 11.1.2 Evidence that the transmission was successfully completed is obtained and recorded.
- 11.1.3 Electronic Tenders are kept in a separate secure folder in The Chest or equivalent system and cannot be opened until the deadline has passed for receipt of Tenders.
- 11.1.4 A member of the Commercial Procurement Unit, who is not responsible for the procurement exercise, will open all requests for Quotations or bids received under a compliant Framework Agreement with a value in excess of £10,000.

## **12. PRE AND POST TENDER CLARIFICATIONS**

- 12.1 Pre-tender clarifications can be provided to potential or actual Tenderers. All responses should be published on The Chest and communicated to all concerned.
- 12.2 Post tender clarifications may be undertaken with tenderers provided the Council ensures equal treatment of all participants and specifies and applies a process for post tender clarifications in the Invitation to Tender and ensures that no Tenderer is given an advantage over any other Tenderer. For the sake of clarity, any clarifications on the commercial element of a bid must not change the original price offer. This includes verifying abnormally low bids where specific legal advice is required.
- 12.3 All pre and post tender clarifications must be conducted via The Chest. All communication must be documented and retained on The Chest.
- 12.4 At all times during the clarification process, the Council shall consider and implement the principles of non-discrimination, equal treatment and transparency.



12.5 Unless otherwise permitted by the Procurement Regulations, in no circumstances are post award negotiations permitted.

### **13. TENDER EVALUATION**

13.1 All Tenders subject to the Public Contracts Regulations 2015 and the Concession Contracts Regulations 2016 shall be evaluated in accordance with the relevant Procurement Regulations and the evaluation criteria set out in the Invitation to Tender. All other Tenders shall be evaluated in accordance with the evaluation criteria set out in the Invitation to Tender.

13.2 The procurement lead from within the Commercial Procurement Unit shall ensure that a representative from Finance is involved in the evaluation of tenders and that, where deemed appropriate by the Head of the Commercial Procurement Unit, Legal Services is consulted regarding the evaluation process for procurements in excess of £1 million.

13.3 The procurement lead of the evaluation team must ensure that no member of the evaluation team has a conflict of interest and completes the appropriate documentation.

13.4 The procurement lead must ensure that each bid is compliant and that the tenderer is not excluded from bidding under any of the mandatory or discretionary grounds listed in the Procurement Regulations.

13.5 The evaluation criteria shall be predetermined and approved by the procurement lead and listed in the Invitation to Tender documentation, in order of importance. In addition, the evaluation criteria shall be strictly observed (and remain unchanged) at all times throughout the award procedure.

13.6 All Tenders shall be awarded on the basis of being the “Most Economically Advantageous”.

13.7 All Tenders must be evaluated in accordance with the following principles:

- Transparency – there should be no departure from the award criteria
- Equal treatment - there should be an identical approach to the evaluation of each tender
- Manifest error – all scores and calculations should be checked to ensure that there is no manifest error.
- Record keeping – all original records should be kept together with handwritten comments to complete the audit trail.

13.8 Tenderers shall be given written feedback regarding their bid in accordance with the Procurement Regulations.

### **14. AWARDING CONTRACTS AND CALL-OFF CONTRACTS**

14.1 All Contracts and Call Off Contracts shall be awarded in accordance with the published evaluation criteria and in accordance with the Officer and Executive Member Scheme of Delegation in the table below and the decision notice recorded and published on Modern.gov:

<b>Contract Value</b>	<b>Awarded By</b>	<b>Decision Recorded on</b>
<b>Less than £10,000</b>	Authorised Officer (as per Departmental Scheme of Delegation)	Related spend is recorded (Purchase Order) via Finance Management System (Agresso)
<b>Between £10,000 and £99,999</b>	Authorised Officer (as per Departmental Scheme of Delegation)	Related spend is recorded (Purchase Order) via Finance Management System (Agresso),  The Chest, Modern Governance System and Contracts Finder for Contracts and Call-Off Contracts with a value over £25,000.00.
<b>Between £100,000 and £399,999</b>	Executive Member in consultation with the Deputy Chief Executive, Assistant Chief Executive, Executive Director for Place and Economic Growth, Managing Directors and Directors (as relevant)	The Chest Modern Governance System and Contracts Finder and the Key decision document
<b>£400,000 or over</b>	Cabinet or Sub-Committee including Commissioning Partnership Board	The Chest, Modern Governance System, Contracts Finder and the Key Decision Document

N.B. The Unity Partnership Limited has a separate approval process which follows the same threshold limits as the Council. See below:

<b>Contract Value</b>	<b>Awarded By</b>
<b>Less than £100,000</b>	Director

<b>Greater than £100,000 and less than £400,000</b>	Director
<b>Greater than £400,000</b>	Director

- 14.2 No Contract or Call-Off Contract may be awarded unless budget release has been obtained in accordance with the Financial Procedure Rules and a Modern Gov report and Decision Notice is published authorising any spend of £25,000 or more confirming that the approved expenditure will be constantly monitored. A copy of the final version of the Modern Gov report must be forwarded to the procurement lead within the Commercial Procurement Unit to upload on The Chest.
- 14.3 Where the Tender is not within the relevant approved budget, but additional budgetary provision is available, the Contract or Call-Off Contract may be awarded, with the approval of the Director of Finance having ensured compliance with the Financial Procedure Rules.
- 14.4 Once the decision to award a Contract or Call-Off Contract is made, each Tenderer must be notified in writing of the outcome. All Tenderers must be notified simultaneously and as soon as possible of the intention to award the Contract or Call-Off Contract to the successful Tenderer(s) and this should be done via The Chest. The letters must include a description of the characteristics and relative advantages of the successful Tender.
- 14.5 A Contract or Call-Off Contract award letter will be sent to the successful containing all relevant information, including all information prescribed by the Procurement Regulations, where relevant.
- 14.6 A Contract which has a Contract Value above the Procurement Regulations thresholds can only be awarded after a notice of the proposed award has been given to all unsuccessful Tenderers and the 10 day standstill period has elapsed from the day after the date upon which the notice was given. If the 10 days expire on a non-working day, then the notice period will be deemed to have lapsed on the next working day.
- 14.7 A Contract award notice must be published in Find a Tender and on the Council's website no later than 30 days after the date of award of the Contract (48 days in the case of a Concession Contract) where the Contract Value exceeds the Procurement Regulations threshold. A Contract award notice must also be published on Contracts Finder.
- 14.8 Save for Call-Off Contracts for personal social or health care or educational need where the overarching Framework Agreement has been sealed, Contracts and Call-Off Contracts for Supplies, Services or Works and any other contracts, including but not limited to Deeds of Variation, Deeds of Novation and Deeds of Assignment with a Contract Value of £100,000 or more shall be

executed by deed and attested by no less than one authorised sealing officer within Legal Services.

- 14.9 Contracts and Call-Off Contracts for Supplies, Services or Works and any other contracts, including but not limited to agreements to vary, novate or assign together with Call-Off Contracts for personal social or health care or educational need and with a Contract Value of less than £100,000 shall be executed by no less than one officer of the Council with delegated authority to sign a Contract or contractual document under the Council's Officer and Executive Member Scheme of Delegation.
- 14.10 Reasonable endeavours shall be used to ensure that performance of a Contract or Call-Off Contract does not commence before the Contract or Call-Off Contract is executed.
- 14.11 All Contracts or Call-Off Contracts over £5,000 shall be published on and embedded in the Council's Contracts Register maintained by the Commercial Procurement Unit.
- 14.12 Where approved by an authorised sealing officer within Legal Services or the Director of Finance, Contracts and Call-Off Contracts for Supplies, Services or Works and any other contracts, including but not limited to agreements to vary, novate or assign with a Contract Value of less than £100,000 may be executed using the electronic signature of an officer of the Council authorised under the Council's Officer and Executive Member Scheme of Delegation or by such authorised officer using an e-signature via appropriate and secure digital signature software.

## **15. FINANCE MANAGEMENT SYSTEM**

- 15.1 The Council's Financial Management System (Agresso), or equivalent, shall be used to process all orders with Contractors. This includes all orders processed after Quotations are received or a Tender process has been undertaken.
- 15.2 To set up a new Contractor, the guidance that is available to all officers (on the intranet) should be followed.

## **16. LIQUIDATED DAMAGES AND RETENTIONS**

- 16.1 The Director of Finance and the Director of Legal Services shall advise as to the appropriate degree of security (if any) required to protect the Council from a Contractor default prior to the invitation to tender. Liquidated damages clauses should always be used in a Contract or Call-Off Contract where appropriate.
- 16.2 A retention sum (appropriate to the circumstances of the Contract or Call-Off Contract) should be written into the terms and conditions of any Contract or Call-Off Contract for Works with a Contract Value of over £50,000, unless the Director of Legal Services agrees to waive the specific requirement.

## **17. MODIFICATIONS**

17.1 Subject to Rule 17.2 a Modification may be permitted if any of the limited criteria below applies:

- (a) the original tendered Contract or Call-Off Contract contains clauses allowing such Modifications provided that such clauses:
  - (i) list the scope and nature of possible Modifications as well as the conditions under which they may be used, and
  - (ii) do not provide for Modifications that would alter the overall nature of the Contract or the Call-Off Contract;
- (b) the Modification is for additional Supplies, Works and Services by the original Contractor that have become necessary and were not included in the initial procurement or commissioning exercise, where a change of Contractor:
  - (i) cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, services or installations procured under the initial procurement, and
  - (ii) would cause significant inconvenience or substantial duplication of costs for the Council
- (c) where all of the following conditions are fulfilled:
  - (i) the need for the Modification has been brought about by circumstances which a diligent Contracting Authority could not have foreseen; and
  - (ii) the Modification does not alter the overall nature of the Contract or Call-Off Contract;
- (d) where a new Contractor replaces the one to which the Council had initially awarded the Contract or Call-Off Contract as a consequence of:
  - (i) a clause or option in conformity with Rule 17.1(a); or
  - (ii) a takeover of the Contractor following corporate restructuring, including takeover, merger, acquisition or insolvency, by another Economic Operator that fulfils the criteria for qualitative selection initially established, provided that this does not entail any other substantial Modifications to the Contract or Call-Off Contract;
- (e) provided that the proposed Modification, irrespective of its value, is not substantial within the meaning of Rule 17.2.

17.2 A Modification of a Contract or Call-Off Contract during its term shall be considered substantial for the purposes of Rule 17.1 where one or more of the following conditions is met:

- (a) the Modification renders the Contract or Call-Off Contract materially different in character from the one initially concluded;
- (b) the Modification introduces conditions which, had they been part of the initial procurement procedure, would have:
  - (i) allowed for the admission of other candidates than those initially selected,
  - (ii) allowed for the acceptance of a Tender other than that originally accepted, or
  - (iii) attracted additional participants in the procurement procedure;
- (c) the Modification changes the economic balance of the Contract or Call-Off Contract in favour of the Contractor in a manner which was not provided for in the initial Contract or Call-Off Contract;
- (d) the Modification extends the scope of the Contract or Call-Off Contract considerably;
- (e) a new Contractor replaces the one to which the Council had initially awarded the Contract or Call-Off Contract in cases other than those provided for in Rule 17.1(d)
- (f) the Modification increases the contract value for Supplies or Services by more than 10% and for Works by 15%.

17.3 For the purposes of Rule 17.2, if several successive Modifications are made, the value shall be assessed on the basis of the net cumulative value of the successive Modifications.

#### 17.4 Procedure for Modifications

- 17.4.1 a Modern.gov report must be completed which provides full details of the Modification and any supplementary documentation to enable the relevant Decision Maker (see table in Rule 14.1) giving the approval to make a fully informed decision.
- 17.4.2 in giving approval, the Decision Maker must take account of any advice given by the Head of the Commercial Procurement Unit and the Director of Legal Services and must ensure that such advice is included in any report to the Decision Maker.
- 17.4.3 written approval must be obtained to any Modification in accordance with the Council's Officer and Executive Member Scheme of Delegation.
- 17.4.4 no commitment should be made to a potential Contractor prior to approval.

17.4.5 the Head of the Commercial Procurement Unit is responsible for ensuring that a complete record of all Modifications is kept and a record of the decision approving a Modification and the reasons for it must be stored electronically in Modern.gov and on The Chest.

17.4.6 a notice of the Modification of a Contract or Call-Off Contract under Rules 17.1 (b) and (c) with a value over the relevant procurement threshold shall, where required, be published in the Find a Tender in accordance with the Procurement Regulations.

## **18. TERMINATION OF CONTRACTS AND CALL-OFF CONTRACTS**

18.1 Prior to any action being taken, the Director of Legal Services shall be consulted with regard to any proposed termination of any Contract or Call-Off Contracts.

## **19. CLAIMS ARISING FROM CONTRACTS OR CALL-OFF CONTRACTS**

19.1 Officers shall inform the Head of the Commercial Procurement Unit immediately of any claims (or anticipated claims) by or against a Contractor that are the subject of a dispute between the Council and the Contractor, and the Head of the Commercial Procurement Unit shall inform and consult with the Director of Legal Services to agree a course of action.

19.2 Claims arising in respect of matters not clearly within the terms of any existing Contract shall be determined by the Deputy Chief Executive, the Assistant Chief Executive, a Managing Director or a Director (as appropriate) after having taken the advice of the Director of Legal Services and the Director of Finance.

19.3 Where completion of the supply of Works, Supplies or Services under a Contract or Call-Off Contract are likely to be delayed, resulting in claims under the Contract or Call-Off Contract, Officers shall inform the Head of the Commercial Procurement Unit immediately, and the Head of the Commercial Procurement Unit shall inform and consult with the Director of Legal Services to agree a course of action.

## **20. MONITORING CONTRACTS AND CALL-OFF CONTRACTS**

20.1 All Contracts and Call-Off Contracts must have a Contract Owner.

20.2 The Contract Owner will be responsible for the whole of the commissioning, cycle including completing the governance and legal formalities, reviewing, monitoring and evaluating the Contract or Call-Off Contract to ensure that its provisions and the Supplies, Works or Services or (or Concession) within it are being followed and performed as they should be. The Contract Owner shall understand the Specification, contractual terms and the performance framework and must manage activity ensuring that Contracts and Call-Off Contracts do not require any extensions beyond the permitted or planned expiry.

20.3 During the life of the Contract or Call-Off Contract, the Contract Owner will monitor the Contract or Call-Off Contract in respect to the following, as a minimum:

- (a) performance (against agreed KPIs where relevant) ensuring that where performance falls below expected standards this is managed promptly;
  - (b) compliance with the Specification and the terms and conditions of Contract or Call-Off Contract;
  - (c) cost, ensuring that there are no unanticipated variations in price or spend;
  - (d) any Social Value requirements;
  - (e) risk Management ensuring risks associated with the Contract or Call-Off Contract are identified and managed and any risk registers are kept up to date;
  - (f) safeguarding where appropriate; and
  - (g) user satisfaction.
- 20.4 The final certificate for payment for any Contract or Call-Off Contract for the delivery of Works shall not be paid until the Contract Owner has performed a reconciliation of all Works completed against the approved costs of the scheme.
- 20.5 Where any sum or damages is payable to the Council as a result of the default of a Contractor, for example where completion of Works is delayed beyond the contractual completion date, it shall be the duty of the Contract Owner to claim whatever liquidated or other damages may be due under the terms of the Contract or Call-Off Contract and no waiver of such sum or damages may be given without the approval of the Director of Legal Services and the Director of Finance.
- 20.6 Where a Contractor is in breach of its performance of a Contract or Call-Off Contract, a default notice should be issued under the terms and conditions of the Contract or Call-Off Contract to enable the Council to exercise its discretion to claim damages and/or terminate the Contract or Call-Off Contract and exclude the tenderer from any future tender process.
- 20.7 Where the Contract is to be re-let, any information gathered by the Contract Owner shall be available to inform the approach to re-letting the next Contract or Call-Off Contract.
- 20.8 The Contract Owner shall provide advice and support, as required, on good practice in performance management of Contracts and Call-Off Contracts.
- 20.9 All Contracts and Call-Off Contracts with a value in excess of £5,000 must be included and published on the Contracts Register maintained by the Commercial Procurement Unit in line with the Local Government Transparency Code 2015. This is a mandatory requirement and it is the responsibility of the commissioning officers to inform the Commercial Procurement Unit.



## **21. EXEMPTION FROM THE CONTRACT PROCEDURE RULES**

- 21.1 These Rules are mandatory but, in limited circumstances, it may be necessary to seek an Exemption from these Rules. Guidance from the Commercial Procurement Unit must be sought before any Procurement activity commences for which an Exemption may be required.
- 21.2 An Exemption cannot be given where this would contravene the Procurement Regulations or any other legislation.
- 21.3 Exemptions will only be considered in exceptional circumstances, including but not limited to:
- (a) Proprietary or patented Supplies or Services are proposed to be purchased which are only obtainable from one entity and it can be demonstrated that no reasonably satisfactory alternative to those proprietary or patented Supplies or Services is available;
  - (b) No genuine competition can be obtained in respect of the purchase of particular Supplies, Services or execution of Works;
  - (c) The Services or execution of Works are of such a specialist nature that they can only be carried out by one entity (e.g., statutory undertakers);
  - (d) Supplies are proposed to be purchased by or on behalf of the Council at a public auction;
  - (e) Supplies or Services are proposed to be purchased which are of a specialist or unique nature (such as a particular performance artist or antiquities for museums);
  - (f) Repairs or parts if the only option is to repair or buy new parts for existing Supplies, equipment or buildings, and there is only one Contractor;
  - (g) To comply with a change in legal requirements;
  - (h) The Contract is for Supplies, Services or the execution of Works which are required in circumstances of extreme urgency, for example, where immediate repairs are required to buildings, structures and other assets damaged by fire, bad weather or vandalism;
  - (i) The provision of Supplies, Works or Services is urgently required because of the failure of a Contractor through unsatisfactory performance or the appointment of an administrator, receiver or liquidator to administer its affairs. The Contract should be re-let at the earliest opportunity in compliance with these Rules;
  - (j) Where continued provision of Supplies, Works or Services is required for an additional period and this can be justified, for example where a service review includes the intention to co-terminate relevant Contracts within a reasonable period

## 21.4 Procedure for Exemptions over £10,000

- 21.4.1 To request an exemption from these Contract Procedure Rules, a Modern.gov report must be completed seeking approval for the exemption and authorisation for any expenditure. It must be signed only by those authorised to award a Contract under Rule 14.1.
  - 21.4.2 An exemption request can be authorised by the Deputy Chief Executive, the Assistant Chief Executive, the Executive Director or a Managing Director who does not have direct line management responsibility for the service.
  - 21.4.3 The Modern.gov report must provide full details of the request and any supplementary documentation to support the request and refer to the specific ground for the exemption.
  - 21.4.4 No commitment should be made to a potential Contractor prior to authorisation.
  - 21.4.5 The Head of the Commercial Procurement Unit is responsible for ensuring that a complete record of all Exemptions is maintained. A copy of the signed delegated/Cabinet decision approving an Exemption and the reasons for it must be forwarded to the Commercial Procurement lead.
  - 21.4.6 In circumstances of extreme urgency, the relevant decision maker utilising Rule 21.3 (h) or (i) above may authorise an Exemption in writing without the need to complete a Modern.gov report. As soon as practicable a Modern.gov report must be submitted and approved in accordance with this Rule.
  - 21.4.7 The written authorisation must be provided in accordance with this Rule 21.4.6 and must be stored electronically on The Chest.
- 21.5 All Exemptions reports require comments from the Assistant Director of Corporate Governance and Strategic Financial Management.
- 21.6 A direct award of a Contract following an exemption should comply in all other respects with the Council's Contract Procedure Rules and the Council's terms and conditions of contract should be used where possible.
- 21.7 The Council cannot use an exemption to depart from the Procurement Regulations and a Voluntary Transparency Notice may be required to inform the market of a direct award.
- 21.8 Where an Exemption is granted, the Contract shall still be made subject to the Council's standard terms and conditions where possible and in accordance with any relevant requirements detailed in Rule 10.1. Any amendments required to the Council's standard terms and conditions shall be approved by Legal Services prior to issuing as part of the procurement process. Legal Services will review and draft the terms and conditions for any bespoke contracts.

## **22. DECLARATIONS OF INTEREST and ANTI-BRIBERY and CORRUPTION**

- 22.1 The Council's reputation with regards to Procurement activity is important and should be safeguarded from any imputation of dishonesty or corruption. All elected Members of the Council and Officers are reminded of their responsibilities in relation to gifts, hospitality and any conflicts of interest and should ensure that they comply with the obligations set out in the Council's Members' Code of Conduct and the Officers' Code of Conduct respectively and any other relevant policies, guidance or strategies relating to bribery, fraud and corruption issued or endorsed by the Council from time to time.
- 22.2 Any Officer or Member must declare any interest which could influence their judgement in relation to Procurement activity in accordance with the Council's Codes of Conduct.
- 22.3 No gifts or hospitality should be accepted from any Tenderers involved in Procurement activity except in accordance with the Council's Codes of Conduct. Relevant interests, gifts and hospitality should be registered on the Council's e-register.

## **23. DEFINITIONS**

- 23.1 Within the Contract Procedure Rules, the following definitions are used:
- 23.1.1 "Call-Off Contract" means a contract which is entered into under a Framework Agreement in accordance with the terms and conditions of that Framework Agreement
- 23.1.2 "Concession" means a contract under which a contracting authority outsources Supplies, Services or Works to a Contractor or provider, who then has the right to commercially exploit those Supplies, Services or Works in order to recoup its investment and make a return on the proviso that the contractor or provider bears the operating risk and has no guarantee of recouping its investment or operating costs
- 23.1.3 "Contract" means an agreement in writing for consideration (money or money's worth) between the Council and a Contractor for the provision of Supplies, Works or Services by the Contractor or the granting of a Concession, including a compliant Framework Agreement
- 23.1.4 "Contracting Authority" has the meaning set out in the Public Contracts Regulations 2015;
- 23.1.5 "Contractor" includes any sole trader, partnership or company (limited or unlimited) or any duly incorporated trade, consortiums or unincorporated bodies, professional or commercial body or voluntary body; (although the Council must only contract with legal entities)
- 23.1.6 "Contract Owner" means the lead stakeholder or commissioner for the proposed contract

- 23.1.7 “Contract Value” means the amount the Council pays to the Contractor under the Contract excluding VAT
- 23.1.8 “Contracts Finder” the UK’s electronic procurement portal for contracts with a value of £25,000 or above
- 23.1.9 “Contracts Register” means a comprehensive list of all Contracts and Call-Off Contracts that the Council procures, detailing key attributes such as type, term, value and Contractor and Procurement/ Directorate contact details
- 23.1.10 “Director of Finance” means the Chief Officer designated under section 151 of the Local Government Act 1972 or his/her nominated representative
- 23.1.11 “Director of Legal Services” means the Council’s Principal Solicitor
- 23.1.12 “E-auction” is a means of carrying out purchasing negotiations via the Internet. It is a real time event that occurs online, allowing multiple Contractors in different geographic regions to place bids and modify simultaneously
- 23.1.13 “E-procurement System” means Council’s e-tendering portal, The Chest (or equivalent)
- 23.1.14 “Find a Tender” means the UK’s electronic procurement portal for contracts with a value which is above the relevant Procurement Regulations threshold
- 23.1.15 “Financial Management System” means the Council’s electronic purchasing and payments system, Agresso (or equivalent)
- 23.1.16 “Framework Agreement” means an agreement which allows the Council to execute Call-Off contracts for Supplies, Works or Services from a Contractor in accordance with the terms of the overarching agreement, including an agreement for a Dynamic Purchasing System
- 23.1.17 “Grant” means an award of money from the Council to another organisation or an award to the Council from a third party for the purpose of giving a benefit to a third party which is not Supplies, Services or Works. A grant awarded by the Council shall, where appropriate, be made subject to a written Grant agreement specifying the conditions upon which the grant is made and including that the grant can be clawed back if the conditions are not met
- 23.1.18 “Invitation to Tender” means a request for Contractors to submit a Tender to supply Supplies, execute Works or provide Services at specified charges or rates of charges
- 23.1.19 “Modification” means any change to a Contract

- 23.1.20 “Most Economically Advantageous” means using a cost-effectiveness approach or price/quality ratio which offers the best price (this will not necessarily be the lowest price)
- 23.1.21 “Open Procedure” means a procedure for inviting Tenders by advertisement in which an Invitation to Tender is sent to all Contractors who express an interest in Tendering
- 23.1.22 “Officer” includes any employee of the Council
- 23.1.23 “Procurement” means the process leading to the award of a Contract
- 23.1.24 “Procurement Regulations” means the Public Contracts Regulations 2015 and the Concession Contracts Regulations 2016 and the Utilities Contracts Regulations 2016 as amended by The Public Procurement (Amendment etc.) (EU Exit) Regulations 2020 (EU Exit Regulations) and as may be consolidated, extended, re-enacted or replaced together with such other UK regulations as may be made from time to time
- 23.1.25 “Purchasing Consortia” means an organised and constituted body of individuals who jointly participate in the Procurement and award of a Contract
- 23.1.26 “Quotation” means a formal offer to supply Supplies, execute Works or provide Services at specified charges or rates of charges
- 23.1.27 “Scheme of Delegation” means the document described as such within the Constitution
- 23.1.28 “Services” includes services for the provision of labour, advice, care and support services for people, installation, implementation, testing, management services (including project and programme management and consultancy services), maintenance, repair and support services
- 23.1.29 “Supplies” covers an item(s) of equipment, plant, machinery, vehicle, tool, portable building, materials, software or other similar object, whether inanimate or electronic, to be supplied or delivered by the Contractor and procured by Oldham Council and includes any documentation
- 23.1.30 “Tender” means a formal offer to supply or purchase Supplies, execute Works or provide Services at a stated price or offer to be granted a Concession
- 23.1.31 “Tenderer” shall mean any potential Contractor submitting a Tender
- 23.1.32 “Works” means the carrying out of construction or undertaking of engineering or other practical work, which normally requires the provision of labour services and materials to build, construct or

physically provide parts of Services during a project implementation period.



## REPORT TO COUNCIL

# Health and Wellbeing Board – terms of reference

**Chair of Health and Wellbeing Board:** Councillor Marie Bashforth

**Lead Officer:** Elizabeth Drogan, Head of Democratic Services

**Report Author:** Mark Hardman, Constitutional Services

**13<sup>th</sup> July 2022**

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### **Purpose of the Report**

To present for approval revised terms of reference for the Health and Wellbeing Board, determined in response to the introduction of Integrated Care Systems arising from the Health and Care Act 2022.

### **Recommendations**

The Council is asked to confirm the revised terms of reference for the Health and Wellbeing Board and agree to the amendment of the Part 3 (Responsibility for Functions) of the Council's Constitution accordingly.

## 1. Background

- 1.1 The Health and Social Care Act 2012 required the Council to establish a Health and Wellbeing Board, the intention of the Act being that such Boards would build strong and effective partnerships to improve the commissioning and delivery of services across NHS and local government, leading to improved health and wellbeing for local people.
- 1.2 While the Council last reviewed and amended the term of reference for the Board in March 2021, the passing of the Health and Care Act 2022 and the introduction of Integrated Care Systems with their supporting governance arrangements has implications for the ongoing role and operation of the Health and Wellbeing Board.
- 1.3 The Health and Wellbeing Board therefore further reviewed its terms of reference at a meeting held on 21<sup>st</sup> June 2022. The report considered by the Health and Wellbeing Board is attached as an Appendix, the Board resolving to recommend to the Council the following terms of reference for approval and inclusion in the Council's Constitution –

### **Health and Wellbeing Board – terms of reference**

1. To assess the health needs of the local population and to prepare and publish the statutory Joint Strategic Needs Assessment (JSNA) in accordance with s196 of the Health and Social Care Act 2012;
2. To prepare and publish the Borough's Health and Wellbeing Strategy [the Oldham Locality Plan] in accordance with s196 of the Health and Social Care Act 2012;
3. To approve submission of the Better Care Fund Plan to NHS England;
4. To highlight and oversee action to address the health inequalities existing in the Borough, encouraging those persons and organisations holding responsibility for the commissioning or provision of public services in the Borough to work together in an integrated and/or partnership manner for the benefit of the local population;
5. To ensure that the Council complies with its duties to improve public health as set out in Sections 2B and 111 of the National Health Act 2006 as amended;
6. To receive and oversee plans to protect and improve the health of the local population
7. To be consulted by the GM Integrated Commissioning Board and/or the Locality Board in respect of those documents and plans detailed at s14Z of the National Health Service Act 2006 (as amended)
8. To receive those documents and plans from the Integrated Commissioning Board and/or the Locality Board as detailed at s14Z of the National Health Service Act 2006 (as amended)
9. To assess the need for pharmaceutical services in the Borough area and publish a Pharmaceutical Needs Assessment and any revised Assessment, pursuant to s128A of the NHS Act 2006 (as amended).
10. To undertake such oversight of local safeguarding arrangements as the Board considers appropriate and necessary;



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11. To undertake, jointly with the Bury and Rochdale Health and Wellbeing Boards, such oversight of the Bury, Oldham and Rochdale Child Death Oversight Panel as the Board considers appropriate and necessary.

1.4 The Health and Wellbeing Board report further considered membership arrangements and a template agenda for future meetings. With regard to membership, s194 of the Health and Social Care Act 2012 provides that a Health and Wellbeing Board may appoint such additional persons it sees fit; and that a local authority must, before appointing another person to be a member of the Board, consult the Health and Wellbeing Board.

## **2 Options/Alternatives**

2.1 The Council has options to agree or to not agree the revised terms of reference for the Health and Wellbeing Board.

## **3 Preferred Option**

3.1 Agreement of the revised terms of reference is the preferred option. Failure to revise the terms of reference would mean the Board operating under terms of reference ill-suited to the new legislative position.

## **4 Consultation**

4.1 Consultation was undertaken with Board partners at the Board meeting held on 21<sup>st</sup> June 2022.

## **5 Financial Implications**

5.1 N/A

## **6 Legal Services Comments**

6.1 N/A

## **7. Co-operative Agenda**

7.1 N/A

## **8. Human Resources Comments**

8.1 N/A

## **9 Risk Assessments**

9.1 N/A

## **10 IT Implications**

10.1 N/A

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**11 Property Implications**

11.1 N/A

**12 Procurement Implications**

12.1 N/A

**13 Environmental and Health & Safety Implications**

13.1 N/A

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

14.1 N/A

**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 None.

**19 Appendices**

19.1 Report 'Health and Wellbeing Board – terms of reference' considered by the Health and Wellbeing Board, 21<sup>st</sup> June 2022.

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# APPENDIX



## Report to HEALTH AND WELLBEING BOARD

# Health and Wellbeing Board – terms of reference

**Chair:** Councillor M Bashforth

**Officer Contact:** Katrina Stephens, Director of Public Health

**Report Author:** Katrina Stephens, Director of Public Health

**21 June 2022**

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### **Purpose of the Report**

The Terms of Reference of the Health and Wellbeing Board (HWB) were last reviewed in March 2021, and at that time the Board agreed to undertake a further review in March 2022. The advent of Integrated Care Systems and the governance arrangements to support them have implications for the role and operation of the HWB, and the planned review is therefore timely to ensure these new arrangements can be considered and appropriate changes made.

### **Requirement from the Health and Wellbeing Board**

1. Note and support the draft revised terms of reference of the Health and Wellbeing Board subject to any final amendments prior to submission to Council being determined by the DPH and Deputy Chief Executive in consultation with the Chair of the HWB;
2. Consider and make recommendations on the arrangements for development sessions for the Board;
3. The terms of reference be further reviewed by the Board in March 2023.

**Health and Wellbeing Board – terms of reference****1. Background**

- 1.1 The Health and Social Care Act 2012 required the establishment of a Health and Wellbeing Board (HWB) in every Upper Tier Local Authority in England, from April 2013. The intention of establishing HWBs was to build strong and effective partnerships which improve the commissioning and delivery of services across NHS and local government, leading to improved health and wellbeing for local people.
- 1.2 Health and wellbeing boards are a formal committee of the local authority charged with promoting greater integration and partnership between bodies from the NHS, public health and local government. Under the 2012 Act, they have a statutory duty, with clinical commissioning groups (CCGs), to produce a joint strategic needs assessment and a joint health and wellbeing strategy for their local population.
- 1.3 Joint Strategic Needs Assessment (JSNA) is a process by which the current and future health, care and wellbeing needs of the local community are assessed in order to inform local decision making.
- 1.4 The Joint Health and Wellbeing Strategy (JHWS) is intended to inform commissioning decisions across local services such that they are focused on the needs of service users and communities, and tackle the factors that impact upon health and wellbeing across service boundaries. The JHWS can also be used to influence the commissioning of local services beyond health and care to make a real impact upon the wider determinants of health<sup>1</sup>.
- 1.5 A review of the Council Constitution including the terms of reference of the Health and Wellbeing Board was completed in early 2021. At the time of the review, the HWB agreed to undertake a further review of its terms of reference in March 2022.

**2. Current Position**

- 3.1 The current terms of reference of the Health and Wellbeing Board are contained at Part 3 (Responsibility for Functions) in the Council Constitution.
- 3.2 The advent of Integrated Care Systems (ICS) and the governance arrangements to support them have implications for the role and operation of the HWB. Whilst the ICS statutory guidance confirms the continued role of the HWB in JSNA and JHWS, 'Thriving Places: guidance on the development of place-based partnerships as part of statutory integrated care systems'<sup>2</sup> suggests significant overlap in the role and membership of the Place-based ICS Board and the HWB.
- 3.3 This potential overlap is particularly apparent in Greater Manchester, where the population health ambitions of the GMICS mean that there is also a drive to include a range of wider partners on place-based boards in order to drive improvements in the wider determinants of health.

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<sup>1</sup>

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/215261/dh\\_131733.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/215261/dh_131733.pdf)

<sup>2</sup> <https://www.england.nhs.uk/wp-content/uploads/2021/06/B0660-ics-implementation-guidance-on-thriving-places.pdf>

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- 3.4 In this context there is a need to ensure there is a clearly defined role for the HWB which is distinct from the Health and Care System Board, with a clear articulation of the relationship between the two Boards and how they will work together.
- 3.5 Furthermore, the pandemic has placed a greater emphasis on the importance of population health and health inequalities, for which the Council and HWB hold statutory responsibilities, and the urgency with which action needs to be taken across all aspects of society to improve health and address health inequalities.

#### **4. Proposed changes**

- 4.1 Oldham's HWB has recently developed a health inequalities plan for the borough. This plan aims to reduce inequalities in life expectancy and healthy life expectancy within the borough, and between in Oldham and England. The actions proposed consider the broad range of determinants of health and health inequalities and includes action on education and employment, housing, transport, environment, income and poverty, as well as health and care services.
- 4.2 It is proposed that this Plan becomes the focus of the work of the HWB, effectively becoming the JHWS. With changes to the Board membership to ensure appropriate coverage of topics such as housing, environment and employment, the HWB could oversee and drive delivery of the Health Inequalities Plan. It is therefore proposed that the Council's Director of Economy and Director of Environment be invited to join the Board.
- 4.3 In addition, the HWB should continue to play a key role in the JSNA, ensuring that key findings are considered, and appropriate recommendations are produced and acted upon. The proposal to broaden the membership of the HWB would help extend understanding and awareness of the JSNA across the system.
- 4.4 The relationship between the HWB and Health and Care Locality Board must be clearly delineated to prevent duplication. The focus of HWB on the wider determinants of health will help to ensure that there is a clear distinction in the roles of the two Boards. The Health and Care Locality Board should be able to refer matters concerning the wider determinants of health to the HWB for consideration, and vice versa regarding the health and care system's role in improving population health and addressing health inequalities.
- 4.5 A strong relationship between the Oldham Partnership and the Health and Wellbeing Board will be important. The work of the HWB can support delivery of the Oldham Plan, and action across the full scope of the Oldham Plan and the work of the Oldham Partnership will be critical to improving population health and reducing health inequalities. There is overlap in the membership of the Oldham Partnership and the Health and Wellbeing Board which should support this approach.
- 4.6 The Terms of Reference for HWB include a requirement for the Board "To ensure that the Council complies with its duties to improve public health as set out in Sections 2B and 111 of the National Health Act 2006 as amended;". In order to fulfil this responsibility it is proposed that the Board receive regular reports on health improvement and health protection, to ensure the board is sighted on relevant work and has the opportunity to shape how the Council is working alongside other partners to meet its statutory responsibilities.
- 4.7 Revised Terms of Reference and membership of the board, reflecting the above proposals, are included in Appendix 1 and 2 respectively. Proposed changes to

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membership also reflect new Integrated Care System arrangements, as CCGs will cease to exist in July 2022.

4.8 An outline agenda for future meetings has also been included at Appendix 3, which incorporates some of the proposals regarding regular reporting on JSNA, health inequalities plan, health improvement and health protection referenced in this report.

4.9 As in previous years, six Board meetings and two Development session (July and December) have been scheduled for the coming year (Appendix 4). As part of this review of Terms of Reference the Board are invited to consider the proposed timetabling of these planned Development Session and how they could be best utilised to support the Board in the coming year.

## **5. Approval of proposed changes**

5.1 Terms of Reference require sign off by Council, and it is proposed that the revised Terms of Reference for the HWB be submitted to Council in July, subject to any final amendments being determined by the DPH and Deputy Chief Executive in consultation with the Chair of the HWB.

5.2 On the grounds of good governance, it is suggested that the Health and Wellbeing Board receive and, if considered appropriate, review the terms of reference in March 2023 and on an annual basis thereafter.

## **6. Recommendation**

- 6.1 The Health and Wellbeing Board is asked to
- note and support the draft revised terms of reference of the Health and Wellbeing Board subject to any final amendments prior to submission to Council being determined by the DPH and Deputy Chief Executive in consultation with the Chair of the HWB;
  - consider and make recommendations on the arrangements for development sessions for the Board
  - agree that the terms of reference be further reviewed by the Board in March 2023.

## Health and Wellbeing Board

1. To assess the health needs of the local population and to prepare and publish the statutory Joint Strategic Needs Assessment (JSNA) in accordance with s196 of the Health and Social Care Act 2012;
2. To prepare and publish the Borough's Health and Wellbeing Strategy [the Oldham Locality Plan] in accordance with s196 of the Health and Social Care Act 2012;
3. To approve submission of the Better Care Fund Plan to NHS England;
4. To highlight and oversee action to address the health inequalities existing in the Borough, encouraging those persons and organisations holding responsibility for the commissioning or provision of public services in the Borough to work together in an integrated and/or partnership manner for the benefit of the local population;
5. To ensure that the Council complies with its duties to improve public health as set out in Sections 2B and 111 of the National Health Act 2006 as amended;
6. To receive and oversee plans to protect and improve the health of the local population
7. To be consulted by the GM Integrated Commissioning Board and/or the Locality Board in respect of those documents and plans detailed at s14Z of the National Health Service Act 2006 (as amended)
8. To receive those documents and plans from the Integrated Commissioning Board and/or the Locality Board as detailed at s14Z of the National Health Service Act 2006 (as amended)
9. To assess the need for pharmaceutical services in the Borough area and publish a Pharmaceutical Needs Assessment and any revised Assessment, pursuant to s128A of the NHS Act 2006 (as amended).
10. To undertake such oversight of local safeguarding arrangements as the Board considers appropriate and necessary;
11. To undertake, jointly with the Bury and Rochdale Health and Wellbeing Boards, such oversight of the Bury, Oldham and Rochdale Child Death Oversight Panel as the Board considers appropriate and necessary.

**HEALTH AND WELLBEING BOARD****Proposed Membership from July 2022****Statutory**

Oldham Council – minimum of one elected Member appointed by Leader of the Council - Six Councillors	Councillor Marie Bashforth (Chair) Councillor Steve Bashforth Councillor Barbara Brownridge Councillor Eddie Moores Councillor Leanne Munroe Councillor Howard Sykes
Director of Public Health	Katrina Stephens
Director of Children’s Services	Gerard Jones
Director of Adult Social Care	Jayne Ratcliffe
Greater Manchester ICS – minimum of one representative of GM ICS + four locality representatives	Mike Barker, Place Lead Dr John Patterson +1 +1 +1
Local Healthwatch Organisation	Tamoor Tariq

**Discretionary membership Council or Board determined**

Chief Executive, Oldham Council	Harry Catherall
Deputy Chief Executive, Oldham Council	Sayyed Osman
Director of Economy, Oldham Council	TBC
Director of Environment, Oldham Council	TBC
Chief Officer (Oldham) – Northern Care Alliance	David Jago
Chief Officer (or rep) – Pennine Care	Gaynor Mullins
Greater Manchester Police	Ch Supt Chris Bowen
Oldham Community Leisure	Stuart Lockwood
Housing Partnership (First Choice Homes)	Donna Cezair
Action Together	Laura Windsor-Welsh

**Advisory/Non-voting**

GM Fire and Rescue	Val Hussain
CCG Executive Nurse <sup>3</sup>	Claire Smith
Consultant in Public Health	Dr Rebecca Fletcher
Consultant in Public Health	Dr Charlotte Stevenson

**Invited Representative (Observer/participant by invitation)**

Dr Kershaw’s	Joanne Sloan
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<sup>3</sup> TBC subject to confirmation of ICS representatives



**Health and Wellbeing Board**

**Meetings 2022-23**

Tuesday, 21st June 2022 at 2.00pm.

Tuesday, 26th July 2022 at 2.00pm (Development Session)

Tuesday, 13th September 2022 at 2.00pm

Tuesday, 15th November 2022 at 2.00pm

Tuesday, 13th December 2022 at 2.00pm (Development Session)

Tuesday, 24th January 2023 at 2.00pm

Tuesday, 21st March 2023 at 2.00pm

## Health and Wellbeing Board

### Template Agenda

1. Apologies for Absence

2. Urgent Business

Urgent business, if any, introduced by the Chair.

3. Declarations of Interests

To receive any Declarations of Interests in any contract on matter to be discussed at the meeting.

4. Public Question Time

To receive questions from members of the public, in accordance with the Council's Constitution.

5. Minutes

To consider the attached Minutes of the meeting of the Health and Wellbeing Board held 25th January 2022.

### Standing items

6. Joint Strategic Needs Assessment

To consider new and updated information which has been included in the Joint Strategic Needs Assessment

7. Health Inequalities Plan Updates

To receive highlight reports detailing progress on the key themes of the health inequalities plan

8. Health Inequalities Plan: Thematic Review

To undertake a more detailed review of one thematic area from the health inequalities plan and consider progress, opportunities and challenges

9. Public Health Updates

To receive highlight reports detailing progress in delivering plans for:

a. Health improvement

b. Health protection

### Business items

Items covering other areas for which the Board is responsible including Child Death Overview Panel, Better Care Fund, key ICS plans.



**Oldham**  
Council

## Report to Council

# Overview and Scrutiny Annual Report 2021/22

## Report of:

Councillor Riaz Ahmad, Chair of the Performance Overview and Scrutiny Committee, 2021/22

Councillor Colin McLaren, Chair of the Policy Overview and Scrutiny Committee, 2021/22

Yasmin Toor, Chair of the Health Scrutiny Committee, 2021/22

**Officer Contact:** Elizabeth Drogan, Statutory Scrutiny Officer

**Report Author:** Mark Hardman, Constitutional Services

**13<sup>th</sup> July 2022**

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## Reason for Decision

To provide Council with the Overview and Scrutiny Annual Report for the 2021/22 Municipal Year as required by the Council's Constitution at Overview and Scrutiny Procedure Rule 4.1.

## Executive Summary

The report outlines the statutory role of overview and scrutiny; the roles and responsibilities of the Policy Overview and Scrutiny Committee, the Performance Overview and Scrutiny Committee and the Health Scrutiny Committee in 2021/22; and a summary of the considerations and work undertaken by the three bodies during 2021/22.

## Recommendations

Council is asked to note the Overview and Scrutiny Annual Report for 2021/22.

Council is asked to support 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 2021/22.

## Overview and Scrutiny Annual Report 2021/22

### 1. What is Overview and Scrutiny?

- 1.1 All local authorities with an executive model of governance established under the Local Government Act 2000 (as amended) are required to have at least one Overview and Scrutiny Committee. The Police Reform and Social Responsibility Act 2011 required local authorities to establish or designate a 'crime and disorder overview and scrutiny committee', while health scrutiny functions were introduced in 2002 and most recently defined by the Local Authority (Public Health, Health and Wellbeing Boards and Health Scrutiny) Regulations 2013.
- 1.2 Article 6.2 of the Council's Constitution, reflecting both the statutory requirements for, and the Council's approach to, overview and scrutiny describes the general role and function of overview and scrutiny as being to -
- a) play a positive role in assisting the Council and the Executive in the development of the policy framework and the budget by in depth analysis of issues arising;
  - b) conduct research and consultation in the analysis of policy options;
  - c) consider and implement mechanisms to encourage and enhance community participation in the development of policy options and in the scrutiny process in general;
  - d) question members of the Executive and appropriate Committees and senior Officers about issues and proposals affecting Oldham;
  - e) monitor the performance of partners and of internal and external service providers against standards and objectives, liaising with external and partnership organisations to ensure that the interests of local people are enhanced by collaborative working;
  - f) evaluate the validity of executive decisions through the call in process;
  - g) contribute to the identification and mitigation of risk;
  - h) examine and review the performance of Committees of the Council over time;
  - i) play a positive role in examining and reviewing the performance of the Executive in relation to its policy objectives, performance targets and/or particular service areas, investigating and addressing the causes of poor performance;
  - j) question members of the Executive and of Committees and senior Officers about their decisions and performance, in comparison with service plans and targets, or particular initiatives or projects;
  - k) make recommendations to the Council, the Executive or an appropriate Committee arising from the outcome of the scrutiny process; and
  - l) demonstrate an objective and evidence-based approach to scrutiny.
- 1.3 Overview and Scrutiny Committees are established and appointed to by the full Council and are made up of elected Members who are not members of the Executive (that is, the Cabinet). While the Committees are required to be politically balanced by law, guidance dictates that the overview and scrutiny function should be approached in a non-political manner.
- 1.4 To deliver the expectations of the Council as to the specified roles and responsibilities, the Overview and Scrutiny bodies operate within a framework defined by the Council's Procedure Rules as set out at Part 4 of the Council's Constitution. The principal sections of Part 4 as they apply to the Overview and Scrutiny function are –

- 1.4.1 Part 4B: Access to Information Procedure Rules – sets out the procedural arrangements for the granting of exclusion from call-in and the consideration of executive business at less than 28 days-notice, the occasions when Overview and Scrutiny can require reports, and the right of access to information by Overview and Scrutiny bodies;
- 1.4.2 Part 4C: Budget and Policy Framework Procedure Rules – sets out the procedures to be followed in the consideration of Budget and Policy Framework related business and its passage through the executive and Overview and Scrutiny prior to submission to Council, and for the consideration of business identified as being outside of the Budget and Policy Framework;
- 1.4.3 Part 4D: Executive Procedure Rules – sets out procedures to ensure consideration of reports submitted by the Overview and Scrutiny bodies to the Executive; and
- 1.4.4 Part 4E: Overview and Scrutiny Procedure Rules - sets out the requirements for work programming and annual reports, the ability to establish Task and Finish Groups and other arrangements for consideration of business, for the preparation and submission of reports by overview and scrutiny bodies, the attendance of others at meetings, the ‘call-in’ process, declarations of interest and the ‘party whip’, and procedural arrangements within the Overview and Scrutiny function itself.

## 2. Overview and Scrutiny in 2021/22

- 2.1 The Council agreed a new structure for the Overview and Scrutiny function at its meeting held on 17<sup>th</sup> June 2020. That new structure, in brief, comprised –
- a Policy Overview Committee – to consider policy, annual budget setting, big corporate issues and programmes and high-level partnership issues;
  - a Performance Overview and Scrutiny Committee - to consider implementation of policies and the budget and to review both budget and operational performance of Council and partners’ services; and
  - a Health Scrutiny Committee – to undertake the statutory health scrutiny role, to scrutinise integrated health and social care arrangements and to have oversight of the work of the Health and Wellbeing Board.

The full terms of reference for each Committee are appended to this report.

- 2.2 With the agreement of the Chairs of the overview and scrutiny bodies in existence at that time, implementation of this structure was delayed due to the issues presented by the Covid-19 pandemic, with the new structure being agreed subsequently for implementation with effect from the commencement of the 2021/22 Municipal Year. Work programming for the 2021/22 Municipal Year comprised a re-allocation of existing workloads across the new Committees and progressed as familiarisation with the new structures grew, notwithstanding the difficulties still presented by Covid-19.
- 2.3 While the start of the 2021/22 Municipal Year saw the lifting of lock-down requirements, government guidance indicated the restricting of the number of people who gathered indoors. This presented difficulties across the Council’s formal decision-making arrangements, and we were grateful for the assurance given by the Leader of the Council, Councillor Arooj Shah that any recommendations made by an Overview and Scrutiny Committee meeting informally and virtually would be received by the Cabinet.

- 2.4 The efforts of Cabinet Members, Officers and representatives from partner organisations who all contributed to the scrutiny function in this challenging period was very welcome, and we express our thanks to all for their contributions.
- 2.5 The work and contributions of each Committee to the business of the Council is considered in turn below.

### **3 Policy Overview and Scrutiny Committee 2021/22**

#### **3.1 Membership**

Councillor McLaren (Chair), Councillor Brownridge (Vice Chair), Councillors Alyas Curley, Hobin, K Phythian, Surjan, and Williamson.

Substitute Members - Councillors Cosgrove, Davis, Hamblett, Iqbal, Islam, Salamat and Sharp.

- 3.2 Undertaking the functions as outlined above and as detailed in full in the terms of reference, the Policy Overview and Scrutiny Committee considered the matters as detailed below.

#### **3.3 Budget, Policy Framework and other major policy items –**

- a) Scrutiny of Budget Proposals – The Council's overall budget proposals for 2022/23 were considered by the Committee. The Administration's proposals were presented to the Committee in January 2022 by Portfolio Holders and Chief Officers, with the Committee seeking and obtaining clarification on a number of matters. Related reports considered included the Medium-Term Financial Strategy 2022/23 to 2026/27; the Council Tax Reduction Scheme 2022/23; the Capital Strategy and Capital Programme 2022/23 to 2026/27; the Treasury Management Statement 2022/23; the Housing Revenue Account Budget for 2022/23 alongside the strategic estimates for 2023/24-2026/27 and the outturn estimate for 2021/22; and the Statement of the Chief Finance Officer on reserves, the robustness of estimates, and the affordability and prudence of capital investments. In February 2022 the Committee also examined in detail the savings and investment proposals contained in the respective Conservative and Liberal Democrat Groups Budget Amendment Proposals for 2022/23.
- b) Gambling Act 2005 Policy refresh - The Committee gave consideration to a review of the Council's Gambling Act 2005 Policy which required a three-yearly review by law. The attention paid within the review to Public Health concerns related to gambling addiction were noted and the Committee sought and received clarifications on the possibility of premises ban requests being made on behalf of the person concerned, the available powers to prevent premises from opening and for the reviewing of applications, and how numbers of problem gamblers are estimated.
- c) Youth Justice Plan – The Committee considered the Youth Justice Strategic Plan for 2021/22 which had been developed in line with the requirements of the Youth Justice Board and scrutinised detail on the delivery of the service, including 2020/21 performance and the strategic priorities for 2021/22. Further information was sought and received relating to how the good performance of the Service had been achieved with limited funding; the type of work done to reduce offending, including different approaches to therapy; and the wish to spread the good news stories about the Service.

- d) Covid-19 Recovery Strategy - The views of the Committee were sought on the draft Covid Recovery Plan 2021-2022 which would help to shape Oldham's approach and vision for the following 18 months, whilst continuing to respond to the pandemic as an ongoing critical incident. The Strategy would act as an interim Corporate Plan, the development of which had been impacted by the Covid-19 pandemic. The Committee sought and received clarification around matters over which the Council had little or no control; concerns about the delivery of 'quality' employment; the need to ensure Action Plans and performance indicators delivered for local residents; addressing poor standards in the housing stock; the encouraging of the voluntary sector; and the promoting of Oldham as an aspirational place to live.
- e) Equalities Strategy – The Committee considered a proposed new Equality Strategy which would include the adoption of new Equality Objectives to demonstrate the Council's commitment to progressing equality, diversity and human rights and meet the Council's duties under the Equalities Act 2010. The Committee queried and received clarification on matters related to the interaction between the Strategy and Objectives and the Covid Recovery Strategy; the whistleblowing policy and the need to ensure a robust system of reporting to provide confidence in the Strategy; promotion of the Strategy; target setting and the monitoring of progress; engagement with partner organisations; and the availability of funding to support the Strategy.
- f) Homelessness Prevention and Reduction Strategy – The Committee gave a consideration to a draft Strategy, prepared as required by the Homelessness Act 2002, that had been developed in consultation with residents and stakeholders alongside a comprehensive review of homelessness between 2016-2020, with a particular focus on the period since introduction of the Homelessness Reduction Acts between 2018-20 and an in-depth analysis of customer groups that presented to the Housing Options service. Health issues and support needs were considered, along with resource considerations in providing the priorities to tackle homelessness.

#### 3.4 Greater Manchester-wide policies and other issues –

- a) Greater Manchester Minimum Licensing Standards for Taxis and Private Hire – The Committee gave an ongoing consideration to these proposals, initially receiving details of the findings of the consultation on the Minimum Licensing Standards which covered drivers, vehicles, operators, local authorities and a roadmap to zero emission capable vehicles, the Committee noting and seeking clarification on matters including the low number of responses from Oldham; the issue of cross-border Private Hire drivers and vehicles; the intended purpose of anticipated funding linked to the proposal; and the likelihood of changes to vehicle and driver standards. The Committee further received the recommendations being made to address ten policy standards and sought further clarification as to how drivers could be persuaded to make vehicles wheelchair accessible and in respect of issues related to out of area drivers and vehicles.
- b) GM2040 Transport Strategy and draft sub-strategies – The Committee was advised of the approved updated GM2040 Strategy Documents and of a number of sub-strategies being developed which set out more detailed policies, principles and guidance. The Committee gave a particular consideration to the Draft GM Electric Vehicle Infrastructure Strategy with Members raising several queries relating to the provision of vehicle charging infrastructure and to the GM Streets for All Strategy, with members raising issues including funding received from the Quality Bus Transit Scheme, pavement accessibility for those with additional

needs, the need for engagement, and the level of funding already agreed for the Borough and what could be done with those funds.

- c) Joint Places for Everyone Development Plan Document (DPD) – The Committee scrutinized a proposed DPD for jobs, new homes and sustainable growth across much of Greater Manchester. Linked to this consideration was a review of the Council’s Statement of Community Involvement and Local Development Scheme to ensure these were appropriate for the intended development of the Joint DPD. The Committee sought clarification around matters including the building into the process of monitoring to provide a process should it become necessary to change land allocations, the required commitments of the nine local authorities, the Local Implementation Plan which would set out delivery of the DPD, that the Local Plan included obligations for developers to contribute towards infrastructure, the implications of the Mayoral Enterprise Zone, the protection of land, the availability of funding to support brownfield development for industrial or commercial use, and the bringing forward of sites for development, including a balanced approach to the use of mills for employment or housing use.
- d) Greater Manchester Clean Air Plan - The Committee received details of the Greater Manchester Clean Air Final Plan, including responses to consultation exercise which had been undertaken. Members sought and received clarification on matters including the assurance of central government funding; whether standards would apply to the Highways Agency and the strategic road network; whether the Clean Air Zone was to be a temporary measure; whether there would be a limit to the number of roadworks; matters related to the availability of electric vehicles charging points; consultation responses from the Oldham area; and funding issues related to taxis.

3.5 Linked to the ‘crime and disorder overview and scrutiny’ function and considered also as a major issue for the Committee, a presentation was received from and discussions held with Chief Superintendent Chris Bowen who had recently been appointed to lead the police service in Oldham. Crime rates and response times, together with the outcomes of recent actions taken to address criminality, including work being undertaken in our neighbourhoods. The Committee sought and received clarification on matters including how crimes were being tackled with the number of Officers available and response times to queries from elected Members, with a call for a future workshop being agreed.

3.6 Major issues or themed considerations determined by the Committee for consideration -

- a) Young People and Education, Work and Training – the Committee had identified Employment, Work and Training and Youth/Young People as ‘themed’ or significant issue considerations. The focus on Employment, Work and Training was on young people, and the consideration had two major strands -
- An ongoing relationship with the Northern Care Alliance (NCA) NHS Group and their work related to employment support and local recruitment, with a particular focus on work being done to support young people. The NCA had established targets for 2025 and secured non-recurrent funds to support people into work and to provide young people with experience of the NHS, and a detailed report highlighting activities being undertaken was considered by the Committee; and
  - Arising from a Youth Council Motion and a general consideration of the work of the Youth Council, the Committee considered the development of the digital sector in the town and a review of apprenticeships across Oldham, including the offering of digital apprenticeships by the Council.



One of the strategic areas of focus of Oldham's Digital Strategy was a Digital Workforce which would ensure that by April 2024, Team Oldham would have the digital skills and confidence to exploit and deliver digital service improvement. To prepare, Team Oldham had engaged with both Oldham colleges to provide work placements.

- b) Green New Deal Strategy and Generation Oldham - The Committee gave an ongoing consideration to the Oldham Green New Deal throughout the year. The Oldham Green New Deal Strategy had been approved in March 2020 and the Committee received updates on funding arrangements, including both secured funding and progress in securing funding for unfunded projects; sought and considered details on the potential for a strategic partnership to support delivery of the 2030 Net Zero target; and considered and endorsed an approach for senior officers and Cabinet members to engage the private sector.
- c) Creating a Better Place – the Committee determined to scrutinise the progress of the Creating a Better Place strategic framework and capital regeneration programme, the new programme reflecting the priority areas to support the Borough's economic and social recovery. Members sought and received clarification on matters related to the projected and actual costs of schemes; the creation of green jobs; and the creation of Council companies. The Committee received a specific presentation linked to the Northern Roots project which received part funding through the Creating a Better Place framework; Members sought and received clarification on funding and sponsor arrangements.

#### **4. Performance Overview and Scrutiny Committee**

##### **4.1 Membership**

Councillor Ahmad (Chair), Councillor Malik (Vice-Chair), Councillors Alexander, Byrne, Hindle, Iqbal, Islam and Kenyon.

Substitute members - Councillors Al-Hamdani, Brownridge, Ibrahim, K Phythian, Salamat, Sharp and Toor.

##### **4.2 Undertaking the functions as outlined above and as detailed in full in the terms of reference, the Performance Overview and Scrutiny Committee considered the matters as detailed below.**

##### **4.3 Finance and Budgetary Scrutiny**

- a) Review of Financial Performance: Revenue Monitor and Capital Investment Programme 2021/22 – The Committee was provided with regular updates on the forecast revenue budget position for 2021/22 and financial position of the 2021/22 capital programme, together with the revised capital programme for 2022/23 to 2026/27. Information related to the Dedicated Schools Grant, the Housing Revenue Account and the Collection Fund was also considered.

The Committee took note that the Council was continuing to deal with the financial challenge of Covid-19 which continued to affect nearly all aspects of Council service delivery, particularly with regard to the People and Place, Children's Services and Health and Adult Social Care Portfolios, and further noted actions to address and mitigate variances identified in the budget.

- b) Statement of Accounts and Financial Outturn for 2020/21 – The Committee received and reviewed the Council's draft accounts for 2020/21, including detail

on the Council's financial outturn position for 2020/21. Detail and commentary on the year-end position within each Portfolio area was considered, along with details of government grants received in relation to Covid-19; the position on the Dedicated Schools Grant, Housing Revenue Account and the Collection Fund; reserves; the capital programme; the preparation of Group Accounts; and the Annual Governance Statement.

- d) Financial administration in local authorities – The Committee was alerted to circumstances arising in several local authorities where the respective Chief Finance Officer or external Auditor had considered it appropriate to issue statutory notices concerning the financial positions within their respective local authorities.

#### 4.4 Performance Scrutiny

- a) Quarterly Council Performance Report and Challenge – Reports were presented to the Committee in terms of how the Council was performing against measures and targets contained within the Covid Recovery Strategy. This approach varied from previous years in that measures and targets had previously reflected local and national priorities. However, the service impacts presented by Covid-19 meant that the achievement of those measures now contained in the Covid Recovery Strategy were key and the focus of attention by Portfolio Holders and senior management.

Consideration of the reports allowed Members to seek additional information and to highlight issues for further discussion. Members considered how Covid had particularly affected individual measures and sought clarification as to why certain measures had been suspended. The Committee sought and received confirmation that remedial action was being taken to address those matters coded 'red' in the quarterly reports.

The following sections highlight those issues where the Select Committee received detailed performance reports on various matters.

- b) Children's Services: update on financial performance and improvement plan - The Committee received a report providing an update on the Children's Social Care improvement plan and financial performance. The Committee noted the good progress on the improvement plan despite the increasing volume and complexity in demand. Developing partnership and multi-agency work was further noted, alongside ongoing inspection by Ofsted.
- c) Repeat Referrals in Children's Social Care – The Committee received a report providing an update on repeat referrals in Children's Social Care, including the conclusions arising from a deep dive review of the issue. Further scrutiny of the rate of repeat referrals was acknowledged and anticipated service developments considered.
- d) Delivery of Additional School Places and Admissions – The Committee was provided with an update on the delivery additional school places and the work of the Admissions Teams. The Committee sought and received clarifications on whether families returning to their home countries due to Brexit had been a factor in relation to changes in admissions, and on the role or influence the Council may have into feeder school arrangements.
- e) Special Educational Needs and Disability (SEND) Inspection Revisit – On receipt of a further progress report, the Committee, on being advised that the DfE and

NHS England considered that formal monitoring via the 6 monthly progress reviews was no longer necessary, was pleased to commend the Local Partnership for achieving and maintaining the significant ongoing improvements to quality and consistency of Education, Health and Care Plans being delivered and quality assured. In turn, the Committee was assured that monitoring of Key Performance Indicators, challenge, support and benchmarking would continue to ensure that the Service keeps improving.

- f) Local Government Ombudsman: Annual Review of Performance – The Committee was updated on Council performance in relation to enquiries received from the Local Government and Social Care Ombudsman (LGSCO), considering national, regional and local data. The Committee noted a staffing restructure, work with Services to improve responses, and policy reviews undertaken and planned. The Committee sought clarification on the consideration of complaints before they reached the Ombudsman.

#### 4.5 Partner scrutiny

- a) Oldham Safeguarding Children Partnership Board: 2020/21 Annual Report – The Committee considered the Annual Report, the second produced under new arrangements with the local authority, Oldham CCG and Greater Manchester Police as the three statutory partners. The implications of and response to Covid-19 with regard to Children’s safeguarding was considered, along with progression of strategic priorities which had continued despite the pandemic. The Committee sought and received clarification in respect of safeguarding work undertaken with schools and the progression of issues highlighted within the ‘amber’ rated criteria from the Independent Chair Review.
- b) Oldham Safeguarding Adults Board: 2020/21 Annual Report and Strategic Plan – The Committee gave consideration to the Annual Report of the Board, reviewing the implications of and response to Covid-19 in relation to Adult safeguarding, along with the key achievements of the year. The challenges experienced had presented key questions for the Safeguarding Partnership and partners and the Business Plan for 2021/22 outlined the strategic objectives and priorities for that year. The Committee sought and received clarification on implications for adult safeguarding of GP surgeries operating digitally and in respect of responses to increased rates of domestic abuse.
- c) Regional Adoption Agency: Update - The Committee considered the Adoption Annual Report 2021/22 of ‘Adoption Now’, the regional adoption agency that provides adoption services on behalf of a number of local authorities, including Oldham. It was recognized that achieving adoption for children contributes to improving outcomes for the most vulnerable children and young people in line with priorities that are set out in various Council plans. The Annual Report included a statistical review of adoption activity in the year, it being noted that Covid-related court delays had slightly increased numbers dealt with within the year.
- d) Oldham Community Leisure – The Committee considered a performance update on the activities of Oldham Community Leisure for the period April to December 2021, the period covering the recovery period following the Covid-19 related closure of facilities. Prior to Covid-19 the leisure contract had been performing well, with outcomes and outputs specified in the contract being met and overall financial performance being considered positive. Like other leisure providers, significant issues had been presented by Covid-19 due to forced closures and

restricted use of facilities. Notwithstanding, the Committee noted that the Cabinet had agreed an extension of the leisure contract.

More generally, the Committee received a risk dashboard which highlighted potential future risks to the Council from partnerships and other commercial interests. The Committee considered what further information or targeted information might be submitted for consideration.

## **5. Health Scrutiny Committee**

### **5.1 Membership:**

Councillor Toor (Chair), Councillor McLaren (Vice Chair), Councillors Byrne, Cosgrove, Hamblett, A Hussain, Ibrahim and Salamat.

Substitute Members – Councillors Ahmad, Alyas, Davis, H Gloster, Iqbal, K Phythian and Sharp.

### **5.2 Undertaking the functions as outlined above and as detailed in full in the terms of reference, the Health Scrutiny Committee considered the matters as detailed below.**

### **5.3 Health Scrutiny (including related social care matters)**

- a) NHS White Paper/NHS Bill and health and social care integration – The Committee received updates on the passage of the White Paper and Bill through the year, giving particular consideration to local implications and developments arising. The Committee sought clarifications on various matters including the submission and consideration of complaints on an integrated system; budget challenges faced in a time of austerity; confusion about the new system; and patient reliance on Accident and Emergency Services.
- b) High Level Elective Recovery – The Committee received a report outlining the position in relation to recovery of elective activity across Greater Manchester, it being noted that the pandemic had created significant challenges for providers in Greater Manchester in their processing of patients resulting in a substantial increase in waiting lists. The Committee expressed their appreciation of NHS staff in these circumstances and sought clarification as to the maintenance of NHS services and disjointed IT systems which prevented communication and the updating of records.
- c) Pennine Acute Hospitals Trust Transaction – The Committee received updates relating to the process and progress of the transaction of the Royal Oldham Hospital, as part of the Pennine Acute Hospitals Trust, to the Northern Care Alliance, including a consideration of impacts on patients. The Committee sought and received clarification on matters including the separation of services between the Northern Care Alliance and the Manchester NHS Foundation Trust; staff uniforms and branding; sustainability of the new body and services; and various matters related to employment and recruitment of staff.
- d) Urology Services across Bury, Oldham, Rochdale and Salford – The Committee received a report outlining the response to significant service resilience issues in urology services in Greater Manchester, being advised of the development of a delivery model aligned to the Greater Manchester Improving Specialist Care Programme and which would support the delivery of a single urology service across Bury, Rochdale, Oldham and Salford.

- e) Greater Manchester Learning Disability Strategy – the Committee received an update on the implementation of the Greater Manchester Learning Disability Strategy which set out some of the challenges and successes in implementing the Strategy, particularly in light of the Covid-19 situation. Members queried and received responses in respect of various issues including the availability of health checks as GPs had been instructed to focus on Covid-19; housing shortages and the impact on, particularly, single males; Council employment of those with learning difficulties and autism; the number of staff and their caseloads; transition issues; and work opportunities for people with learning disabilities.

#### 5.4 Public Health

- a) Infant Mortality - The Committee received a report on infant mortality in Oldham, considering the key causes of infant mortality and the actions being taken to reduce the number of deaths. The Committee sought and gained clarification on matters relating to work to address those deaths caused by genetic abnormalities; work being undertaken to address smoking in pregnancy and similar work related to alcohol and drug use in pregnancy; and the implications of poverty for rates of infant mortality.
- b) Healthy Child Programme – The Committee received a report on the delivery of the Healthy Child Programme and progress over the previous year, further noting the opportunities being taken to redesign the service in a more integrated manner which should create better experiences for families and children and make better use of facilities. Members sought and received clarification on matters relating to children attending at Accident and Emergency Departments; the implications for families of a lack of walk-in centres; the small size of the school nurse workforce; and the availability of information as to the appropriate places to seek medical assistance and the over-reliance on Accident and Emergency services.
- c) Women and Disadvantage – The Committee considered a report which outlined a number of issues which disadvantaged women in Oldham, focusing on women’s access to mental health services. Phase 1 of the LIFT project had identified mental health as one challenge to economic empowerment where women reported that they found it difficult to access support, leading to further escalation and additional impacts on family life. Phase 2 of the project would see work to establish childcare facilities, highlighting of the issue to service providers etc, and working with the health system to ensure adequate support, and the Committee received an update on progress in this regard. Members sought and received clarification on the focus of the work being undertaken; the availability of childcare; the impact of mental health on employment rates; the effect of Covid-19 on women’s mental health; the availability of Health Navigators and issues of digital exclusion.
- d) Health Improvement and Weight Management Service – the Committee was reminded of the issues and implications of health inequalities issues in Oldham and were updated on the progress made by the new Health Improvement and Weight Management Service, “Your Health Oldham”, delivered by ABL Health Limited. The identified high-level outcomes relating to smoking reduction, tackling obesity, improving diet, and reducing alcohol consumption were noted and would be further considered by the Committee.
- e) Integrated Sexual Health Service – the Committee were advised of the outcome of a collaborative commission with Rochdale and Bury Councils for an Integrated

Sexual Health Service and updated on the implementation of arrangements established under the new contract. The Service, to be provided by HCRG Care Group, had a clear focus on reducing health inequalities by ensuring targeted provision for those individuals who are most at risk of sexual health related harm or poorer sexual health outcomes. Delivery of the service would be reviewed by the Committee.

## **6. Overview and Scrutiny Work Programming**

- 6.1 Overview and Scrutiny Procedure Rule 4.1 requires each Overview and Scrutiny Committee to prepare and maintain a Committee Work Programme. These work programmes are maintained by the Statutory Scrutiny Officer and Constitutional Services and are co-ordinated in consultation with the Committee Chairs. This approach can allow for the best use of resources, avoid duplication, and allow for flexibility to accommodate any urgent and/or short-term issues that may arise.
- 6.2 Updated Overview and Scrutiny work programmes for each Committee were submitted to each meeting on an ongoing basis, keeping Members and the public informed as to business due to be considered and, through parallel consideration of the Key Decision Document, allowing Members to identify any further items for consideration. Outturn work programmes were submitted to the cycle of Overview and Scrutiny Committees meetings in June and July 2022 representing closure of the 2021/22 work programmes.
- 6.3 As indicated above, the work programmes of all Committees continued to be affected by the impacts of Covid-19. Despite the pressures apparent throughout the year, Council Officers and representatives from across the public and voluntary sectors continued to contribute to the scrutiny process. We again thank and express our appreciation to all concerned for their contributions which enabled the delivery of a full scrutiny programme.
- 6.4 Looking forward, we are keen that work programming is developed in the scrutiny function to deliver the actions identified for overview and scrutiny in response to the Council's Peer Review of January 2020. The Peer Challenge recommendations, considered by the Council in June 2020, included an action to "Review the additional benefits that Overview and Scrutiny can bring in helping to shape and challenge the delivery of the key priorities for the council and the borough". The Council's Action Plan responding to that recommendation, considered by the Cabinet in November 2021 noted that "A review of the role and functions of Overview and Scrutiny Committees has been undertaken. A revised workplan for 2020/21 and future years is in place which provides challenge and input to progress made against the priorities contained within the Covid-19 Recovery Strategy and the future Corporate Plan".

## **7. Council Support for Overview and Scrutiny**

- 7.1 The Overview and Scrutiny structure is supported by all Officers of the Council. The Overview and Scrutiny function should expect all Council Officers to provide the same level of support as those Officers provide to the executive, regulatory and other functions within the Council's decision-making arrangements.
- 7.2 The Overview and Scrutiny function received the following specific support during 2020/21:
- Statutory Scrutiny Officer – the Council is required by the Local Government Act 2000 (as amended) to designate a statutory Scrutiny Officer with the functions of:
    - (a) promoting the role of the Council's overview and scrutiny committees,

- (b) providing support to the Council's overview and scrutiny committees and the members of those committees,
  - (c) providing support and guidance to all Members and Officers of the Council in relation to the functions of the Council's overview and scrutiny committees.
- This role is held by Liz Drogan, Head of Democratic Services.
- Constitutional Services undertook lead roles in respect of the Committees, maintaining work programmes, ensuring and chasing up actions, and co-ordinating scrutiny activities held outside of the formal Committee meetings, in addition to the general governance activities that are provided in respect of all other formal bodies, ensuring that the Committee meetings were convened and held in accordance with relevant legislative and procedural requirements. The Assistant Director of Corporate Governance and Strategic Financial Management provided additional support in respect of the Performance Overview and Scrutiny Committee.
- 7.3 The scrutiny function also benefitted from the active support given by the Council's partners across the statutory and voluntary sectors who prepared reports for consideration and attended Committee meetings to assist Committee members in their scrutiny considerations
- 8. Ways to get involved with Overview and Scrutiny**
- 8.1 All the Overview and Scrutiny Committees have rolling work programmes which are updated and can be found as part of the agenda for each Committee meeting.
- 8.2 Meetings of Overview and Scrutiny Committees are open for the public to attend, except when a meeting considers confidential or exempt information, and the Committee resolves to exclude the public. Agenda are published to Council's website and, along with the dates for future meetings, can be found here [Browse Committee Meetings, 2022 \(oldham.gov.uk\)](https://www.oldham.gov.uk/committees)
- 8.3 Overview and Scrutiny Committees provide an opportunity for members of the public to ask questions of a Committee, providing the issue is relevant to the Committee's terms of reference. Questions should be forwarded to [constitutional.services@oldham.gov.uk](mailto:constitutional.services@oldham.gov.uk) no later than noon on the third working day prior to the meeting. Members of the public can also contact their local Councillor about issues considered to be having an impact on their local community. Councillors also have opportunities to raise issues with Overview and Scrutiny Committees.
- 9. Background Papers**
- 9.1 There are no background papers, as defined by Section 100(1) of the Local Government Act 1972, to this report.
- 10. Appendices**
- 10.1 Appendix 1 – the terms of reference for the three Overview and Scrutiny Committees working through the 2021/22 Municipal Year.

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### Terms of Reference for Overview and Scrutiny Committees 2021/22

#### Policy Overview and Scrutiny Committee – terms of reference

- a) To lead the development of the overview and scrutiny process in Oldham Metropolitan Borough Council, including responsibility for Member development with regard to overview and scrutiny.
- b) To undertake strategic level scrutiny (having regard to the Prioritisation Framework where relating to significant policy/service change or an area of public or local interest) relating to:
  - Oldham Council;
  - Wholly owned Local Authority Companies;
  - Strategic Partners and Partnerships;
  - Greater Manchester Combined Authority (GMCA), Association of Greater Manchester Authorities (AGMA) and the city region generally;
  - Education (ensuring there is appropriate statutory representation of co-opted members);
  - Community issues which would include crime and disorder, cohesion, housing and environment and regeneration issues etc.; and
  - Area based issues.
- c) To develop proposals for submission to the Cabinet and/or to scrutinize proposals of the Cabinet in respect of Policy Framework items, such items being as described at Article 4.1 to the Council Constitution.
- d) To develop proposals for submission to the Cabinet and/or to scrutinize proposals of the Cabinet in respect of the Budget and related strategies etc., such items being as described at Article 4.1 to the Council Constitution.
- e) To be the designated 'crime and disorder' committee pursuant to s19 of the Police and Crime Act 2006.
- f) To establish Task and Finish groups, Inquiries etc to give in depth consideration to issues within the purview of the Committee.
- g) To consider all Call-Ins (with the exception of called in business from the Commissioning Partnership Board) (In the event a call-in related to an education issue, the statutory co-optees would be invited to participate in that matter at the meeting).
- h) To consider relevant matters referred from Council in accordance with Council Procedure Rule 10.11(g).
- i) To make recommendations to the Cabinet or to any partner organisation on issues scrutinised relevant to those bodies, and where appropriate, direct to Council.

#### Performance Overview and Scrutiny Committee – terms of reference

- a) To monitor and hold to account the performance of service delivery within Oldham Council and of strategic partners such as Oldham Community Leisure Limited (OCLL), Oldham Partnership etc with particular reference to the Corporate Plan and all other strategic plans.
- b) In reviewing the performance of Council and other services, to scrutinise plans for improvement where performance is weak and to maintain oversight until performance improves.
- c) To scrutinise the financial performance of the Council against the approved budget and efficiency savings identified therein.
- d) To scrutinise issues identified as requiring improvement by external assessors (with the exception of social care matters) ensuring that there is appropriate statutory representation of co-opted members in respect of education matters.



- e) To establish Task and Finish groups, Inquiries etc to give in depth consideration to issues within the purview of the Committee.
- f) To consider relevant matters referred from Council in accordance with Council Procedure Rule 10.11(g).
- g) To monitor the implementation of scrutiny recommendations that have been accepted by the Cabinet.
- h) To make recommendations to the Cabinet or to any partner organisation on issues scrutinised relevant to those bodies.

### **Health Scrutiny Committee – terms of reference**

- a) To discharge all health scrutiny functions of the Council under s 21-23 and 26-27 of The Local Authority (Public Health, Health and Wellbeing Boards and Health Scrutiny) Regulations 2013 including:
  - the review and scrutiny of any matter relating to the planning, provision and operation of the health service in the Council's area;
  - the making of reports and recommendations to relevant NHS bodies and health service providers;
  - responding to proposals and consultations from NHS bodies in respect of substantial variations in service provision and any other major consultation exercises;
  - referral of comments and recommendations on proposals referred to the Committee by a relevant NHS body or relevant service provider to the Secretary of State if considered necessary; and
  - all matters relating to Healthwatch.
- b) To scrutinise the work of the Health and Wellbeing Board, including the development, implementation, review and monitoring of the Joint Strategic Needs Assessment and the Health and Wellbeing Strategy.
- c) To scrutinise the development and implementation of any joint arrangements established under a s75 Agreement between the Council and a relevant NHS organisation.
- d) To scrutinise public health services generally.
- e) To scrutinise issues identified as requiring improvement by external assessors in respect of social care matters.
- f) To establish Task and Finish groups, Inquiries etc to give in depth consideration to issues within the purview of the Committee.
- g) To consider called in business arising from the Commissioning Partnership Board.
- h) To consider relevant matters referred from Council in accordance with Council Procedure Rule 10.11(g).
- i) To make recommendations to the Cabinet, Health and Wellbeing Board, the Commissioning Partnership Board or to any partner organisation on issues scrutinised relevant to those bodies.
- j) To participate in/and or review the considerations of any joint committee established to respond to formal consultations by an NHS body on an issue which impacts on the residents of more than on Overview and Scrutiny Committee area.

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