

POLICY OVERVIEW AND SCRUTINY COMMITTEE Agenda

Date Thursday 26th January 2023

Time 6.00pm

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

- Notes
1. DECLARATIONS OF INTEREST- If a Member requires advice on any item involving a possible declaration of interest which could affect his/her ability to speak and/or vote he/she is advised to contact Paul Entwistle or Constitutional Services at least 24 hours in advance of the meeting.
 2. CONTACT OFFICER for this agenda is Constitutional Services Tel. 0161 770 5151 or email constitutional.services@oldham.gov.uk
 3. PUBLIC QUESTIONS - Any Member of the public wishing to ask a question at the above meeting can do so only if a written copy of the question is submitted to the contact officer by 12.00 noon on Monday, 23rd January 2023.
 4. FILMING - The Council, members of the public and the press may record/film/photograph or broadcast this meeting when the public and the press are not lawfully excluded. Any member of the public who attends a meeting and objects to being filmed should advise the Constitutional Services Officer who will instruct that they are not included in the filming.

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MEMBERSHIP OF THE POLICY OVERVIEW AND SCRUTINY COMMITTEE

Councillors Alyas, Barnes, Dean, Harrison, McLaren (Chair), C. Phythian, Wilkinson and Williamson

Item No

- 1 Apologies For Absence
- 2 Declarations of Interest

To Receive Declarations of Interest in any Contract or matter to be discussed at the meeting.
- 3 Urgent Business

Urgent business, if any, introduced by the Chair
- 4 Public Question Time

To receive Questions from the Public, in accordance with the Council's Constitution.
- 5 Revenue Monitor and Capital Investment Programme 2022/23: Month 8 – November 2022 (Pages 1 - 54)

To present an update on the Council's 2022/23 forecast revenue budget position and the financial position of the capital programme as at 30th November 2022 (Month 8), together with the revised capital programme 2022/23 to 2026/27.
- 6 Revenue Budget 2023/24 and 2024/25 and Medium-Term Financial Strategy 2023/24 to 2027/28 (Pages 55 - 440)

To present the Council's Revenue Budget for 2023/24, the budget reduction requirement and the Administration's budget proposals for 2023/24 including Council Tax intentions. The report also provides a forecast of the 2024/25 position and the financial forecasts for the remainder of the MTFS period, 2025/26, 2026/27 and 2027/28.
- 7 Council Tax Reduction Scheme 2023/24 (Pages 441 - 458)

To present the proposed Council Tax Reduction Scheme for 2023/24 for scrutiny prior to its consideration by Cabinet and recommendation to full Council on 1st March 2023
- 8 Capital Strategy and Capital Programme 2023/24 to 2027/28 (Pages 459 - 548)

To set out the Capital Strategy for 2023/24 to 2027/28 and thereby the proposed 2023/24 capital programme, including identified capital investment priorities, together with the indicative capital programme for 2024/25 to 2027/28.
- 9 Treasury Management Strategy Statement 2023/24 (Pages 549 - 596)

Including the Minimum Revenue Provision Policy Statement, Annual Investment Strategy and Prudential Indicators
- 10 Housing Revenue Account Estimates for 2023/24 to 2027/28 and Proposed

Outturn for 2022/23 (Pages 597 - 612)

To present the Housing Revenue Account (HRA), the detailed budget estimates for 2023/24, the strategic estimates for the four years 2024/25 through to 2027/28 and outturn estimate for 2022/23.

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Report to Policy Overview and Scrutiny Committee



Revenue Monitor and Capital Investment Programme 2022/23 Month 8 – November 2022

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

Officer Contact: Anne Ryans, Director of Finance

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

26 January 2023

Reason for Decision

The report provides Policy Overview and Scrutiny with an update on the Council's 2022/23 forecast revenue budget position at Annex 1 and the financial position of the capital programme as at 30 November 2022 (Month 8) together with the revised capital programme 2022/23 to 2026/27, as outlined in section two of the report at Annex 2.

Executive Summary

Revenue Position

The forecast outturn position for 2022/23 is a projected deficit variance of £2.233m after allowing for approved and pending transfers to and from reserves. An operational deficit of £3.233m reduces by £1.000m with the anticipated effect of management actions and strengthened restrictions in relation to expenditure and recruitment. Whilst improving, it is recognised that this remains a challenging position and every effort will be made to reduce the overall variance before the year end.

The position includes additional costs and pressures that have been identified by the Authority in this financial year as a result of the lasting impact of the COVID-19 pandemic. There are currently two areas which continue to endure significant pressures attributed to the on-going impact of the pandemic; Community Health and Adult Social Care is reporting an adverse variance of £5.717m and Children's Social Care is recording £3.477m. These pressures are being offset against a corporate provision of £12.000m COVID-19 Legacy funding which was set aside during the 2022/23 budget setting process specifically to mitigate the on-going costs of the pandemic. The residual balance of £2.806m is being used to reduce the operational pressure. This will be monitored for the remainder of the financial

year with action taken to address variances and take mitigating action as detailed in the report.

An update on the major issues driving the projections is detailed within Annex 1, Section 2.

The forecast pressure of £2.233m at Month 8 is a £2.219m reduction in the adverse position of £4.452m reported at quarter 2 and forecasts the impact of, as previously reported, the management actions that have been strengthened across all service areas to review and challenge planned expenditure, control recruitment and to maximise income. It is therefore anticipated that by the year end, the outturn deficit position should reduce further and that this will be demonstrated in the update report which will be presented to Cabinet at month 9.

Information on the Month 8 position of the Dedicated Schools Grant (DSG), Housing Revenue Account (HRA) and Collection Fund is also outlined in the report.

Against a generally improving position, the DSG is now forecasting an in-year surplus of £3.287m (£3.215m at quarter 2), which has reversed the deficit brought forward leaving a forecast year end surplus of £0.514m (£0.442m at quarter 2). Action will continue to be taken with the aim of mitigating cost pressures and delivering and maintaining a surplus position. To assist, Oldham has been invited by the Government to take part in the Delivering Better Value in SEND (Special Educational Needs and Disabilities) Programme which will provide dedicated support for the SEND Review reforms to 55 Local Authorities with historical DSG deficit issues with the aim of putting the DSG of participating Authorities on a more financially sustainable footing

There are currently no significant issues of concern in relation to the HRA.

The Collection Fund is forecasting an in-year surplus of £0.060m which in turn contributes to an estimated surplus of £4.179m being carried forward into 2023/24. The Collection Fund has been particularly volatile largely as a result of COVID-19. Whilst it is currently in a surplus position, it will continue to be closely monitored throughout the year as any surplus or deficit at the end of the financial year will have a direct budgetary impact in 2023/24.

Capital Position

The report outlines the most up to date capital spending position for 2022/23 to 2026/27 for approved schemes. The revised capital programme budget for 2022/23 is £59.113m at the close of month 8, a net decrease of £41.135 from the original budget of £100.248m. Actual expenditure to 30 September 2022 was £29.531m (49.96% of the forecast outturn).

It is likely that the forecast position will continue to change as the year draws to a close with additional re-profiling into future years.

Recommendations

That Policy Overview and Scrutiny considers the:

1. Forecast revenue outturn for 2022/23 at Month 8 being a £2.233m adverse variance having regard to the action being taken to manage expenditure
2. Forecast positions for the Dedicated Schools Grant, Housing Revenue Account and Collection Fund
3. Revised capital programme for 2022/23 and the forecast for the financial years to 2027/28 as at Month 8.

Revenue Monitor and Capital Investment Programme 2022/23 Month 8 – November 2022**1 Background**

- 1.1 The Authority's 2022/23 revenue budget and capital programme was approved by Council on 2 March 2022. Under established budget procedures, all services are required to monitor and review their approved revenue and capital budgets during the financial year. This is reported to Cabinet on a quarterly basis with this additional report at month 8 which is used to inform the budget setting process for the following financial year.
- 1.2 As part of the budget monitoring process, the forecast year-end position for revenue and capital has been prepared by all services as follows:
- a) The revenue forecast is based on a comparison of profiled budgets to the actual position as at the end of Month 8 together with known commitments, issues and planned management actions.
 - b) The capital programme forecast has been based on notified revisions to the approved 2022/23 position including the final 2021/22 outturn, new grant notifications and an initial rephasing of the approved capital programme including an assessment of the impact of COVID-19 and the Annual Review.
- 1.3 As the year progresses the outturn projections will reflect the evolving position of management actions put in place to mitigate in-year pressures, new developments and changes in the profile of planned expenditure and of course any additional support that the Government may provide.
- 1.4 As previously reported the financial reporting structure of the Council has been revised for 2022/23 and both the revenue and capital positions are presented in the revised format.

2. Current position

- 2.1 The forecast revenue outturn for 2022/23 is an adverse variance of £2.233m compared to £4.452m at Quarter 2. Further details of the current revenue budget position and a full description of the forecast can be found in Annex 1. The pressures within Community Health and Adult Social Care and Children's Services relating to COVID-19 total £9.194m and are to be funded from the £12.000m COVID-19 Legacy funding which is held corporately. In addition to the COVID-19 related pressure, there is also a 'business as usual' overspend of £6.040m which reduces to £3.233m with the offset of the £2.806m unallocated COVID-19 Legacy funding. The most notable areas of forecast, operational overspending remain Community Health and Adult Social Services, Children's Services and Place and Economic Growth. The operational pressure reduces by a further £1.000m with the anticipated impact of strengthened expenditure and recruitment restrictions and the full year effect of management actions to deliver a deficit year end variance of £2.233m. It was initially anticipated that the combined effect of these measures together with any additional funding that might be used to offset Adult Social Care pressures would reduce the year-end adverse outturn by £1.720m. At month 8, services have delivered £0.720m of the required target thus leaving a balance of £1.000m which it is now assumed will be achieved by the year end to produce a forecast deficit of £2.233m.
- 2.2 The total Directorate variances amount to a pressure of £15.234m before the application of the £12.000m COVID-19 Legacy funding as detailed in Annex 1 at Tables 1 and 2. As advised above, this consists of an operational overspend of £6.040m. This is comprised of Community Health and Adult Social Care reporting a pressure of £4.599m (£5.717m COVID related) and Children's Services reporting an adverse variance of £12.044m (£3.477m COVID related).

There is a further adverse business as usual variance of £3.036m within Place and Economic Growth. There are favourable variances of £0.434m within Public Health, £0.262m within Communities and £0.714m in Corporate Services. Capital, Treasury and Technical Accounting is reporting a favourable, operational variance of £3.036m.

- 2.3 It should be noted that one of the approved 2022/23 Budget Reductions within Children's Services with a value of £0.500m is classified 'Red' and forecast not to be delivered. In addition, there are a further five Budget Reductions, two within Place and Economic Growth and three within Corporate Services, with a combined value of £3.353m rated 'Amber/Red - off track and will only deliver part of the saving' and which are reporting to have achieved £0.937m to month 8 of the financial year. An assessment has been made of the impact on the 2023/24 budget and adjustments totalling £2.895m have been made to the estimates.
- 2.4 However, taking an approach to allocating the COVID-19 Legacy funding against the COVID-19 related costs incurred and using the information in Tables 1 and 2 of Annex 1, the table below shows the net impact across all Directorate areas, essentially negating the COVID variance in Community Health and Adult Social Care and Children's Services, leaving a funding balance of £2.806m which reduces the business as usual pressure from £6.040m to £3.233m.
- 2.5 Management action has been strengthened with regard to reviewing expenditure and also recruitment to vacant posts and this is expected to reduce the overall outturn position by a further £1.000m to an adverse variance of £2.233m as shown in the table below.

Portfolio Area	COVID-19 Cost included in Forecasts £000	Apportion COVID-19 Legacy Funding £000	Business as Usual Pressure £000	Total Net Pressure Month 8 £000	Total Net Pressure Quarter 2 £000
Community Health and Adult Social Care	5,717	(5,717)	(1,118)	(1,118)	1,015
Children's Services	3,477	(3,477)	8,567	8,567	7,336
Public Health	-	-	(434)	(434)	(339)
Communities	-	-	(262)	(262)	(299)
Place and Economic Growth	-	-	3,036	3,036	2,717
Corporate Services	-	-	(714)	(714)	(339)
Capital, Treasury and Corporate Accounting	-	-	(3,036)	(3,036)	(2,909)
Unallocated COVID-19 Funding	-	(2,806)	-	(2,806)	(1,011)
Forecast Variance before Management Action	9,194	(12,000)	6,040	3,233	6,171
Impact of Management Actions/ Spending Restrictions	-	-	-	(1,000)	(1,720)
Total	9,194	(12,000)	6,040	2,233	4,452

- 2.6 There remains in 2022/23 a high degree of estimation with regard to the lasting impact of COVID-19 and also with the emerging cost pressures in relation to utilities and fuel, the impact of cost of living pressures on pay awards and also interest rates. The forecasting of the likely impact of all these factors on the Council's budget is based on both the actual expenditure and the income position recorded to date but also relies on a series of assumptions. These assumptions are constantly being updated in the light of national and

indeed international influences. The month 9 report will advise of the progress of mitigating factors and management actions to control and reduce the forecast deficit.

2.7 As this financial monitoring report reflects the financial position at Month 8, it can be regarded as an indication of the year end position. Every effort will be made to further reduce the forecast variance by the year end to mitigate any potential impact on the 2023/24 budget setting process, together with the projected budget gap for the next year.

2.8 The original approved capital programme for 2022/23 totalled £100.248m. The revised capital programme as at month 8 taking account of approved carry forwards, approved new funding, new schemes and variations and proposed variations/ re-phasing gives projected revised expenditure of £59.113m. Actual expenditure at month 8 was £29.531m (49.96% of the forecast outturn). Further details of expenditure and schemes within the capital programme can be found in Annex 2.

3 Options/Alternatives

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

- a) to consider the forecast revenue and capital positions presented in the report including proposed changes
- b) to propose alternative forecasts

4 Preferred Option

4.1 The preferred option is that the Committee considers the forecasts and changes within this report; option (a) at 3.1.

5 Consultation

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

6 Financial Implications

6.1 The full financial implications are detailed in the report.

7 Legal Services Comments

7.1 There are no legal issues at this time.

8 Co-operative Agenda

8.1 Improving the quality and timeliness of the financial information available to citizens of Oldham supports the co-operative ethos of the Council.

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

9 Human Resources Comments

9.1 There are no Human Resource implications.

10 Risk Assessments

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

11 IT Implications

11.1 There are no IT implications.

12 Property Implications

12.1 There are no Property implications.

13 Procurement Implications

13.1 There are no Procurement implications.

14 Environmental and Health & Safety Implications

14.1 There are no Environmental and Health and Safety implications.

15 Equality, Community Cohesion and Crime Implications

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

16 Implications for Children and Young People

16.1 There are no direct implications for Children and Young People

17 Equality Impact Assessment Completed

17.1 Not Applicable.

18 Key Decision

18.1 Yes

19 Key Decision Reference

19.1 FLC-16-22

20 Background Papers

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

File Ref: Revenue Background Papers are contained in Annex 1 including Appendices 1, 2 and 3
Officer Name: Andy Cooper
Contact: andy.cooper@oldham.gov.uk

File Ref: Capital Background Papers are contained in Annex 2 including Appendices A to I
Officer Name: Lee Walsh
Contact No: lee.walsh@oldham.gov.uk

REVENUE BUDGET MONITORING REPORT 2022/23**Month 8 November 2022****1 Background**

- 1.1 The Authority's 2022/23 revenue budget was approved by Council on 2 March 2022 at a sum of £260.686m incorporating:
- £5.467m of Budget Reductions initially approved for 2022/23 at the Budget Council of 4 March 2021.
 - £6.268m of recurrent Budget Reductions approved within the 2022/23 Budget.
 - £24.971m use of corporate and specific reserves, subsequently adjusted to £20.686m when the 2021/22 final accounts were prepared, as outlined in section 2.3(b). In addition, there is an offsetting transfer to reserves of £1.710m relating to the 100% Retained Business Rates piloting arrangements.
 - £2.500m of capital receipts in line with the flexibilities agreed by Secretary of State for Levelling Up, Housing and Communities (DLUHC).
- 1.2 Under established budget procedures all services are required to monitor and review their approved budgets during the financial year. As part of this process, a forecast of the year-end position has been prepared by all services. The forecast is based on a comparison of profiled budgets to the actual position as at the end of Month 8 together with known commitments, issues and planned management actions. The forecasts include the latest estimates in relation to expenditure arising as a result of the lasting impact of COVID-19.
- 1.3 The Government is not providing any additional funding to address the impact of COVID-19 in 2022/23. As a result, Authorities are no longer required to report the impact of COVID-19 to DLUHC. Although there is no additional Government funding available, the Council, mindful of the legacy of the pandemic and its continued impact on Council services, approved a sum of £12.000m within its budget for 2022/23 to compensate for the cessation of Government funding and the continued financial impact of COVID-19.
- 1.4 As in the previous two financial years, services are analysing costs and variances between 'business as usual' and COVID-19 and the £12.000m funding will be retained centrally and applied as a corporate adjustment.
- 1.5 It is also important to note that the budget incorporates the impact of the direct provision by the Council of those services that were provided during 2021/22 by the Unity Partnership Limited (UPL), following the transfer of staff from UPL to the Council with effect from 1 April 2022. This, together with the structural re-alignment means that to varying degrees comparisons with the prior year at a Portfolio level are not particularly meaningful.

2 Current Position

2.1 The current net revenue budget of £271.887m represents a net increase of £11.201m against the originally approved budget of £260.686m and an increase of £6.749m compared to the funding position of £265.138m reported at quarter 2 which is due to:

- The receipt of £0.079m of un-ringfenced grants; School Improvement and Brokerage Grant of £0.066m, Family Court Fees New Burdens Grant of £0.009m and Family Annexe Council Tax Grant of £0.004m.
- A reduction of £0.171m of Rough Sleeping Drug and Alcohol Treatment Grant following the receipt of a revised Memorandum of Understanding from the Department of Health and Social Care.
- The increase in the utilisation of capital grants of £6.841m reflecting the reporting arrangements when preparing the Statement of Accounts.

A full funding analysis of the net revenue budget is shown at Appendix 1.

2.2 The current position for 2022/23 at Month 8 is a projected adverse variance of £2.233m, A forecast of the year-end position has been prepared by all services. The table below shows the year-end forecast position against budget for each Directorate, including the additional costs anticipated as a result of the lasting impact of the pandemic and also the anticipated impact of management actions and strengthened spending and recruitment restrictions.

Table 1 - Summary Forecast Revenue Outturn.

	Budget	Forecast	In Year Use of Transfer To/ (From) Reserves	Variance Month 8	Variance Month 6
	£000	£000	£000	£000	£000
Community Health and Adult Social Care	67,997	75,486	(2,890)	4,599	8,043
Children's Services	52,811	67,167	(2,312)	12,044	11,297
Public Health	24,189	26,818	(3,063)	(434)	(339)
Communities	6,528	6,792	(526)	(262)	(299)
Place and Economic Growth	54,840	59,868	(1,992)	3,036	2,717
Corporate Services	26,240	26,669	(1,143)	(714)	(339)
Capital Treasury and Technical Accounting	27,282	25,218	(972)	(3,036)	(2,908)
COVID-19 Legacy Funding	12,000	-	-	(12,000)	(12,000)
NET OPERATIONAL EXPENDITURE	271,887	288,018	(12,898)	3,233	6,172
Management Action / Spending Restrictions	-	-	-	(1,000)	(1,720)
NET EXPENDITURE	271,887	288,018	(12,898)	2,233	4,452
FINANCED BY:					
Collection Fund Deficit	8,807	8,807	-	-	-
Use of Reserves to offset Collection Fund Deficit	(8,807)	(8,807)	-	-	-
General Use of Reserves	(11,879)	(11,879)	-	-	-
Transfer to Earmarked Reserves - Business Rates Retention Pilot Gain	1,710	1,710	-	-	-
Other Financing	(261,718)	(261,718)	-	-	-
TOTAL FINANCING	(271,887)	(271,887)	-	-	-
NET FORECAST VARIANCE	-	16,131	(12,898)	2,233	4,452

2.3 The forecast outturn to the end of the year, after a predicted and proposed (net) in-year transfer from reserves totalling £12.898m is an adverse operational variance of £3.233m, this reduces to a forecast pressure of £2.233m with the anticipated outcome of increased management actions and strengthened spending and recruitment restrictions. The current position is reliant upon the drawdown of £12.898m of reserves, section 8 provides more detail about the approved and planned use of reserves at month 8. However, key financing issues to note are:

- a) As advised during the 2022/23 budget setting process, there is a movement from reserves of the Section 31 Grant Funding for Business Rate Relief compensation which was received in 2021/22 and is being used to support the 2022/23 budget. The 2022/23 budget report assumed that the technical adjustment relating to Section 31 Grant Funding would be £13.092m, made up of £8.888m representing a Business Rate Relief adjustment and a technical adjustment for the COVID-19 Additional Relief Fund (CARF) of £4.204m.
- b) When preparing the 2021/22 accounts, in May 2022, the Business Rate Relief adjustment was finalised at £8.807m and Guidance received from the Chartered Institute of Public Finance and Accountancy (CIPFA) advised that the CARF

adjustment was not required. Therefore, the final technical adjustment after the revisions was £8.807m.

- 2.4 There are significant variances contained within the projected net overspend. As previously mentioned, the position includes a forecast of all the additional pressures being incurred by the Authority as part of the lasting impact of the COVID-19 pandemic. During the 2022/23 budget setting process, £12.000m was set aside and retained as a corporate provision to be utilised to mitigate the legacy costs of the pandemic. There are currently two areas which are encountering significant pressures attributed to the after-effects of the pandemic; Community Health and Adult Social Care reporting £5.717m and Children’s Services reporting £3.477m. These pressures, totalling £9.194m, when offset against the £12.000m leave a balance of £2.806m in the corporate provision, which is being applied to support the business as usual pressure.

Table 2 below analyses the variance between ‘business as usual’ and COVID-19.

Table 2 - Analysis of Variances

	COVID 19 Costs included in forecasts £000	Business as Usual £000	Variance Month 8 £000
Community Health and Adult Social Care	5,717	(1,118)	4,599
Children's Services	3,477	8,567	12,044
Public Health	-	(434)	(434)
Communities	-	(262)	(262)
Place and Economic Growth	-	3,036	3,036
Corporate Services	-	(714)	(714)
Capital Treasury and Technical Accounting	-	(3,036)	(3,036)
COVID-19 Legacy Funding	(9,194)	(2,806)	(12,000)
Management Actions/ Spending Restrictions	-	(1,000)	(1,000)
Total	-	2,233	2,233

- 2.5 Community Health and Adult Social Care (CHASC) is reporting a net adverse variance of £4.599m, after a £2.890m use of reserves. The adverse variance comprises £5.717m of COVID-19 related expenditure, in the main due to the demand for care packages linked to hospital discharges. The residual favourable variance of £1.118m relates to ‘business as usual’ activities.

- 2.6 Children’s Services is forecasting a net adverse variance of £12.044m, after a £2.312m use of reserves. The main pressure is within Children’s Social Care (CSC) which is showing an overspend of £12.347m. The adverse variance within CSC attributes £3.477m to COVID-19, due to an increased demand for social care placements both throughout and following the pandemic plus additional costs relating to the use of supernumerary agency workers to reflect the lasting increase in demand for services and the impact on case numbers. The residual CSC adverse variance of £8.870m relates to operational pressures across the Division, again driven by placement and staffing pressures. Education, Skills and Early Years is reporting an underspend of £0.281m and Preventative Services is showing an underspend of £0.022m; a combined, offsetting, business as usual underspend of £0.303m.

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- 2.7 Public Health is forecasting an operational underspend of £0.434m after a net £3.063m use of reserves primarily related to the use of the Contain Outbreak Management Fund grant which was brought forward from 2021/22.
- 2.8 Communities is showing an underspend of £0.262m after utilising £0.526m of reserves.
- 2.9 Place and Economic Growth Portfolio is forecasting an adverse variance of £3.036m net of a £1.992m use of reserves, in the main due to uncertainty in realising Budget Reductions. None of the adverse variances have been attributed to the lasting impact of COVID-19 and the position is therefore being wholly classed as an operational pressure.
- 2.10 The Corporate Services Directorate is forecast to underspend by £0.714m, all of which relates to 'Business as Usual' and is after a £1.143m use of reserves. There are pressures totalling £0.144m within Commissioning and Procurement (£0.047m) and Customer and Digital and Transformation (£0.097m). The pressures are offset by favourable variances totalling £0.858m relating to; Chief Executive, Management and Executive Office (£0.030m), Finance (£0.622m), Legal Services (£0.045m), Communications and Research (£0.020m), Strategy and Performance (£0.103m) and HR and Organisational Development (£0.038m).
- 2.11 Capital, Treasury and Technical Accounting is showing a favourable variance of £3.036m, all of which relates to 'business as usual'
- 2.12 A more detailed analysis of the financial performance, the major variances and contributing factors can be found by Directorate in Section 3.
- 2.13 The approved budget for 2022/23 included centrally held resources to fund the final pay award (£1.500m), general inflationary pressures (£0.942m) and the escalating cost of energy (£1.500m). Reserves have also been set aside to fund any additional pressures above these sums. The approved budgetary funding is being utilised as follows:
- Funding for the **pay award** of £1.500m was retained centrally and is fully committed following confirmation of the final pay award. There is a dedicated reserve that, together with the balance of the inflationary pressures budget (referred to below), has been used to fund the impact of the pay award. Centrally held resources are being reallocated to service budgets to reflect the costs arising from the pay award.
 - The funding for **inflationary pressures** has been allocated directly to services where appropriate leaving a balance which, as advised above, is being used to fund the full impact of pay awards in service budgets. The £0.942m budget is forecast as being fully spent.
 - The funding for **energy pressures** has been fully utilised and allocated to the Place and Economic Growth Portfolio. Once again there is a dedicated reserve that is currently sufficient to deal with any shortfall.
- 2.14 It is important to note that one of the 2022/23 approved Budget Reductions in Children's Services with a value of £0.500m is currently forecast not to be achieved and is therefore rated 'Red - off track and will not deliver', further details are provided in section 3.2.15. The £0.500m is contributing to the adverse variance for the respective Portfolios.
- 2.15 In addition, there are a further five Budget Reductions, two within Place and Economic Growth (see sections 3.5.5 & 3.5.6) and three within Corporate Services (see section 3.6.11), with a combined value of £3.353m rated 'Amber/Red - off track and will only
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deliver part of the saving' and which are reporting to have achieved £0.937m to month 8 of the financial year. These will continue to be monitored for the remainder of the year to maximise deliverability. Resources have been allocated within the 2023/24 budget in the sum of £2.895m to compensate for the non-delivery of options rated both 'Red' and 'Amber/ Red'.

2.16 A further two Budget Reductions in the CHASC portfolio, with a combined value of £1.500m are rated 'Amber – off track but measures in place to recover the position'. These Budget Reductions will need to be closely monitored to ensure they do not become unachievable. A schedule and assessment of all the 2022/23 Budget Reductions is attached as Appendix 3.

2.17 In view of the projected adverse variance, previous reports have advised of measures that have been initiated to address the overspending, namely:

- management actions across all service areas to review and challenge planned expenditure and to maximise income,
- processes to monitor the recruitment of staff to vacant posts and significant items of expenditure,
- ensuring non-essential expenditure is minimised.

2.18 Given the initial high level of overspend reported earlier in the year and if unaddressed its potential impact on the 2023/24 budget setting process and the financial resilience of the Council, corporate processes in relation to the above have been reviewed, strengthened and widened in scope in that Management Board members will review Council wide activity not just their own Service areas. It was initially anticipated that the combined effect of these measures together with any additional funding that might be used to offset Adult Social Care pressures would reduce the year-end adverse outturn by £1.720m. At month 8, services have delivered £0.720m of the required target thus leaving a balance of £1.000m which it is now assumed will be achieved by the year end to produce a forecast deficit of £2.233m. Section 8.4 provides detail of a release of provisions to increase reserves specifically to cover this anticipated deficit. Obviously, action will continue with the aim of reducing the overall forecast deficit still further and hence reduce the required level of reserves to support the financial position at the end of 2022/23.

2.19 The effectiveness of the ongoing management action and the strengthened corporate procedures will continue to be closely monitored by Management Teams with regular progress updates being provided to the Management Board and Portfolio Holders.

3 Directorate Summaries

3.1 Community Health and Adult Social Care

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

Table 3 – Community Health and Adult Social Care- Forecast Outturn

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Adult Social Care - COVID 19	-	5,717	-	5,717
Commissioning	15,006	14,818	(90)	(278)
Community Business Services	1,965	1,630	-	(335)
Community Health & Social Care	25,026	24,658	-	(368)
Director Adult Social Care	2,490	3,676	(1,300)	(114)
Learning Disability	13,711	15,202	(1,500)	(9)
Mental Health	8,830	8,816	-	(14)
Safeguarding	969	969	-	(0)
Total Forecast Net Expenditure	67,997	75,486	(2,890)	4,599

Summary

- 3.1.2 The lasting effect of the pandemic is continuing to have a significant impact on the Portfolio, with a projected budget pressure of £4.599m, after a net £2.890m use of reserves. The predominant factor contributing to the overspend is the COVID-19 related expenditure, Adult Social Care is one of the Council's services most affected by the pandemic and the legacy impact continues to cause significant financial pressure.
- 3.1.3 There is a £5.717m overspend forecast for costs related to COVID-19, compared to £7.028m at quarter 2. These are legacy costs which are incurred as a result of individuals being funded via the Hospital Discharge Programme (reclaimed from the NHS) in the previous two financial years. As this funding ceased on 31 March 2022, the Council now has to finance the whole cost. Budget to offset this expenditure is held and monitored corporately. As evidenced above, the COVID costs are beginning to reduce as clients are re-assessed and transition back into 'business as usual' and also due to being able to apply a portion of the newly allocated grant to support discharge from hospital as referred to in the following section.
- 3.1.4 As previously reported, in September, the Government announced a £500m allocation of funding to support the costs related to hospital discharge. The Adult Social Care Discharge Fund was subsequently announced on 18 November 2022, a sum of £200m is being made available to Local Government and the Council will receive £0.935m directly. A further £300m is being allocated to the NHS via the Better Care Fund, with £19.558m being received by the Greater Manchester Integrated Care Board, of which the Oldham locality share is £1.638m. There are detailed grant conditions attached to the funding and the Council and the Oldham Integrated Care Partnership together, submitted the Discharge Fund funding template, outlining the spending plans for the full £2.573m in 2022/23 by the required deadline of 16 December 2022. The plan has subsequently been approved.
- 3.1.5 The majority of the expenditure funded by the Discharge Fund will be incurred by Oldham Council. It is a mixture of new initiatives (including supporting care providers) and providing support for services that the Council had already agreed to put in place to facilitate hospital discharges. 'Business as usual' variances represent an offsetting underspend across the Division of £1.118m. All services are now showing an underspend or breakeven largely as a result of being able to utilise a portion of the Adult Social Care Discharge Fund in 2022/23 that has been recently allocated.

3.1.6 Although the overall Directorate overspend has reduced from £8.043m at month 6 to £4.599m, the underlying on-going financial pressure, without the benefit of the discharge funding, remains higher at £6.300m (rather than £8.043m). The budget for 2023/24 has therefore been adjusted to reflect this £6.300m plus a further £1.000m to allow for the anticipated requirements attached to the new Adult Social Care grant funding streams which are to be received in 2023/24. Therefore, a resource allocation of £7.300m is included in the 2023/24 budget together with funding for other pressures including demographics at a total of £16.478m. This is £0.700m lower than previous 2023/24 budget estimates.

3.1.7 In addition the Council has provided £1.500m of support to the Oldham Integrated Care Partnership by way of an increased contribution to the Section 75 Agreement. This has been funded by a drawdown from the jointly managed Pooled Fund Reserve hosted by the Council.

Commissioning

3.1.8 Commissioning is projecting an underspend of £0.278m which includes the use of £0.090m of earmarked reserves, a favourable movement of £0.255m compared to quarter 2. The main factor contributing to the movement is an increase in income of £0.216m via the Adult Social Care Hospital Discharge Grant Fund received from the Greater Manchester Integrated Care Board.

Community Business Services

3.1.9 The service is forecasting an underspend of £0.335m, of which £0.126m is due to vacant posts, offset by agency spend and additional hours. There is an underspend of £0.090m as a result of a reduction in the number of Carers assessments due to the redeployment of staff for the first part of the financial year. The balance is in relation to the application of the Changing Futures budget.

Community Health and Social Care

3.1.10 Community Health and Social Care is reporting an underspend of £0.368m. Care costs for people with a physical, sensory and memory and cognitive disabilities are collectively reporting an overspend of £2.205m, this is offset by a favourable variance of £2.092m in relation to income recovery. The resulting net pressure is offset by a predicted underspend of £0.181m, the majority of which is in relation to staffing due to posts remaining vacant for longer than expected. In addition, the Cluster service area is reporting an underspend of £0.300m, of which £0.315m relates to salary underspends as a result of the service continuing to have difficulty recruiting to vacant Social Worker posts, offset by £0.015m expenditure relating to legal expenses.

Director of Adult Social Care

3.1.11 The service is reporting an underspend of £0.114m as a result of three key management posts firstly becoming vacant and then being recruited to internally creating further cost reductions against salary budgets.

Learning Disability

3.1.12 Learning Disability is showing an underspend £0.009m (£1.071m overspend reported at quarter 2). Community care is reporting a pressure of £6.390m of which £3.125m relates to specific complex service user care that is required, supported by the use of £1.500m of reserves. Income contributions from residents and the NHS are favourable to the budget by £6.441m including Hospital Discharge Grant Funding and are offsetting the cost pressures.

Mental Health

3.1.13 Mental Health is forecasting an underspend of £0.014m an improvement to the £0.359m overspend reported at quarter 2. Several vacancies mean salary budgets will underspend by £0.266m and projected income is £1.433m higher than budgeted levels, however there are considerable pressures reported in community care of £1.690m.

Safeguarding

3.1.14 Safeguarding is forecasting a balanced outturn compared to a projected overspend of £0.180m at quarter 2. The favourable swing from the previous month is mainly due to a contribution to salary costs from the Ukraine support grant. The service remains 4.0 FTE temporary posts over-established within Multi Agency Safeguarding Hub (MASH) due to increased activity and staffing shortages elsewhere in the system.

Achievement of Budget Reductions

3.1.15 The Directorate has approved Budget Reductions of £3.974m in 2022/23 of which £2.474m are rated 'Green – on track and will be delivered'. Two with a combined value of £1.500m have been rated 'Amber - off track but measures in place to recover the position', of which £1.009m have currently been delivered bringing the total of achieved Budget Reductions at quarter 2 to £3.483m. The service is confident that the remaining balance of £0.491m will be delivered by the end of the financial year. For this reason, a pressure has not been forecast in the current monitoring position.

3.2 Children's Services

3.2.1 The following table shows the forecast position after the approved and planned use of reserves for the Directorate at month 8.

Table 4 – Children's Services

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Children's Social Care	38,268	51,466	(851)	12,347
Education, Skills & Early Years	11,087	12,119	(1,313)	(281)
Preventative Services	3,495	3,621	(148)	(22)
Schools	(39)	(39)	-	0
Total Forecast Net Expenditure	52,811	67,167	(2,312)	12,044

Summary

3.2.2 The Directorate has a projected overspend of £12.044m (£11.297m at quarter 2). The overspend includes costs of £3.477m (all within Children's Social Care) due to the lasting

impact of COVID-19 and incorporates the use of reserves totalling £2.312m. The principal underlying reasons are detailed below.

Children's Social Care

- 3.2.3 This Division is projecting a £12.347m overspend at month 8 (£11.252m at quarter 2) and incorporates the use of reserves totalling £0.851m.
- 3.2.4 Throughout 2020/21 and 2021/22 it was necessary to employ additional temporary social work staff to cover the increase in demand and increased caseloads as a result of the pandemic. The current cohort of additional workers is expected to cost £0.636m if retained for the whole of the financial year. A further £2.593m is relating to COVID-19 legacy placement costs for specific children who came into care during the pandemic. An overspend in disbursement/legal costs is anticipated at £0.248m due to the upturn in demand for specialist legal services as a by-product of the pandemic. This brings the total anticipated spend due to the lasting impact of COVID-19 to £3.477m which is a reduction of £0.484m compared to quarter 2. Budget for COVID-19 related expenditure is held corporately and will be notionally allocated to services at the year end.
- 3.2.5 There is a further operational, business as usual forecast deficit of £8.870m, again in the main relating to social care placements including high-cost external residential packages (£4.874m), with further variances in relation to Adoption (£0.262m), Children with Disabilities Short Breaks (£0.236m), No Recourse to Public Funds/ Assistance to Families/Setting up Home Grants (£0.258m); £5.630m in total. There is a net overspend of £1.363m on social care establishment staffing costs and a further pressure of £1.802m due to a number of agency workers being employed to deal with demand pressures. A number of small miscellaneous variances account for the remaining (net) pressure of £0.075m.
- 3.2.6 Social workers in Children's Social Care play a critical role in supporting and protecting children, young people and families within the community. However, the challenge of recruiting and retaining social workers within Children's Services is something that is being experienced not only in Oldham but also regionally and nationally, creating a reliance on employing temporary social work staff to deal with demand. This is then compounded by rapidly increasing hourly rates for the agency staff being engaged. Management action is being taken to help with combatting the problem by extending the dedicated social work academy to invest not only in supporting extra newly qualified social workers in an Assessed and Supported Year in Employment (ASYE) but also to invest in a number of new trainee social workers. The trainee social workers are being offered university placements alongside on-the-job experience with dedicated support from practice co-ordinators. A 'grow your own' approach has proven successful in many Local Authorities across the country with successful recruitment and retention as a result. In addition, initiatives to counter the increasing cost and use of Agency staff are being formulated at a GM and North West level.
- 3.2.7 During the COVID-19 pandemic and ultimately following, Children's Social Care in Oldham has experienced an increased volume in demand which has led to a high number of young people becoming Children in Need or Children Looked After. This combined with the high cost of external residential and foster care placements has put even greater pressure on the Directorates budget in 2022/23. Whilst demand cannot be wholly controlled, Senior Management is dedicated to addressing these issues and a number of management actions are being implemented to address such problems. Whilst continuing to monitor the approval of placements through the Additional Resource Panel, an invest

to save proposal has been introduced which uses an external research agency to work with managers and social care staff to address demand management to tackle both operational and financial pressures.

- 3.2.8 Whilst the impact of all of these management actions is not currently financially quantifiable in 2022/23, they are intended to deliver cost reductions. Progress will be monitored throughout this financial year and into the future.
- 3.2.9 Recognising the on-going budgetary and operational pressures and the need to invest to deliver the Councils priority of supporting children and young people, Cabinet at its meeting on 12 December 2022, approved the report 'Children's Services Investment Proposals'. This in effect outlined an investment of £14.700m, comprising; one off funding of £2.900m funded from reserves to pump prime a number of invest to save initiatives that the Council wished to make and recurrent funding of £11.800m to stabilise the financial position. This element of the funding was based on the previously reported position with an assumption that any increase in the pressure carried forward into 2023/24 will be managed within the resources that have been made available, particularly as some of the planned transformational activities will have begun to take effect from the start of 2023/24.
- 3.2.10 The Investment Programme is focusing on the key areas where effective and efficient demand management results in both efficiencies and future savings across the following four core areas:
- Better support for families at an earlier stage
 - Providing the very best of care for our most vulnerable children
 - Supporting children and young people by making Oldham the best place to be a social worker
 - Rewarding and supporting the work of Oldham's Foster Carers.

Each of the four core areas contain multiple strands of activity and will need to be carefully monitored from both an implementation and benefits realisation perspective.

Education, Skills and Early Years

- 3.2.11 The area is reporting a £0.281m underspend at month 8 and incorporates the use of reserves totalling £1.313m.
- 3.2.12 An adverse variance within the SEND Service is forecasting a £0.889m overspend at month 8. This is due to the impact of the new Home to School contracts awarded from September 2022. A further pressure of £0.176m relates costs associated with QEST secondees and Educational Psychology Associates. Offsetting these overspends are favourable variance across the division totalling £1.346m comprising £0.957m due to slippage on vacant posts and £0.389m due to additional traded income and savings against the schools PFI contracts.
- 3.2.13 0-19 Children's Services are for 2022/23 being delivered under a Section 75 Partnership Agreement with the Northern Care Alliance NHS Foundation Trust; a funding gap of circa £0.700m was identified based on the transfer information. This is expected to be mitigated by staff and vacancy management in the current financial year, with work underway to reconfigure the services within the financial envelope, a balanced outturn is currently forecast.

Preventative Services

3.2.14 The area is reporting a small £0.022m underspend at month 8 and incorporates the use of reserves totalling £0.148m. The underspend relates wholly to vacant posts.

Achievement of Budget Reductions

3.2.15 Budget Reductions for the Directorate in 2022/23 total £1.432m of which £0.932m are rated 'Green – on track and will be delivered'. There is currently one Budget Reduction, External Placement Cost Avoidance which is being rated as 'Red – off track and will not deliver.' The full value of the option (£0.500m) is contributing to the adverse variance within Children's Social Care.

3.3 Public Health

3.3.1 The following table shows the forecast position after the approved and planned use of reserves for the Directorate at month 8.

Table 5 – Public Health

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Public Health (Client and Delivery)	19,198	21,897	(3,098)	(399)
Heritage, Libraries and Arts	4,991	4,921	35	(35)
Total Forecast Net Expenditure	24,189	26,818	(3,063)	(434)

Summary

3.3.2 The Directorate has a projected underspend, all designated as Business as Usual of £0.434m and incorporates the use of reserves of £3.063m. The principal underlying reasons are detailed below.

3.3.3 Public Health (Client and Delivery) is showing an underspend of £0.399m which is due to slippage on staffing costs and the removal of Public Health funding to services within the Council following a staffing restructure. Use of reserves is in the main the continued use of the Continued Outbreak Management Fund received in 2021/22 (£3.081m). Previous reports have advised that the Government may seek reimbursement of the grant. The Council has submitted regular returns to the UK Health Security Agency (UKHSA) during 2022/23 on the use of the COMF grant and no queries have arisen regarding its intended use. In December 2022, UKHSA issued a letter to advise Councils that the COMF grant can be further carried forward into 2023/24. The terms of the grant remain unchanged, and the carry forward is for COVID control and COVID recovery, including mitigating any health inequalities as a result of COVID. On this basis clawback of the funding is no longer anticipated.

3.3.4 The Heritage, Libraries and Arts Service is reporting an underspend of £0.035m at month 8. There are vacancies in the Libraries Service, increased income for Oldham Theatre Workshop and underspends within non-pay budgets.

Achievement of Budget Reductions

- 3.3.5 Budget Reductions for the Directorate in 2022/23 total £0.522m and are all rated 'Green – on track and will be delivered'.

3.4 Communities

- 3.4.1 The following table shows the forecast position after the approved and planned use of reserves for the Directorate at month 8.

Table 6 - Communities

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Youth, Leisure & Communities	6,528	6,792	(526)	(262)
Total Forecast Net Expenditure	6,528	6,792	(526)	(262)

Summary

- 3.4.2 The Directorate, now comprising solely of Youth, Leisure and Communities has a projected, business as usual underspend of £0.262m and incorporates a net use of reserves totalling £0.526m.
- 3.4.3 There are pressures of £0.131m within Outdoor Education and £0.011m in the Schools Swimming Service due to a reduction in income, Oldham Community Leisure has an emerging pressure of £0.026m in relation to rising energy costs. The pressures are being wholly offset by vacancies, particularly in the District Partnerships team.

Achievement of Budget Reductions

- 3.4.4 Budget Reductions for the Directorate in 2022/23 total £0.063m and are all rated 'Green – on track and will be delivered'

3.5 Place and Economic Growth

- 3.5.1 The following table shows the forecast position after the approved and planned use of reserves for the Directorate at Month 8.

Table 7 – Place and Economic Growth

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Economic Development, Enterprise and Skills	2,047	6,721	(1,728)	2,946
Environmental Services	52,793	53,147	(264)	90
Total Forecast Net Expenditure	54,840	59,868	(1,992)	3,036

Summary

3.5.2 The Directorate has a projected overspend of £3.036m all of which is attributed to business as usual and incorporates a net use of reserves totalling £1.992m. The principal underlying reasons are detailed below.

Economic Development, Enterprise and Skills

3.5.3 The area is forecasting an overspend of £2.946m (£2.647m at quarter 1) after a £1.728m use of reserves. The main reasons for the adverse variance are detailed below:

- There is an estimated pressure against the Corporate Landlord / Investment Estate totalling £2.002m which includes an allocation of £1.700m to offset increases in utility costs and reflects the Amber/Red status of the two Creating a Better Place budget options assuming only £0.708m of the total £2.720m will be achieved.
- Facilities Management is projecting an overspend of £0.258m relating principally to an overspend of £0.291m in the Catering Service being offset by an overachievement of income within the Cleaning Service of £0.033m.
- The plans to relocate the market into the new Spindles development has resulted in a loss of rent income of £0.379m within the Market Service, as reported to members at the 21 September Cabinet meeting.
- Strategic Housing is expected to overspend by £0.307m following a review of the expected costs for temporary accommodation.

Environmental Services

3.5.4 The area is forecasting an adverse variance of £0.090m after a £0.264m transfer from reserves. The main reasons are detailed below:

- Strategic Highways is showing an overspend of £0.404m as a result of a review into the expected achievable level of capitalisation of staff costs.
- Public Protection services are expected to underspend by £0.057m principally due to increased income within Public protection.
- Environmental Management is forecast to underspend by £0.257m due to vacant posts within the service and additional income within Cemeteries and Crematoria.

Achievement of Budget Reductions

3.5.5 Budget Reductions for the Directorate in 2022/23 total £3.612m of which £0.892m are rated 'Green – on track and will be delivered'. There are two Budget Reductions rated 'Amber/Red' with a combined value of £2.720m, as shown below, to date which relate to:

- Creating a Better Place – Projects and Assets (£2.620m)
- Creating a Better Place – Income Generation (0.100m).

3.5.6 The Budget Reductions above are rated as Amber/Red and would therefore not ordinarily be forecast as an adverse variance. There is however a high degree of uncertainty in

relation to deliverability, particularly in the current economic climate, a pressure of £2.012m is therefore being recorded, is assumed it will not be delivered and an equivalent sum has been built into the 2023/24 budget.

3.6 Corporate Services

3.6.1 The following table shows the forecast position after the approved and planned use of reserves for the Directorate at month 8.

Table 8 – Corporate Services

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Chief Executive, Management and Executive Office	4,828	4,798	-	(30)
Commissioning and Procurement	495	542	-	47
Finance	6,581	6,005	(46)	(622)
Legal Services	3,552	4,011	(504)	(45)
Communications and Research	982	1,205	(243)	(20)
Customer, Digital and Transformation	6,278	6,575	(200)	97
Strategy and Performance	861	758	-	(103)
HR & Organisational Development	2,663	2,775	(150)	(38)
Total Forecast Net Expenditure	26,240	26,669	(1,143)	(714)

Summary

3.6.2 The Directorate has a projected underspend of £0.714m and incorporates the use of reserves totalling £1.143m. The principal underlying reasons are detailed below.

Chief Executive, Management and Executive Office

3.6.3 The area is reporting an underspend of £0.030m which in the main relates to anticipated underspends within the Coroners Service being offset by staffing overspends.

Commissioning and Procurement

3.6.4 The Division is reporting an overspend of £0.047m at month 8. The service is continuing to experience difficulties in recruiting to permanent posts, this is resulting in a pressure of £0.275m due to the necessity of having to retain interims, this is being offset by vacant posts of £0.257m. The service is also reporting a pressure of £0.029m against the Early Payment scheme.

Finance

3.6.5 The Division is reporting an underspend of £0.622m at month 8. There are vacancies across the Finance Division and underspends on non-pay budgets which are offsetting a pressure in Revenues and Benefits relating to agency staff engaged to support increased service demand.

Legal Services

- 3.6.6 There are vacancies across the Legal Division which are offsetting in part a pressure in relation to income from schools buy back in the Legal Team and which in total produces a net forecast underspend of £0.045m. Due to the increase in demand within Children's Social Care, it has been necessary for the Family Team within the Legal Service to employ three supernumerary locum solicitors at a cost of circa £0.280m to cover the additional case-loads. In this financial year, these additional costs have been offset by the use of earmarked reserves.

Communications and Research

- 3.6.7 The service is recording an underspend of £0.020m, primarily as a result of vacant posts and underspends on the printing and design budget.

Customer, Digital and Transformation

- 3.6.8 The Division is reporting a pressure of £0.097m at month 8. There are vacant posts and non-pay underspends across the Division which is offset in part by agency costs in Customer Services, Transformation and ICT. An underspend of £0.290m in Customer Services is for eligible staff costs being offset against a COVID-19 grant in 2022/23 and funding from Housing Options. There is a reported pressure of £0.032m in the Schools ICT service which relates to upfront costs of telephony system costs and a pressure of £0.639m in ICT which in the main relates to the amount which can be charged to capital fees. It is anticipated that this pressure on capital fees will reduce during the course of the financial year as the capital programme progresses.

Strategy and Performance

- 3.6.9 The Division is reporting an underspend of £0.103m, in the main due to vacant posts.

HR and Organisational Development

- 3.6.10 The Division is reporting an underspend of £0.038m. There are vacant posts across the division which are offsetting in part an income pressure of £0.113m and a pressure of £0.021m in the HR Advisory service.

Achievement of Budget Reductions

- 3.6.11 Budget Reductions for the Directorate in 2022/23 total £1.382m of which six totalling £0.749m are rated 'Green – on track and will be delivered' and have been fully achieved at quarter 2. The following three Budget Reductions are currently rated 'Amber/Red – off track and will only deliver part of the saving', the total value of the options is £0.633m and the predicted shortfall is £0.404m.

- Internal Efficiency Initiatives (Unity Partnership); £0.363m not currently being achieved
- Human Resources and Organisational Development; £0.250m, £0.229m achieved
- Information and Communications Technology (ICT) of £0.020m, not currently being achieved.

3.6.12 Therefore, a total of £0.404m of budget reductions across the Division are currently not expected to be achieved in the financial year and £0.383m of this has been built into the 2023/24 budget estimates.

3.7 Capital, Treasury and Technical Accounting

3.7.1 The following table shows the forecast position for the Directorate at month 8.

Table 9 – Capital, Treasury and Technical Accounting

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Capital Treasury and Technical Accounting	26,116	24,053	(972)	(3,036)
COVID-19 Legacy Funding	12,000	-	-	(12,000)
Corporate and Democratic Core	833	833	-	-
Parish Precepts	333	333	-	-
Total Forecast Net Expenditure	39,282	25,218	(972)	(15,036)

Summary

Capital, Treasury and Technical Accounting

3.7.2 The Directorate holds the budgets associated with the Council's Treasury Management activities including interest payable on borrowing and interest receivable on investments and is reporting a wholly business as usual underspend of £15.036m at month 8.

3.7.3 As mentioned above in paragraph 2.4 of the report, COVID-19 Legacy funding is being held centrally within this division. This contributes £12.000m towards the £15.036m Portfolio underspend. The corresponding expenditure that this provision is funding is currently being reported within CHASC (£5.717m) and Children's Services (£3.477m) leaving an overall favourable corporate balance of £2.806m in relation to the COVID-19 funding, currently being used to support business as usual pressures.

3.7.4 The favourable residual Portfolio variance of £3.036m is due to projected favourable non-pay variances including past pension costs and banking charges. This is offset by an adverse variance with regard to the Annual Leave Purchase Scheme and loss of income through reduced buy back of the Schools and Academies Cash Collection service. There is also a £0.100m adverse variance on corporate insurances due to an increase in the volume of insurance claims being processed, however this will continue to be reviewed. The Procurement Framework has been reviewed in full and it is now anticipated that with income received to date, the income target of £0.506m will be met. As reported at quarter 2, additional income of £1.044m has been received from the Greater Manchester Combined Authority (GMCA), this being the Council's share of a £10.000m GM wide waste reserve refund and this is to be transferred to Earmarked Reserves to support the increase in GMCA levy costs in the 2023/24 revenue budget.

3.7.5 The Housing Benefit service is expected to have no forecast variance in 2022/23. Whilst there are pressures in relation to temporary accommodation, the movement of working age benefits claimants on to Universal Credit is offsetting the pressure.

Achievement of Budget Reductions

- 3.7.6 The single Budget Reduction of £0.750m for the Directorate for 2022/23 is rated 'Green – on track and will be delivered' and has been fully achieved.

4 Other Grants and Contributions Received by the Council

- 4.1 Members will recall that in 2021/22 the Government provided a range of both ringfenced and un-ringfenced grants to support the response to COVID-19. There have been no new notifications in 2022/23, however there are residual sums in relation to the funding received in 2020/21 and 2021/22 with the Council bringing forward into 2022/23 unspent balances totalling £3.138m in relation to seven ring-fenced COVID-19 grants. The application of these grants has therefore been treated as a drawdown from reserves.
- 4.2 The single largest sum (£3.081m) is in relation to the Contain Outbreak Management Fund (COMF). As outlined in section 3.3.3 above, Central Government has previously raised concerns about the availability of the balance of the COMF grant in 2022/23. Councils have previously been advised that they will have to evidence how any actual expenditure and future commitments funded by the COMF grant comply with the prevailing guidance. In accordance, the Council has submitted regular returns to the UK Health Security Agency (UKHSA) throughout the year on the use of the COMF grant and no queries have arisen regarding its intended use. In December 2022, UKHSA issued a letter to advise Council's the COMF grant can be further carried forward into 2023/24. The terms of the grant remain unchanged, and the carry forward is for COVID control and COVID recovery, including mitigating any health inequalities as a result of COVID. In view of the latest guidance the risk in relation to the availability of the COMF to support existing commitments would appear to be greatly reduced.
- 4.3 In addition to the above, the Council has received a number of specific Grants from the Government or other sources which have been ringfenced to Directorates to be utilised on certain defined activities. At Month 8, Directorates are forecasting a total of £68.212m of ringfenced grants to be used for specific purposes which have been either new notifications for 2022/23 or grants received in prior years where terms and conditions allow for usage in the current and potentially future years. The table below shows the total grants forecast by Directorates up to Month 8.

Table 10 – Grants Ringfenced to Directorates

Directorate	Carried Forward from 2021/22	New Allocations 2022/23	Forecast
	£000	£000	£000
Community Health and Adult Social Care	-	(19,437)	(19,437)
Children's Services	(137)	(16,687)	(16,824)
Public Health	(365)	(1,998)	(2,363)
Communities	(286)	(663)	(949)
Place and Economic Growth	(60)	(4,599)	(4,659)
Corporate Services	-	(5,181)	(5,181)
Total Ringfenced Grants include within the Net Revenue Budget	(848)	(48,565)	(49,413)
Housing Revenue Account	-	(18,799)	(18,799)
Total	(848)	(67,364)	(68,212)

4.4 As highlighted in the table above, grants (not related to COVID-19) received in previous years and carried forward into 2022/23, all within the Net Revenue Budget total £0.848m with new allocations for 2022/23 totalling £67.364m; £68.212m in total (£49.413m within the net Revenue Budget and £18.799m within the Housing Revenue Account). Dependant on the terms and conditions of the individual grant, some of the above income could be carried forward into 2023/24 to be utilised in future financial years.

4.5 Of the £48.565m of new General Fund allocations, £14.438m relates to the Better Care Fund Grant which is awarded by NHS England and distributed by Integrated Care Boards. This is included within the Community Health and Adult Social Care net revenue budget. A further £13.166m relates to PFI Credits received to support unitary charge payments across the Councils four Revenue Fund PFI schemes. A further two PFI schemes, with grant totalling £18.799m sit within the Housing Revenue Account.

4.6 The main additions are the two Adult Social Care Discharge Fund allocations, totalling £2.573m, as outlined in section 3.1.4. The Council will receive £0.935m directly. A further £19.558m is being received by the Greater Manchester Integrated Care Board from the sponsoring Government Department, of which the Oldham locality share is £1.638m.

4.7 A total of 59 additional Government Grants are included in the forecasts for 2022/23 totalling £52.744m. Of this sum, £33.945m is within the Revenue Budget and £18.799m relate to the Housing Revenue Account PFI Credits. A further 5 grants have been awarded from other sources and classed as 'other grants' totalling £15.468m.

4.8 Thirty one of the grants have an individual value which is greater than £0.150m and total £66.291m. The remaining £1.921m relates to 33 grants with individual values less than £0.150m. A full list of these grants can be found at Appendix 2.

5 Schools

5.1 The Council's expenditure on schools is funded primarily by the Dedicated Schools Grant (DSG) which is provided by the Department for Education. DSG is ring-fenced and can only be applied to meet expenditure properly included in the Schools' Budget, as defined in the School and Early Years Finance (England) Regulations 2022. The Schools' Budget includes elements for a range of educational services provided on an Authority wide basis

and for the Individual Schools Budget which is divided into a budget share for each maintained school.

5.2 The DSG is made up of the following 4 blocks of funding;

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

5.3 For a number of years there has been considerable financial pressure on the DSG, particularly in the High Needs Block. At the start of 2022/23, the cumulative DSG deficit was £2.773m having been in deficit since 2016/17. This is historically due to expenditure exceeding the High Needs budget available each year. As can be seen from the table below, the cumulative High Needs Block Deficit, if taken as a stand-alone element was £15.269m at the start of 2022/23. The key contributors to this pressure being the:

- Increasing high needs population, such as special school places, resourced provision and post 16 Further Education provision.
- Increasing number of Education Health Care Plans requiring high needs top up funding within mainstream schools
- Cost of providing local Pupil Referral Unit capacity to ensure that the Local Authority fulfils its statutory role.
- High cost of external placements

The Schools Forum, which must agree the allocation of the DSG, has historically approved transfers between the Schools and High Needs Blocks (£8.296m between 2016/17 and 2021/22). Due to the increased funding received in 2022/23 there was no requirement for a transfer in this financial year.

5.4 The High Needs Block is currently forecasting an in year surplus of £3.473m. Excluding the cumulative support from the Schools Block this reduces the forecast cumulative deficit forecast to £11.796m as of 31 March 2023. The deficit is offset by cumulative virements (£8.296m) and savings from the Schools and Early Years Blocks (£4.014m) to leave a net forecast, cumulative High Needs Block surplus of £0.514m (as illustrated in the table below).

Table 11 – DSG High Needs Block

DSG High Needs Block Key Issues	£000
Original High Needs Budget Allocation including adjustment for imports/exports, special free school funding and hospital education	(52,251)
Estimated Expenditure	48,778
Projected in Year (Surplus)	(3,473)
Deficit Brought Forward 01/04/2022	15,269
Cumulative Net Deficit	11,796
Offset by;	
- Virement from Schools Block- 2016/17 to 2021/22	(8,296)
- Savings in Schools and Early Years Block and Central Schools Services Block- 2015/16 to 2022/23	(4,014)
Projected High Needs Block (Surplus) 31/03/2023	(514)

Overall DSG Position and Recovery Plan

- 5.5 As the DSG has been in deficit for a number of years, the Council has been required to agree a DSG Financial Recovery Plan to demonstrate how, at least a balanced position could be achieved. This was first submitted to the Department for Education in 2019. The financial elements of the Recovery Plan have been continuously updated to take account of estimated additional cost pressures, formal notifications of additional funding and the agreed funding methodology including the transfer of DSG funding between the Schools and the High Needs Funding Blocks that has been undertaken in prior years.
- 5.6 Oldham has been supported by the Education and Skills Funding Agency (ESFA) in its monitoring and management of the DSG with the Recovery Plan having been subject to review. In more recent developments Oldham has been invited by the Government to take part in the Delivering Better Value (DBV) in SEND Programme which provides dedicated support for the reform to high needs systems to Local Authorities with historical deficit issues, the aim being to put more Local Authorities on a more sustainable footing so that they are better placed to respond to the forthcoming SEND Review reforms.
- 5.7 Oldham was selected as one of the Local Authorities to be invited to take part in the programme, as it had a significant percentage DSG deficit in 2020/21. The first 20 of the 55 Authorities started the programme in June, the second round (which includes Oldham) has now launched. The Government is initially providing external consultancy advice to the Council to enable it to plan and agree improvements and a change programme. There is also funding available for the Council to fund new activities identified through the DBV initiative, an initial sum of £0.045m has been received in the current financial year, the value of future years allocations have not yet been confirmed.
- 5.8 The Schools Forum is regularly updated on the status of the Recovery Plan and it remains appropriate to present information in this format. The Council will therefore continue to use the Recovery Plan arrangements as an effective means of monitoring the DSG position and turning the deficit to a surplus. The last meetings of the Schools Forum on 16 November 2022 received an update in relation to the DSG including the Recovery Plan, which had again been updated to take account of the most recent funding announcements, the latest expenditure predictions and their impact on the projections from the current financial year through to 2024/25.
- 5.9 The Autumn Statement of 17 November 2022 announced additional funding of £2.3bn for schools in 2023/24 with a further £2.3bn for 2024/25. The additional funding is for schools and High Needs, of which £400m is for Local Authorities on top of their high needs national funding formula allocations. The additional funding for schools will be allocated as a separate grant in 2023/24 and then rolled into the National Funding Formula (NFF) from 2024/25. The 2023/24 grant will be allocated to schools as per the NFF formula distribution as if it was part of National Funding Formula from April 2023 for Academies and Maintained schools and to Local Authorities for the High Needs block to allocate to Special Schools and other providers funded from the High Needs Block.
- 5.10 Following confirmation of the Authority's funding allocation on 16 December 2022, the DSG Recovery Plan has been remodelled. The table below shows the latest Recovery Plan as at January 2023 and illustrates that with the increased funding and the planned actions to address new operating arrangements to generate efficiencies, the DSG should be brought into a position where there is an in-year surplus in 2022/23 of £3.287m, which is sufficient to offset the deficit brought forward of £2.773m leaving a cumulative surplus of £0.514m to be carried forward into 2023/24. The updated position will be reported to

the Schools Forum on 18 January 2023. Increases to High Needs funding are offset by the prudent inclusion in the Recovery Plan of a Service Improvement Development Fund to support a range of initiatives, the detail of which is still to be agreed but will complement the DBV in SEND programme as outlined above.

Table 12 - Overall DSG Position

	2022/23 £000	2023/24 £000	2024/25 £000
Opening Balance brought forward – Deficit/ (Surplus)	2,773	(514)	(2,438)
Estimated Additional Pressures	2,896	5,117	6,573
2022/23 High Needs Block Increase	(4,852)	(4,852)	(4,852)
Additional High Needs Funding (announced December 2021)	(1,756)	(1,756)	(1,756)
Additional High Needs Funding (announced December 2022)	0	(2,178)	(2,178)
Reverse Indicative Transfer (initially planned but not required for 2022/23)	1,124	-	-
Estimated change additional funding including Special Free School	(1,092)	-	-
Estimated adjustment for Special Free School funding	-	252	252
Additional High Needs Funding 2023/24 - 6.7%	-	(4,294)	(4,294)
Estimated Additional High Needs Funding 2024/25 - 3%	-	-	(1,601)
Estimated cost increases Special Schools re inflation etc.	393	409	415
Contribution to Central Education Support Services including HI/VI Services	-	200	200
Additional spend re High Needs funding announcement December 2022 still to be allocated	-	2,178	2,178
Service Improvements Development Fund	-	3,000	4,800
In Year (Surplus)	(3,287)	(1,924)	(263)
Current Net Forecast (Surplus)	(514)	(2,438)	(2,701)
Previously Reported Net Forecast (Surplus) as at Quarter 2	(442)	(3,273)	(3,830)

5.11 The DSG financial position has improved; the current estimates show that there will be a surplus at the end of 2023/24, which is a change to the trends of the last few years and is largely due to the additional funding expected from Central Government. Work will continue for the remainder of 2022/23 and beyond to ensure that the forecast surplus position for 2023/24 and 2024/25 is actually achieved and maintained and that the Service Improvement Development Fund is effectively deployed.

6 Housing Revenue Account (HRA)

6.1 The current HRA position is presented in Table 13 and compares the initially approved HRA position to the current estimated outturn. The actual closing balance for 2021/22 at £21.721m was £0.570m lower than the final estimate of £22.291m. The original HRA forecast for 2022/23 was for a planned in-year decrease in balances of £1.808m, mainly to support housing related expenditure in the Capital Programme.

6.2 The current forecast is for an in year surplus of £0.558m, a net favourable movement of £2.366m. The variance is attributable to increased utility costs which are offset by the cessation of planned HRA expenditure within the Capital Programme. The projected year end HRA balance is £22.279m, a £1.796m favourable movement.

Table 13 - Housing Revenue Account Forecast Position

HRA Income & Expenditure Account	Original Budget £000	Actual 2021/22 & Latest 2022/23 Forecast £000	Variance to Budget £000
HRA Balances Brought forward from 2021/22	(22,291)	(21,721)	570
Deficit on HRA Services for 2022/23	1,808	(558)	(2,366)
HRA Surplus Balances Carried Forward	(20,483)	(22,279)	(1,796)

7 Collection Fund

7.1 The tables below show the forecast outturn position for the Collection Fund (the technical account within in which Council Tax and Business Rates (National Non Domestic Rates (NDR) are managed) and the forecast position in relation to the share of balances between the Council and the Greater Manchester Combined Authority precepting Authorities.

Table 14 - Collection Fund Forecast Position

Collection Fund Balance	Council Tax £000	NDR £000	Total £000
Balance Brought Forward	2,958	6,175	9,133
Contribution to deficit carried forward from 2021/22	(2,873)	(10,379)	(13,252)
Prior Year Balance Brought Forward	85	(4,204)	(4,119)
(Surplus) /Deficit for the Year	(133)	73	(60)
Net (Surplus)/Deficit Carried Forward	(48)	(4,131)	(4,179)

Table 15 - Collection Fund – 2022/23 Share of Balances; Forecast Position

Collection Fund Balance	Council Tax £000	NDR £000	Total £000
Share - Oldham Council	(40)	(4,090)	(4,130)
Share – Greater Manchester Combined Authority Mayoral Police and Crime Commissioner	(5)	-	(5)
Share – Greater Manchester Combined Authority Mayoral General Precept (including Fire Services)	(3)	(40)	(44)
Total (Surplus)	(48)	(4,131)	(4,179)

7.2 Council Tax and Business Rates remain a significant source of funding for Council services. However, these areas can be volatile, the 2022/23 financial year is presumed to be no different with the lingering impact of COVID-19 and the ongoing impact of the cost of living crisis, as such the financial position of the Collection Fund is under constant review. With regards to the Business Rates surplus brought forward from 2021/22, this was due to the delayed rollout of the £4.204m of COVID-19 Additional Relief Fund (CARF) allocations. The Business Rates reliefs available under the CARF scheme were

originally assumed to be fully allocated within 2021/22, thus increasing the estimated deficit as the level of Business Rates to be collected would be reduced. This was expected to be compensated for by un-ringfenced Section 31 grant of £4.204m included within the 2022/23 Revenue Budget. The £4.204m grant has, however, been applied to the Collection Fund in 2022/23.

- 7.3 The Greater Manchester 100% Business Rates Retention Pilot has continued into 2022/23. Any financial benefits arising from membership within the pilot scheme will continue to be monitored and upon realisation, any beneficial financial resource will be used to support the Council's budget.
- 7.4 As highlighted in Table 14 and 15 above, current year end Collection Fund projections are showing an overall surplus of £4.179m, with the Council's proportion of this surplus being £4.130m. This is a particularly volatile area to forecast with many unknowns, therefore, this area will be closely monitored over the remaining months. However, the sum of £4.130m has been incorporated into the 2023/24 budget.

8 Use of Reserves

- 8.1 Members will recall that at the Council budget meeting of 2 March 2022, it was agreed that a proposed use of Earmarked Reserves of £24.971m be used to support the 2022/23 budget including £0.405m to support the delivery of Budget Reductions for 2023/24 with an offsetting transfer to reserves of £1.710m for Retained Business Rates. Of the Earmarked Reserves to be used, £11.879m were to be met from the specific balancing budget reserve. A further £13.092m of reserves were to be used in 2022/23 as a result of Business Rates compensation funding received in 2021/22 and held in reserve to support the Collection Fund Deficit in 2022/23. Since the Budget Council meeting and as part of the closure of accounts, the completion of the Business Rates Year End Return (NNDR3) and using guidance issued by CIPFA, it was determined that the Business Rate compensation related Collection Fund Deficit for 2022/23 would be revised downwards by £4.285m to £8.807m; a revision of £0.081m for Grant in Lieu of Business Rates and £4.204m in relation to the COVID-19 Additional Relief Fund (CARF) scheme. This resulted in the initial, total net call on reserves to support the revenue budget in 2022/23 of £20.686m, reducing to £18.976m with the transfer of £1.710m to reserves in relation to Business Rates Retention Pilot gains referred to above.
- 8.2 In addition to the above transfer to reserves the month 8 position incorporates additional Directorate requests to use reserves with a total (net) value of £12.898m, therefore the budget as a whole currently relies upon the application of a net £31.884m of reserves. The resultant impact is for an estimated combined closing value of £84.672m, comprising £80.788m of Earmarked Reserves and £3.884m of Revenue Grant Reserves, as illustrated in the table below. It is however anticipated that this position will change as the year draws to a close. Should the adverse variance of £2.233m need to be addressed by the use of earmarked reserves at the year end the £80.788m will reduce to £78.555m.

Table 16 – Reserves Summary

	Earmarked Reserves £000	Revenue Grant Reserves £000	Total Reserves £000
Opening Balance as at 1 April 2022	(99,227)	(10,731)	(109,958)
Reserves applied to balance the Budget	11,879	-	11,879
Use of Reserves to offset Collection Fund Deficit	13,092	-	13,092
Reduction in Reserve to offset Collection Fund Deficit	(4,285)	-	(4,285)
Transfer to Earmarked Reserves - Business Rates Retention Pilot Gain	(1,710)	-	(1,710)
In Year Balance	(80,251)	(10,731)	(90,982)
Directorate Transfers from Reserve			
Community Health and Adult Social Care	2,890	-	2,890
Children's Services	422	1,890	2,312
Public Health	15	3,369	3,384
Communities	526	-	526
Place and Economic Growth	1,854	187	2,041
Corporate Services	1,097	46	1,143
Capital Treasury and Technical Accounting	2,016	-	2,016
Total Directorate Transfers from Reserve	8,820	5,492	14,312
Directorate Transfers to Reserves			
Community Health and Adult Social Care	-	-	-
Children's Services	-	-	-
Public Health	(321)	-	(321)
Communities	-	-	-
Place and Economic Growth	(49)	-	(49)
Corporate Services	-	-	-
Capital Treasury and Technical Accounting	(1,044)	-	(1,044)
Total Directorate Transfers to Reserve	(1,414)	-	(1,414)
Total Directorate Use of Reserves	7,406	5,492	12,898
2022/23 Reserves review	(1,355)	1,355	-
2022/23 Resources and Provisions review	(6,588)	-	(6,588)
Closing Balance as at Month 8	(80,788)	(3,884)	(84,672)

8.3 In line with the Council's reserves policy, the recommended use of reserves to fund spend during the year have been initially approved by the appropriate officers prior to consideration by Cabinet. However, as there is a need to minimise the use of reserves in order to support the financial resilience of the Council, only those reserves supporting essential business will be utilised this year.

8.4 A full review of all Reserves, Provisions and Council Resources has been undertaken, identifying a total of £6.588m of resources that can be re-purposed and transferred into earmarked reserves to support any year-end overspend within the 2022/23 revenue

budget; currently forecast as £2.233m and to support the overall financial resilience of the Council.

- 8.5 The availability of reserves is a demonstration of the financial resilience of the Council and as such the reserves must be carefully managed. However, the use of reserves is also a means by which the Council can support the 2023/24 and future years budget setting processes and Medium-Term Financial Strategy. Members will therefore recall that, over and above the current in-year commitments, reserves of £6.000m to support the 2023/24 budget process and a further £3.932m in 2024/25 have already been approved as part of the 2022/23 Budget Setting process.

9 Flexible Use of Capital Receipts

- 9.1 Members will recall that at the Council meeting of 2 March 2022, it was approved that up to £2.500m of capital receipts would be used to underpin the revenue budget in line with the flexibilities agreed by Secretary of State for Housing, Communities and Local Government in March 2016. In April 2022, guidance on the flexible use of capital receipts was updated by the Department for Levelling Up, Housing and Communities which extends the flexibility that has been in place since 2016. This allows the freedom to continue up to 2024/25 to help Authorities plan for the long-term.

- 9.2 A number of schemes in support of the transformation programme which meet the qualifying expenditure requirements as detailed within the statutory guidance issued by the DLUHC have been identified and are itemised within the approved 2022/23 Capital Programme. The contribution to the Flexible Use of Capital Receipts is the first call on any receipts generated by the Council and processes are in place to monitor progress throughout the year. Annex 2 to this report which sets out the Capital Programme position confirms that receipts totalling £2.663m have been received to date, sufficient to underpin the revenue budget requirement of £2.500m.

10 Conclusion

- 10.1 There remains in 2022/23 a high degree of estimation with regard to the lasting impact of COVID-19 and also with the emerging cost pressures in relation to utilities and fuel, the impact of cost of living pressures on future pay awards and also interest rates. The forecasting of the likely impact of all these factors on the Council's budget is based on both the actual expenditure and the income loss recorded to date but also relies on a series of assumptions which are both unpredictable and constantly changing.
- 10.2 The current projected position, after adjustment for reserves and the application of the full £12.000m of the Council funded provision for COVID-19 legacy pressures is showing an operational overspend of £3.233m, reducing to £2.233m with the anticipated effect of management actions and spending restrictions. The legacy funding is supporting £9.194m of expenditure, the balance of £2.806m is reducing a business as usual overspend from £6.039m to £3.233m. There is no expectation that there will be any further Government COVID-19 support whilst there is still a lasting cost to the Council.
- 10.3 The business as usual pressure is obviously of concern, driven in part by the uncertainty in relation to achieving Budget Reductions which has potential to impact on the 2023/24 budget setting process. For this reason, corporate measures aimed at scrutinising and limiting expenditure and monitoring the recruitment of staff to vacant posts have been reviewed, strengthened and expanded. These together with the full year effect of management actions were initially estimated to reduce the overspend by £1.720m as

reported at month 6. The measures are having an impact with £0.720m of the required reduction now delivered, leaving a balance of £1.000m being required to produce a £2.233m deficit outturn.

- 10.4 The final month 9 report will advise of any further progress of mitigating factors and management actions to control and reduce the forecast deficit.
- 10.5 The reserves position is important in the context of financial resilience. Whilst the year started with healthy balances of earmarked reserves (£99.227m) and Revenue Grants Reserves (£10.731m), as advised in this report, net earmarked reserves of £26.382m and net Revenue Grant reserves of £5.492m are forecast to be called into support the 2022/23 budget. As highlighted in the table above, and previously reported, further adjustments including a Reserves and Provisions review has increased in year reserves by £6.588m, after which there is an anticipated combined reserves balance of £84.672m. It is also important to note that there is an already approved £9.942m use of reserves to balance the 2023/24 and 2024/25 budgets. At this level of utilisation, it is vitally important to minimise the use of reserves in year to maintain financial resilience of the Council.
- 10.6 The month 8 monitoring report is an important element of the 2023/24 budget setting process and provides a key indicator of the pressures that are likely to continue into 2023/24 and therefore need to be addressed. The information contained in this report has therefore confirmed the requirement to include additional resources for 2023/24. The main areas that have been updated to reflect 2022/23 spending and service delivery trends are Children's Social Care (aligned to the 12 December 2022 Cabinet Report Children's Services Investment Proposals), Adult Social Care, and budget reductions which have not been delivered as expected.

FINANCING OF THE 2022/23 BUDGET	Original Budget	Additions to Quarter 2	Additions to Month 8	Revised Budget
	£'000	£'000	£'000	£'000
Net Expenditure Budget	(260,686)			(260,686)
Financed by:				
Business Rates Top-up Grant	(42,923)			(42,923)
Grant in Lieu of Business Rates	(19,471)			(19,471)
Social Care Support Grant	(12,132)			(12,132)
Improved Better Care Fund Grant	(11,188)			(11,188)
2022/23 Services Grant	(4,467)			(4,467)
Independent Living Fund (ILF) Grant	(2,580)			(2,580)
Housing Benefit Administration Grant	(824)			(824)
Council Tax Administration Grant	(371)			(371)
Market Sustainability and Fair Cost of Care Fund	(758)	758		0
Local Authority Domestic Abuse Duty Grant	(580)	580		0
Lower Tier Services Support Grant	(437)			(437)
New Homes Bonus Grant	(562)			(562)
Revenue and Benefits Service New Burdens Grant	(13)	(78)		(91)
School Improvement Monitoring and Brokerage Grant		(44)	(66)	(110)
Verify Earnings and Pension Service Grant		(19)		(19)
Rough Sleeping Drug & Alcohol Treatment Grant		(603)	171	(432)
Capital Grants		(3,936)	(6,841)	(10,777)
Botox and Fillers Childrens Act Grant		(8)		(8)
Substance Misuse Treatment and Recovery Funding Grant		(505)		(505)
Adult Social Care charging reform: implementation support funding		(99)		(99)
Extended Rights to Free Travel Grant		(49)		(49)
Homes for Ukraine Grant		(441)		(441)
Temporary Pavement Licensing New Burden Grant		(8)		(8)
Family Court Fees - New Burdens Grant		0	(9)	(9)
Family Annexe Council Tax Discount Grant		0	(4)	(4)
Total Government Grant Funding	(96,306)	(4,453)	(6,749)	(107,507)
Council Tax Income - General (Including parish precepts)	(90,697)			(90,697)
Council Tax Income - Adult Social Care Precept	(12,549)			(12,549)
Collection Fund - Council Tax Deficit 2020/21	2,192			2,192
Collection Fund - Council Tax Surplus 2021/22	(1,307)			(1,307)
Collection Fund Deficit	13,092	(4,285)		8,807
Retained Business Rates	(51,850)			(51,850)
Total Locally Generated Income	(141,119)	(4,285)	0	(145,404)
Total Grant and Income	(237,425)	(8,738)	(6,749)	(252,911)
Use of General Earmarked Reserves	(10,074)			(10,074)
Use of Specific Earmarked Reserves	(1,805)			(1,805)
Use of Earmarked Reserves - Collection Fund	(13,092)	4,285		(8,807)
Transfer to Earmarked Reserves - Business Rates	1,710			1,710
Retention Pilot Gain				
Total Use of Reserves	(23,261)	4,285	0	(18,976)
Total Financing	(260,686)	(4,453)	(6,749)	(271,887)

Appendix 2- Analysis of Grants

Grant Name	Grant Type	Carried Forward from 2021/22 £000	New Allocations 2022/23 £000	Forecast £000
Community Health and Adult Social Care				
Market Sustainability and Fair Cost of Care Fund	Govt.	0	(758)	(758)
Changing Futures in GM	Govt.	0	(322)	(322)
Community Discharge Grant	Govt.	0	(1,327)	(1,327)
Better Care Fund	Other	0	(14,438)	(14,438)
Adult Social Care Discharge Fund- OMBC	Govt.	0	(935)	(935)
Adult Social Care Discharge Fund- GM Integrated Care Board	Govt.		(1,638)	(1,638)
Balance: Grants less than £0.150m	Govt.	0	(19)	(19)
Sub Total		0	(19,437)	(19,437)
Children's Services				
PFI Credits (2 contracts)	Govt. (x2)	0	(8,891)	(8,891)
Staying Put Grant	Govt.	0	(201)	(201)
Skills Funding Agency Adult Education Grant	Govt.	0	(2,852)	(2,852)
Holiday Activities and Food Grant	Govt.	0	(1,166)	(1,166)
Youth Justice Board Grant	Govt.	0	(496)	(496)
Support to Victims of Domestic Abuse within Safe Accommodation	Govt.	0	(580)	(580)
Virtual School Head Extension	Govt.	0	(150)	(150)
Unaccompanied Asylum Seeking Children and Care Leavers	Govt. (x2)	0	(808)	(808)
Family Hubs and Start for Life programme	Govt.	0	(848)	(848)
Kickstart Grant	Other	0	(186)	(186)
Balance: Government Grants less than £0.150m	Govt. (x11)	(137)	(507)	(644)
Sub-Total		(137)	(16,687)	(16,824)
Public Health				
PFI Credits	Govt.	0	(1,803)	(1,803)
Additional Drug Treatment Crime and Harm Reduction	Govt.	(297)	0	(297)
Balance: Grants less than £0.150m	Govt. (x3)	(68)	(194)	(262)
Sub -Total		(365)	(1,998)	(2,363)
Communities				
Serious Violence Grant	Govt.	0	(175)	(175)
Community Safety	Other	(171)	(372)	(543)
Balance: Grants less than £0.150m	Govt. (x4) Other (x1)	(115)	(116)	(231)
Sub-Total		(286)	(663)	(949)
Place and Economic Growth				
PFI Credits	Govt.	0	(2,471)	(2,471)
Homelessness Prevention Grant	Govt.	0	(553)	(553)
A Bed Every Night (ABEN)	Govt.	0	(277)	(277)
Community Accommodation Services - Tier 3 Grant	Govt.	0	(296)	(296)
Sustainable Transport Fund	Govt.	0	(455)	(455)
Balance: Other Government Grants less than £0.150m	Govt. (x10)	(60)	(547)	(607)
Sub-Total		(60)	(4,599)	(4,659)
Corporate Services				
European Regional Development Fund	Other	0	(184)	(184)
Housing Support Fund	Govt.	0	(4,839)	(4,839)
Balance: Other Government Grants less than £0.150m	Govt. (x3)	0	(158)	(158)
Sub-Total		0	(5,181)	(5,181)
Total Ringfenced Grants include within the Net Revenue Budget		(848)	(48,565)	(49,413)
Housing Revenue Account				
PFI Credits (2 contracts)	Govt. (x2)	0	(18,799)	(18,799)
Total	64	(848)	(67,364)	(68,212)

Summary of 2022/23 Approved Budget Reductions and deliverability

Appendix 3

Community Health and Adult Social Care

Reference	Budget Reduction	Rating	Approved Budget Reduction £000	Deliverable £000	Shortfall £000
CSA-BR1-423	Maximising independence through alternative models of care	Amber	(1,000)	(1,000)	0
CSA-BR1-424	CHASC Workforce Reduction	Green	(50)	(50)	0
CSA-BR1-429	KeyRing	Green	(20)	(20)	0
CSA-BR1-430	Achieving Better Outcomes: Supported Living & Learning Disabilities	Amber	(500)	(500)	0
ASC-BR1-548	Smarter Ways of Working	Green	(100)	(100)	0
ASC-BR1-549	Income Maximisation for Adult Social Care	Green	(1,380)	(1,380)	0
ASC-BR1-550	CHASC 'Other' - General Operational	Green	(174)	(174)	0
ASC-BR1-551	Core Management Fee Reduction - MioCare Group	Green	(115)	(115)	0
ASC-BR1-553	Increasing Community Enablement Throughput	Green	(292)	(292)	0
ASC-BR1-554	Learning Disability Consultant Psychiatrist	Green	(73)	(73)	0
ASC-BR1-555	Supported Living Voids Budget	Green	(45)	(45)	0
ASC-BR1-556	Housing Related Support (Short Term Supported Housing)	Green	(225)	(225)	0
			(3,974)	(3,974)	0

Children's Services					
Reference	Budget Reduction	Rating	Approved Budget Reduction	Deliverable	Shortfall
			£000	£000	£000
CHS-BR1-441	Special Educational Needs & Disability (SEND) Education Provision	Green	(114)	(114)	0
CHS-BR1-443	External Placements Cost Avoidance	Red	(500)	0	500
CHS-BR1-445	Early Help Re-modelling	Green	(200)	(200)	0
PPL-BR1-504	Visit Oldham, Training Budget and Oldham Enterprise Trust	Green	(38)	(38)	0
CHS-BR1-532	Income Generation- Educational Psychologists/ QEST	Green	(150)	(150)	0
CHS-BR1-534	Virtual School Team Manager- Pupil Premium Plus	Green	(58)	(58)	0
CHS-BR1-535	Governor Services- Reduce Expenditure	Green	(15)	(15)	0
CHS-BR1-536	Oldham Learning reduced de-delegated funding	Green	(85)	(85)	0
CHS-BR1-537	General (non-staffing) Expenditure	Green	(10)	(10)	0
CHS-BR1-538	Early Years Staffing Reduction	Green	(21)	(21)	0
REF-BR1-527	Oldham Music Service - Fees & Charges	Green	(27)	(27)	0
CHS-BR1-539	Delete post-Designated Missing from Home	Green	(16)	(16)	0
CHS-BR1-540	Reduce FTE of Children with Disabilities (CWD) Team	Green	(26)	(26)	0
CHS-BR1-541	Delete Post- Corporate Parenting Manager	Green	(54)	(54)	0
CHS-BR1-542	Delete 2 Social Workers from the Adoption Service	Green	(83)	(83)	0
CHS-BR1-545	Do not renew MOMO	Green	(10)	(10)	0
CHS-BR1-547	Savings on Targeted Youth Lot 3	Green	(25)	(25)	0
			(1,432)	(932)	500

Public Health					
Reference	Budget Reduction	Rating	Approved Budget Reduction £000	Deliverable £000	Shortfall £000
REF-BR1-521	Smoking in Pregnancy Midwife	Green	(50)	(50)	0
REF-BR1-522	Medicines Management	Green	(10)	(10)	0
REF-BR1-523	NHS Health Checks EMIS Contract	Green	(32)	(32)	0
REF-BR1-524	Sexual Health - Various	Green	(245)	(245)	0
REF-BR1-525	Public Health Staffing	Green	(112)	(112)	0
REF-BR1-526	Get Oldham Growing	Green	(62)	(62)	0
REF-BR1-528	Oldham Theatre Workshop - Fees & Charges	Green	(11)	(11)	0
			(522)	(522)	0.0

Communities					
Reference	Budget Reduction	Rating	Approved Budget Reduction £000	Deliverable £000	Shortfall £000
REF-BR1-519	Electric Cars	Green	(18)	(18)	0
REF-BR1-520	Reduction of FTE in Community Safety Services	Green	(45)	(45)	0
			(63)	(63)	0.0

Place and Economic Growth					
Reference	Budget Reduction	Rating	Approved Budget Reduction £000	Deliverable £000	Shortfall £000
PPL-BR1-401	Creating a Better Place - Projects & Assets	Amber/Red	(2,620)	(708)	1,912
PPL-BR1-403	Digital Mail	Green	(100)	(100)	0
PPL-BR1-501	Creating a Better Place - Income Generation	Amber/Red	(100)	(0)	100
PPL-BR1-502	Additional Income Generation from new Flexi Parking Permit	Green	(75)	(75)	0
PPL-BR1-506	Cemetery and Cremations	Green	(118)	(118)	0
PPL-BR1-507	Highways and Highways Unity	Green	(245)	(245)	0
PPL-BR1-508	Increase External Customer Base - Trade Waste	Green	(32)	(32)	0
PPL-BR1-509	Increase Trade Fees and Charges - Trade Waste	Green	(74)	(74)	0
PPL-BR1-510	Public Protection Restructures - Environmental Health & First Response	Green	(37)	(37)	0
PPL-BR1-511	Public Protection Restructures - Building Control	Green	(23)	(23)	0
PPL-BR1-503	Planning Income Fees	Green	(50)	(50)	0
PPL-BR1-504	Visit Oldham, Training Budget and Oldham Enterprise Trust	Green	(18)	(18)	0
PPL-BR1-505	Corporate Landlord and Facilities Management	Green	(120)	(120)	0
			(3,612)	(1,600)	2,012

Corporate Services					
Reference	Budget Reduction	Rating	Approved Budget Reduction £000	Deliverable £000	Shortfall £000
PPL-BR1-439	Internal Efficiency Initiatives (Unity Partnership)	Amber/Red	(363)	0	363
CEX-BR1-513	Review of Executive Support Service	Green	(45)	(45)	0
CEX-BR1-514	Chief Executive Management	Green	(186)	(186)	0
CEX-BR1-515	Elections	Green	(15)	(15)	0
CEX-BR1-516	Finance Service	Green	(180)	(180)	0
CEX-BR1-516	Finance Service	Green	(199)	(199)	0
PPL-BR1-512	Information and Communications Technology (ICT)	Amber/Red	(20)	0	20
REF-BR1-529	Human Resources & Organisational Development	Amber/Red	(250)	(229)	21
REF-BR1-530	Transformation & Reform - Vacant Posts Deletion	Green	(124)	(124)	0
			(1,382)	(978)	404

Capital, Treasury and Technical Accounting					
Reference	Budget Reduction	Rating	Approved Budget Reduction £000	Deliverable £000	Shortfall £000
CEX-BR1-518	Treasury Management	Green	(750)	(750)	0
			(750)	(750)	0

CAPITAL INVESTMENT PROGRAMME REPORT 2022/23

Month 8 - November 2022

1 Background

- 1.1 The original capital programme for 2022/23 reflected the priorities outlined in the capital strategy as approved at Cabinet on 14 February 2022 and confirmed at the Council meeting on 2 March 2022 as detailed in Table 1 below.

Table 1 : Original Budget - Capital Programme 2022/23 to 2026/27

2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	TOTAL £000
100,248	86,993	64,253	48,810	47,083	347,387

2 Current Position

- 2.1 The position as at 30 November 2022 is highlighted in this report but as the year concludes the outturn projections will reflect the evolving position.
- 2.2 Table 2 shows the revised capital programme for 2022/23 as at 30 November 2022 at an overall expenditure level of £59.113m, following a number of changes explained in the following paragraphs.
- 2.3 Actual expenditure to 30 November 2022 was £29.531m (49.96% of forecast outturn). This spending profile is lower than in previous years. The position will be kept under review and budgets will be managed in accordance with forecasts.
- 2.4 For the remainder of the financial year, the programme will continue to be monitored and revised to take account of any new developments and changes in the profile of planned expenditure.

Table 2 – 2022/23 Capital Programme

Directorate	Revised Budget (M06) £000	Approved Virements (to M08) £000	Proposed Virement/ Rephase £000	Revised Budget (M08) £000	Forecast £000	Variance £000
Community Health and Adult Social Care	1,868	24	474	2,366	2,366	-
Children's Services	7,686	158	(1,132)	6,712	6,712	-
Communities	446	-	(250)	196	196	-
Place and Economic Growth	49,068	722	(6,151)	43,639	43,639	-
Housing Revenue Account (HRA)	571	-	(571)	-	-	-
Corporate/ Information Technology (IT)	4,679	217	(1,195)	3,701	3,701	-
Capital, Treasury & Technical Accounting	4,000	-	(1,500)	2,500	2,500	-
Funding for Emerging Priorities	-	-	-	-	-	-
Overall Total	68,318	1,121	(10,325)	59,113	59,113	-

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

2.5 The approved movements of £1.121m are detailed in Table 3 below and the proposed budget change of £10.325m in 2022/23 are presented at Appendix I. The updated forecast for 2022/23 capital expenditure of £59.113m forms the starting point for assessing the changes to the Capital Strategy. Table 4 therefore sets out the 2022/23 position and the forecasts for the Capital Strategy extended to 2027/28 to align with the 2023/24 to 2027/28 Capital Strategy report elsewhere on the agenda.

Table 3

£000's	Project
652	Bee Network Crossing (New Grant funding)
57	Additional grant funding – Goldburn Clough
(4)	Unutilised grant – Oasis Leesbrook
174	Family Hubs (New Grant funding)
217	Additional grant funding – GM Fibre
1	Public Right of Way (Revenue contribution to scheme)
23	Disabled Facilities Grant – Private Contributions
1,121	Total approved movements

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

2.6 Although this is the position at Month 8, there still remains an element of uncertainty about the 2022/23 position and it is inevitable that this will change in the remaining months; that said the forecasts are based on the latest and most up to date information and give a better picture of the likely outturn.

Re-profiling of the Capital Programme

2.7 The revised capital programme for 2022/23 to 2027/28, taking into account all amendments in arriving at the revised forecast position, is shown in Table 4 together with the projected financing profile.

Table 4 – 2022/2027 Capital Programme

Directorate Budget	Revised Budget 2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	Total £000
Community Health and Adult Social Care	2,366	2,343	2,343	1,826	400	0	9,278
Children's Services	6,712	9,930	4,522	1,691	1,500	1,500	25,855
Communities	196	400	100				696
Place and Economic Growth	43,639	71,148	69,051	24,540	36,507	3,054	247,939
Housing Revenue Account	0	1,000	500	95	0	0	1,595
Corporate/ Information Technology	3,701	5,957	3,960	2,650	2,150	0	18,418
Capital, Treasury & Technical Accounting	2,500	4,238	2,738	234	10,120	0	19,830
Funding for Emerging Priorities	0	1,493	15,624	13,836	4,885	0	35,838
Overall Total	59,113	96,509	98,838	44,872	55,562	4,554	359,449

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

Funding	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	Total £000
Grants and Other Contributions	(37,327)	(29,522)	(31,129)	(3,713)	(5,554)	(3,054)	(110,299)
Prudential Borrowing	(15,533)	(59,041)	(63,721)	(40,008)	(49,038)	(1,500)	(228,841)
Revenue Contribution	(90)	(1,000)	(500)	(95)	0	0	(1,685)
Capital Receipts	(6,163)	(6,946)	(3,488)	(1,056)	(970)	0	(18,623)
Overall Total	(59,113)	(96,509)	(98,838)	(44,872)	(55,562)	(4,554)	(359,449)

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

- 2.8 Since Month 6, the total value of the capital programme has decreased by a net £1.533m. The significant movements are the removal of HRA funding of £18.879m, additional transport grants of £7.579m and additional capital receipts of £8.661m.

Capital Receipts

- 2.9 The revised capital programme requires the availability of £6.163m of capital receipts in 2022/23 for financing purposes. The total net usable capital receipts currently received in year is £2.663m. The first £2.500m of capital receipts has been earmarked to be used to provide funding under the flexible use of capital receipts initiative.
- 2.10 The capital receipts position as at 30 November 2022 is therefore as follows:

Table 5 – Capital Receipts 2022/23

	£000	£000
Capital Receipts Financing Requirement		6,163
Usable Capital Receipt b/fwd.	-	
Actual received to date	(2,663)	
Further Required in 2022/23		3,500

- 2.11 Given the significant amounts of receipts needed to finance the capital programme in this and future years it is imperative that the capital receipts/disposal schedule is adhered to. This is monitored at the monthly Capital Receipts meeting and will be subject to on-going review for the remainder of the year and beyond. It is of course recognised that the lasting effects of the pandemic has had an impact of business/economic activities making capital disposals more challenging.
- 2.12 The 2022/23 to 2026/27 Capital Strategy and Capital Programme introduced an expectation of the level of receipts that is anticipated in each of the respective years and therefore an estimate as to the resultant level of over or under programming in order to present a balanced programme.

Table 6 – Capital Receipts 2022/27

Capital Receipts	2022/23	2023/24	2024/25	2025/26	2026/27
	£000	£000	£000	£000	£000
Capital Receipts Carried Forward	-	1,092	1,081	(931)	(4,375)
Estimated Capital Receipts Received in year	(2,408)	(6,957)	(5,500)	(4,500)	(3,250)
Total Receipts	(5,071)	(5,865)	(4,419)	(5,431)	(7,625)
Capital Receipts Financing Requirement	6,163	6,946	3,488	1,056	970
Over/(Under) programming	1,092	1,081	(931)	(4,375)	(6,655)

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

- 2.13 There is a projected shortfall in the capital receipts for the current year (2022/23) and 2023/24, the position changes to a projected surplus in 2024/25 and future years. Officers will look to accelerate the disposal of some assets to minimise any shortfall. This position will be kept under review.

3 **Conclusion**

- 3.1 The capital programme has seen considerable reprofiling in year and expenditure to date is comparatively low. Therefore, the revised forecast spending level for 2022/23 will be closely monitored to ensure that any further changes are reflected in the month 9 report.

4 **Appendices**

- 4.1 Appendix A - SUMMARY – Month 8 - Community Health and Adult Social Care
 Appendix B - SUMMARY – Month 8 - Children’s Service
 Appendix C - SUMMARY – Month 8 - Communities
 Appendix D - SUMMARY – Month 8 - Place and Economic Growth
 Appendix E - SUMMARY – Month 8 - Housing Revenue Account (HRA)
 Appendix F - SUMMARY – Month 8 - Corporate/Information Technology
 Appendix G - SUMMARY – Month 8 - Capital Treasury and Technical Accounting
 Appendix H - SUMMARY – Month 8 - Funding for Emerging Priorities
 Appendix I - SUMMARY – Month 8 - Proposed Changes

SUMMARY – Month 8 (November 2022) - Community Health and Adult Social Care

Service area	Revised Budget (M06) £000	Approved Changes /Virements (to M08) £000	Proposed Virement (M08) £000	Revised Budget (M08) £000	Forecast £000	Year End Variance £000
Adult Services	1,868	24	474	2,366	2,366	-
Community Health and Adult Social Care Total	1,868	24	474	2,366	2,366	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Month 8 (November 2022) – Children’s Service

Service area	Revised Budget (M06) £000	Approved Changes /Virements (to M08) £000	Proposed Virement (M08) £000	Revised Budget (M08) £000	Forecast £000	Year End Variance £000
Childrens, Young People and Families (CYPF)	-	174	-	174	174	
Schools - General Provision	529	-	(100)	429	429	-
Schools - Primary	2,564	(16)	(532)	2,016	2,016	-
Schools - Secondary	4,589	-	(500)	4,090	4,090	-
Schools - Special	3	-	-	3	3	-
Schools New Build	-	-	-	-	-	-
Children’s Service Total	7,686	158	(1,132)	6,712	6,712	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Month 8 (November 2022) – Communities

Service area	Revised Budget (M06) £000	Approved Changes /Virements (to M08) £000	Proposed Virement (M08) £000	Revised Budget (M08) £000	Forecast £000	Year End Variance £000
Local Investment Fund	446	-	(250)	196	196	-
Communities Total	446	-	(250)	196	196	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Month 8 (November 2022) – Place and Economic Growth

APPENDIX D

Service area	Revised Budget (M06) £000	Approved Changes /Virements (to M08) £000	Proposed Virement (M08) £000	Revised Budget (M08) £000	Forecast £000	Year End Variance £000
Asset Mgt - Asset Management	5,233	-	(2,420)	2,813	2,813	-
Asset Mgt - Education Premises	2,158	16	(774)	1,400	1,400	-
Boroughwide Developments	10,264	-	(2,200)	8,064	8,064	-
Development	12	-	-	12	12	-
Boroughwide Projects	80	-	-	80	80	-
Cemeteries and Crematorium	9	-	-	9	9	-
Countryside	155	-	-	155	155	-
Parks	177	-	(35)	142	142	-
Playing Fields & Facilities	2	-	-	2	2	-
Parks & Playing Fields	13	-	-	13	13	-
Private Housing - HMRF	129	-	-	129	129	-
Private Housing - Non-HMRF	63	-	-	63	63	-
Strategic Acquisitions	-	-	250	250	250	-
Public Realm	75	-	-	75	75	-
Town Centre Developments	14,630	-	(522)	14,108	14,108	-
Accident Reduction	1,699	-	47	1,746	1,746	-
Bridges & Structures	3,602	-	(159)	3,443	3,443	-
Fleet Management	1,443	-	-	1,443	1,443	-
Highway Major Works/Drainage schemes	4,737	1	(381)	4,357	4,357	-
Minor Works	469	652	(100)	1,021	1,021	-
Miscellaneous	4,120	53	144	4,317	4,317	-
Street Lighting	-	-	-	-	-	-
Place and Economic Growth Total	49,068	722	(6,151)	43,639	43,639	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Month 8 (November 2022) - Housing Revenue Account (HRA)

Service area	Revised Budget (M06) £000	Approved Changes /Virements (to M08) £000	Proposed Virement (M08) £000	Revised Budget (M08) £000	Forecast £000	Year End Variance £000
Housing Revenue Account	571	-	(571)	-	-	-
HRA Total	571	-	(571)	-	-	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Month 8 (November 2022) – Corporate/Information Technology (IT)

Service area	Revised Budget (M06) £000	Approved Changes /Virements (to M08) £000	Proposed Virement (M08) £000	Revised Budget (M08) £000	Forecast £000	Year End Variance £000
Information Technology	4,679	217	(1,195)	3,701	3,701	-
Information Technology Total	4,679	217	(1,195)	3,701	3,701	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Month 8 (November 2022) – Capital Treasury and Technical Accounting

Service area	Revised Budget (M06) £000	Approved Changes /Virements (to M08) £000	Proposed Virement (M08) £000	Revised Budget (M08) £000	Forecast £000	Year End Variance £000
Cross Cutting /Corporate	4,000	-	(1,500)	2,500	2,500	-
Capital Treasury and Technical Accounting Total	4,000	-	(1,500)	2,500	2,500	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Month 8 (November 2022) - Funding for Emerging Priorities

Service area	Revised Budget (M06) £000	Approved Changes /Virements (to M08) £000	Proposed Virement (M08) £000	Revised Budget (M08) £000	Forecast £000	Year End Variance £000
Funding for Emerging Priorities	-	-	-	-	-	-
Funding for Emerging Priorities Total	-	-	-	-	-	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Month 8 (November 2022) Proposed Changes

EXPENDITURE BUDGETS TO BE REPROFILED AS AT 30 NOVEMBER 2022	2022/23	2023/24	2024/25	2025/26	2026/27	Comments
Directorate / Scheme	£000	£000	£000	£000	£000	
Community Health and Adult Social Care						
Disabled Facilities Grant (DFG)	474			(474)		Acceleration of grant
Community Health and Adult Social Care TOTAL	474			(474)		
Children's Service						
Special Provision Capital Fund (SPCF) General Provision	(100)		100			Rephase to future years
Northmoor Academy Nursery Expansion	(167)					Grant no longer needed
Royton Hall classroom conversion	(100)	100				Rephase to future years
St Margaret's School - Additional Classroom Extension	(265)	265				Rephase to future years
Essential Condition Works – General Provision	(100)	100				Rephase to future years
Crompton House – Additional 4FE	(400)	400				Rephase to future years
Children's Service TOTAL	(1,133)	865	100			
Communities						
Local Investment Fund	(250)		250			Rephase to future years
Communities TOTAL						
Place and Economic Growth						
Royton Town Hall	(2,000)	2,000				Rephase to future years
Cemetery Pathways	100	(100)				Acceleration from future years
Boroughwide - Flood Damaged Walkways/ Footpaths, Bridges & Retaining Structures	(300)	300				Rephase to future years
Alexandra Park Electrical Upgrade	(250)	250				Rephase to future years

Moorhey Street Electrical Upgrade	50	(50)		Acceleration from future years
Medlock Court Electrical/Fire Alarm Upgrade	50	(50)		Acceleration from future years
St Johns Church Yard Demolition	(70)	70		Rephase to future years
Community Schools Kitchens - Equipment Upgrade	(90)	90		Rephase to future years
Hey with Zion - Heating replacement	(229)	229		Rephase to future years
Castleshaw Centre - Climbing Frame Repairs	(75)	75		Rephase to future years
Christ Church Denshaw Heating Replacement	(20)	-	20	Rephase to future years
Delph Primary Electrical Rewire	(20)	-	20	Rephase to future years
Mather Street Electrical Rewire	(30)	-	30	Rephase to future years
Beever Street Heating Replacement	(20)	-	20	Rephase to future years
Bare Trees Primary Electrical Rewire	(20)	-	20	Rephase to future years
Friezland Primary Electrical Rewire	(250)	250		Rephase to future years
Horton Mill Electrical Rewire	(20)	-	20	Rephase to future years
Hollinwood / Langtree Regeneration	-	(147)		Removal of surplus budget
Alexandra Park Depot	(1,500)	1,500		Rephase to future years
Northern Roots	(700)	700		Rephase to future years
LIF - Westminster Gardens	(34)	34		Rephase to future years
Royton Park improvements to play facilities	(1)	1		Rephase to future years
Strategic Acquisitions- General Provision	250	(250)		Acceleration from future years
Egyptian Room	(522)	522		Rephase to future years
ATF - School Streets	35			New grant funding
St Marys Primary, Greenfield - School Safety Zone	13	(8)		Acceleration from future years & Additional grant funding
King Street Roundabout Footbridge	(9)	9		Rephase to future years
Park Bridge NCN 626 to Ashton	(48)	48		Rephase to future years
Waterloo & Wellington Bridges	(102)	102		Rephase to future years
Oldham Town Centre Improvements	(496)	496		Rephase to future years
Royton Town Centre Connection	(19)	19		Rephase to future years
Park Road NCN 626 to Town Centre	(57)	(280)	337	Rephase to future years

CRSTS QBT Corridor Scheme	190	442				New Grant Funding
Bee Network Crossings	(200)	200				Rephase to future years
Church Road, Shaw - Highway Imps	100					New Grant Funding
Market Hall Connectivity Improvements	(125)	125				Rephase to future years
Southlink Traffic Signal Junction	269	(269)				Acceleration from future years
Place and Economic Growth TOTAL	(6,150)	6,308	467			
Housing Revenue Account (HRA)						
HRA Capital Strategy	(571)	571				Rephase to future years
Housing Revenue Account (HRA) TOTAL	(571)	571				
Corporate / Information Technology						
GM Fibre / Local Full Fibre Network	217					Additional Grant Funding
Various IT projects	(1,195)	542	50	450	160	Rephase to future years
Corporate / Information Technology TOTAL	(978)	1,195				
Capital, Treasury & Technical Accounting						
Strategic Investment	(1,500)	1,500				Rephase to future years
Capital, Treasury & Technical Accounting TOTAL	(1,500)	1,500				
TOTAL	(10,325)	9,786	867	(24)	160	

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

FINANCING BUDGETS TO BE REPROFILED AS AT 30 NOVEMBER 2022	2022/23	2023/24	2024/25	2025/26	2026/27
Fund Source	£000	£000	£000	£000	£000
Grants and Contributions	2,489	(2,966)	(567)	474	
Prudential Borrowing	8,198	(6,120)	(300)	(450)	(160)
Revenue Contribution	436	(471)			
Capital Receipts	(798)	(230)			
TOTAL	10,325	(9,786)	(867)	24	(160)

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

Report to the Policy Overview and Scrutiny Committee

Revenue Budget 2023/24 and 2024/25 and Medium Term Financial Strategy 2023/24 to 2027/28

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

Officer Contact: Anne Ryans, Director of Finance

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Ext. 4902

26 January 2023

Reason for Decision

To provide the Policy Overview and Scrutiny Committee with the budget reduction requirement and the Administration's budget proposals for 2023/24 and a forecast of the 2024/25 position having regard to the Provisional Local Government Finance Settlement (PLGFS) published on 19 December 2022. The report also presents the financial forecasts for the remainder of the Medium Term Financial Strategy (MTFS) period 2025/26, 2026/27 and 2027/28.

Executive Summary

This report presents the Council's Revenue Budget for 2023/24 together with the budget reduction requirement and the Administration's budget proposals for 2023/24 including Council Tax intentions. It also provides a forecast of the 2024/25 position and the financial forecasts for the remainder of the MTFS period, 2025/26, 2026/27 and 2027/28.

This report updates the financial position presented to Cabinet on 12 December 2022 using information from the PLGFS published on 19 December 2022 and the month 8 financial monitoring forecasts.

Section 1 presents an introduction to the report and explains the report format.

Section 2 sets out key Council Policies and Strategies including the Co-operative Council Values, Corporate Plan, Constitution and Rules of Procedure, as the framework within which the Budget has been prepared.

Section 3 presents Local Government Finance developments which have an impact on 2023/24 and future years budgets. It also highlights the Chartered Institute of Public Finance and Accountancy (CIPFA) Financial Resilience Index, the CIPFA Financial Management Code and a commentary on financial resilience, all of which are of importance when considering the Council's financial standing in the context of budget setting for 2023/24 and future years.

Section 4 presents the Local Government Finance Policy Statement 2023/24 and 2024/25 which set out the Government's intentions to assist financial planning for Councils. It confirmed the PLGFS for both 2023/24 and 2024/25 would be single year Settlements and that reforms to redistribute funds such as the Review of Relative Needs and Resources (Fair Funding Review) would not progress until 2025/26 at the earliest.

Section 5 details the impact of the 2023/24 PLGFS which was the fifth consecutive one-year Settlement. This included key information in relation to overall funding levels, Council Tax referendum limits and grants for 2023/24.

Section 6 presents the 2022/23 revised budget and year end forecasts. The starting point for preparing the 2023/24 revenue budget estimates is the underlying base budget of £250.517m. The 2022/23 revenue budget forecast outturn position highlights a current unfavourable projected variance for 2022/23 of £2.233m but the commentary advises that this may be improved by the continuation of management action to control expenditure in year. The month 6 monitoring position was used to inform key budget pressures in the budget update report presented to Cabinet on 12 December 2022. The month 8 position highlights some further issues that require inclusion in the 2023/24 budget.

Sections 7 to 9 set out how the expenditure pressures that contribute to the budget gap have been determined since the update to Cabinet on 12 December 2022.

- Section 7 summarises the revisions to the estimates since the budget gap of £27.975m for 2023/24 and £14.575m for 2024/25 was presented to Cabinet on 12 December 2022. It highlights that a direct comparison would show a budget gap of £20.377m for 2023/24 and £9.512m for 2024/25. These budget gaps represent the position after the use of some reserves. In order to allow budget reductions and the total use of reserves to be the final element in balancing the budget, the forecast net gap/budget reduction requirement before the use of reserves of £29.276m is being used as the starting position from which the 2023/24 budget will be balanced, with £13.445m used as the starting position for the final changes to the 2024/25 budget (as illustrated at Table 7).
- Section 8 presents a range of expenditure pressures that contribute to the budget gap. In total they contribute £45.913m to the 2023/24 position, a change of only £1.193m compared to the position reported in December 2022. The expenditure pressures for 2024/25 are projected at £14.697m. The main pressures arise from

pay, energy, contractual and service inflation and demand for both Adults and Children's Social Care service provision.

- Section 9 sets out the forecast impact of the payment of levies and contributions to the Greater Manchester Combined Authority (GMCA) and a levy to the Environment Agency (EA). It shows an increase in expenditure of £1.925m in the 2023/24 budget forecast compared to the December 2022 position but advises that £1.044m of reserve resources refunded to the Council by GMCA in 2022/23 can be used to offset some of this increase. The final levies position will be confirmed during February 2023.

Sections 10 and 11 present the impact of the PLGFS announced on 19 December 2022 and income related adjustments to the estimates. In this regard:

- Section 10 provides a commentary on the unringfenced grants announced by or derived from the PLGFS. A summary of all grants notified or anticipated as included in the PLGFS totalled £107.942m which is £3.009m higher than the forecasts previously presented.
- Section 11 outlines the main ringfenced grants that must be used in accordance with specific guidance but nonetheless help the Council deliver its services. Two specific Adult Social Care grants are detailed in this section and this funding has been used as a contribution to support the Council's 2023/24 and 2024/25 budgets. The funding available from these grants in 2023/24 has increased by £0.748m compared to the December 2022 position.

Section 12 sets out how the Locally Generated Income from both Business Rates and Council Tax will support the Council budget. The PLGFS confirmed referendum limits for a general purpose Council Tax increase of up to 3% each year from April 2023 without the need to hold a referendum. In addition the threshold for Adult Social Care Precept (ASCP) increases to a maximum of 2% each year from April 2023. There remains a requirement to evidence that the funds generated from this precept are used for Adult Social Care expenditure.

- Paragraphs 12.3 to 12.13 set out the income to support the budget from Retained Business Rates and how this helps to reduce the level of budget reductions required. In total, Retained Business Rates income has increased from £48.429m to £52.679m. There is a general uplift of £0.070m compared to the December 2022 forecast but most of the increase (£4.180m) relates to confirmation in the PLGFS that the piloting of 100% Business Rates Retention will continue into 2023/24. The Council can take the benefit of a pilot gain of £3.135m but the GMCA is entitled to part of this increase in Business Rates Income of £1.405m. The Business Rates income figure could be revised as it is only finalised when the Council submits its NNDR1 Government return by 31 January 2023. The Business Rates figure must therefore be considered provisional at this time.
- Paragraphs 12.17 to 12.46 present the Council Tax position for 2023/24. It advises that:
 - The Council Tax Tax Base is 58,500 which is no change from the position assumed in December 2022.

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- Council Tax policy has changed (subject to confirmation at Budget Council on 1 March 2023). Rather than only a 1.99% general purposes Council Tax increase, there is a proposal to introduce a 2% increase for the Adult Social Care Precept.
 - An increase of 3.99% would not require a Council Tax referendum as it would be within the referendum criteria issued by the Government in the PLGFS.
 - The Council proposes to remove the Council Tax Empty Property Discount and increasing the Empty Property Premium.
 - Total Council Tax to be generated for use by the Council based on the Tax Base and the 3.99% increase is £108.995m in 2023/24.
 - No adjustment has been made to Council Tax levels for precepting Authorities or Parish Councils. Respective Council Tax levels for 2023/24 will be confirmed during January or February 2023.

Section 13 outlines the impact of Collection Fund (the ringfenced account within which Council Tax and Business Rates are managed). The 2022/23 Collection Fund forecast outturn projection as outlined in the month 8 financial monitoring report produces a net surplus of £4.179m of which £4.130m is Oldham Council's share and will be available to support the 2023/24 revenue budget.

Section 14 outlines the review of previously approved 2023/24 and 2024/25 Budget Reductions agreed in the 2021/22 and 2022/23 Revenue Budget Reports and advises that there has been some reprofiling of anticipated benefits.

Section 15 outlines the proposal to use capital receipts flexibly to finance expenditure leading to transformation in the sum of £2.600m for 2023/24 and a further £2.600m in 2024/25.

Section 16 details the revision to estimates for the financial years 2023/24 to 2024/25 compared to the position previously reported to Cabinet on the 12 December 2022. This presents a revised budget reduction requirement (before the use of reserves) of £29.276m for 2023/24 and £13.445m for 2024/25.

Having regard to the proposed increase in Council Tax, Section 17 presents the Administration's approach to balancing the budget for 2023/24 via the budget reduction process. There are a total of 45 proposals presented in accordance with Political Portfolios. These are expected to deliver savings totalling £16.313m and have an FTE impact of 7 in 2023/24. The proposals also have an impact on 2024/25 of £7.575m (and a further £1.135m in 2025/26). All the proposals are presented in summary at **Appendix 5** and in detail at **Appendix 6**.

Assuming approval of the 2023/24 budget reduction proposals and taking into account the impact of one-off budget reduction proposals, the budget reduction requirement for 2023/24 reduces to £12.963m and 2024/25 to £10.670m.

Section 18 advises how the budget for 2023/24 is balanced and the final position for 2024/25 as follows:

- The first step in balancing 2023/24 is however, to increase the budget gap by introducing a contribution to reserves in 2023/24 of £1.045m, payable to the GMCA in relation to 100% Business Rates Pilot Gain.

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- This increases the budget gap to £14.008m which is then balanced by the use of:
 - £6.000m general reserves (approved as part of the 2022/23 budget);
 - £2.900m of earmarked reserves as approved at Cabinet on 12 December 2022 to pump prime initiatives in Children's Social Care;
 - £1.044m of reserves created from resource returned by the GMCA in 2022/23; and
 - Additional general reserves of £4.064m to balance the 2023/24 budget.
 - After all the budget adjustments and impact of the use of reserves to balance 2023/24, there remains a budget gap still to be addressed of £10.801m for 2024/25.

Section 19 presents the expected level of reserves at the end of 2022/23 at £78.555m and how they support the 2023/24 budget including the balancing budget reserve for 2023/24.

Section 20 presents the Statement of Robustness, a requirement under Section 25 of the Local Government Finance Act 2003 which is the assurance by the Director of Finance on the robustness of the estimates used for the purposes of the revenue budget calculations and the adequacy of proposed reserves and balances. Balances are recommended at £20.012m. The Director of Finance is able to provide Members with the necessary assurances. A more detailed commentary is provided at Appendix 9.

Section 21 sets out the proposed fees and charges for the financial year 2023/24.

Section 22 and 23 sets out the Medium Term Financial Strategy covering the financial years 2024/25 to 2027/28 including the plans for the transformation programme that will deliver the savings required to balance the budgets in future years.

Section 24 sets out the Council's Pay Policy Statement in accordance with the requirements of Section 38 to 43 of the Localism Act 2011, which requires full Council approval.

Sections 25 to the end of the report include options to consider, consultation comments and Legal and Procurement comments in accordance with standard practice.

Given the importance of delivering budget reductions and embedding the programme of transformational change, during 2023/24, there will be a regular review of the progress of existing change programmes against the delivery milestones and financial targets. It will also ensure that there is continuous emphasis on the delivery of change and the achievement of the budget reductions required in line with the three year strategy.

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

Recommendations

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

- 1 The policy landscape and context in which the Council is setting its revenue budget for 2023/24;
- 2 The financial forecasts for 2023/24 and 2024/25 having regard to the Provisional Local Government Finance Settlement and associated funding announcements;
- 3 Revisions to Budget Reductions approved in 2021/22 and 2022/23 resulting in a value of £3.655m for 2023/24 and £5.700m for 2024/25;
- 4 The Flexible Use of Capital Receipts at a value of £2.600m for 2023/24 and 2024/25;
- 5 A proposed overall 2023/24 Council Tax increase of 3.99% for Oldham Council services (1.99% for general purposes and 2% Adult Social Care Precept) resulting in the charges set out at Table 15 of the report;
- 6 The 2023/24 Budget Reduction proposals at a value of £16.313m with a further £7.575m for 2024/25 and £1.135m for 2025/26;
- 7 The proposed use of £14.008m of reserves to balance the 2023/24 budget and a transfer to reserves of £1.045m for Retained Business Rates;
- 8 The proposal to draw on the Collection Fund for major preceptors of £128.374m for Borough Wide services and £108.995m for Council services (subject to confirmation);
- 9 The proposed net revenue expenditure budget for 2023/24 for the Council set at £287.027m;
- 10 The proposed fees and charges as set out in the schedule included at Appendix 10;
- 11 The proposed revisions to the Council Tax Empty Property Discount (paragraph 12.37) and Council Tax Empty Property Premium (paragraph 12.39);
- 12 The level of balances supporting the 2023/24 budget of £20.012m underpinned by the agreed policy on Earmarked Reserves; and
- 13 The draft pay policy statement included at Appendix 12;
- 14 The delegation to the Cabinet Member for Finance and Low Carbon and the Director of Finance to make a final decision on the feasibility of a pensions pre-payment if it represents value for money to the Council (Section 8.2-o).

Revenue Budget 2023/24 and 2024/25 and Medium Term Financial Strategy 2023/24 to 2027/28**1 Background****Introduction**

- 1.1 Each year, the Council identifies what it needs to spend on Council services for the following year as part of the budget setting process. This process also involves the identification of provisional spending plans for future financial years. This ensures the Council's future spending plans are balanced against the funding forecasts for Government Grants, Council Tax and Business Rates revenues. These plans form part of the Council's Medium Term Financial Strategy (MTFS) which sets out a financial forecast for the period 2023/24 to 2027/28. The first part of this report focuses on the first two years of the MTFS period and at section 22 sets out a forecast for the final three years, 2025/26 to 2027/28.
- 1.2 Members will recall that when the 2022/23 budget was agreed it included an estimate of the likely budget reduction requirement for 2023/24 at a net £16.711m and at a net £8.117m for 2024/25. However, as would be expected, these estimates have been subject to a constant review throughout 2022/23, and an update report was presented to and approved by Cabinet on 12 December 2022. This changed the budget reduction requirement to £27.975m for 2023/24 and £14.575m for 2024/25. This report therefore sets out the current budget reduction requirement and how it will be addressed for 2023/24 using the 12 December 2022 position as a starting point.
- 1.3 The updated estimates were prepared having regard to the prevailing economic conditions, the Council's 2022/23 financial performance up to month 6 and the information contained in the Autumn Statement (AS22) issued by Government on 17 November 2022. The AS22 set out indicative funding intentions for 2023/24 and 2024/25 and was more positive than had been anticipated. However, given the lack of detail, Members were advised that the forecasts would be subject to change once the Provisional Local Government Finance Settlement (PLGFS) was received.
- 1.4 Prior to the issue of the PLGFS, on 12 December 2022, the Government issued the Local Government Finance Policy Statement 2023/24 to 2024/25 (Policy Statement) setting out Government intentions for the next 2 years as the Government recognised the importance of providing additional clarity to Councils for budget setting purposes and financial planning for the future. The PLGFS and associated funding announcements were received on 19 December 2022 and the forecasts for 2023/24 have been updated using actual funding information (where available) and the 2024/25 estimates have been revised using information in the PLGFS and the Policy Statement. These revised estimates are presented in this report.
- 1.5 In addition to the Government policy and grant information, the issues that have impacted on the Council from a local perspective during 2022/23 have also influenced the forecasts for 2023/24. Whilst COVID-19 is still prevalent, it is no longer having the same impact on most Council activities, the exceptions being Adult Social Care and Children's Social Care where demand reflects the legacy of the pandemic. All COVID-19 Government grant funding ceased at the end of 2021/22; therefore, the Council is having to address on-going pressures from its own resources. The challenge that this has created, as explained later, is impacting on the financial year 2022/23 and consequently, the budget estimates for 2023/24.

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- 1.6 However, in addition to the pressures that were anticipated when the initial estimates for 2023/24 and future years were prepared together with increased cost of the provision of Adults and Children’s Social Care, the significant international and national turbulence has presented some unexpected challenges for the Council, every other Local Authority and the country as a whole. The challenges include:
- a) the legacy of COVID-19 which has disrupted international trade, particularly as China remained in partial lockdown until very recently and this has had the impact of reducing the supply of goods and materials;
 - b) the impact of Brexit which has affected trade arrangements with countries which remain within the EU;
 - c) the war between Russia and Ukraine which has impacted on energy and the general supply of goods and materials including grain;
 - d) the inflationary pressures impacting on energy and general commodity prices. This has had a knock on effect to the general cost of living and has sparked wage inflation;
 - e) changes within Central Government, resulting in significant increases in interest rates and the cost of borrowing;
 - f) the response from Central Government to the recent economic turbulence; and
 - g) revisions to Government policy and expenditure plans.
- 1.7 When the initial 2023/24 MTFS was prepared, the impact of the issues presented at paragraph 1.6 could not have been envisaged and all have an on-going impact on the financial position which can only be estimated. As outlined later, the budget for 2023/24 will be supported by the availability of risk reserves that can be introduced if required during the year.
- 1.8 The information in the Policy Statement and the PLGFS together with the current policy landscape and economic context as set out above has enabled the preparation of detailed budget estimates for 2023/24 together with the Administration’s proposals for balancing the 2023/24 budget, including Council Tax intentions. An indicative budget for 2024/25 is also presented, highlighting that, should nothing change between now and 2024/25 budget setting, budget reductions of £10.801m will be required.
- 1.9 At the same time as considering the financial challenges facing the Council, it is important to consider the Council’s commitment to the co-operative way of working. Based on a set of values and the principle of enabling and motivating everyone to “do their bit”, this influences the policy direction of the Council and its response to the financial challenges.
- 1.10 As an organisation, a co-operative approach provides the opportunity to find positive and sustainable solutions to the on-going financial challenges being faced. Oldham has a values driven approach which underpins the way it does business. The Council believes in the importance of fairness and responsibility. In practice, that means maximising the positive social, economic and environmental impact that can be achieved through everything we do as set out in the Council’s values.

Format of the Report

- 1.11 The report is presented in sections in order to highlight the key issues impacting on the budget, the size of the financial challenge facing the Council for 2023/24 and 2024/25, the way in which the challenge has been determined and then the approach to balancing the 2023/24 budget. It also highlights the balance still to be addressed for 2024/25. The final element of the report sets out the financial forecasts for the three year period 2025/26 to 2027/28, the final three years of a five year financial strategy. The sections are presented as follows.

Sections 2 to 6 provide context for budget setting:

- Section 2 sets out key Council Policies and Strategies including the Constitution and Rules of Procedure, as the framework within which the Budget has been prepared.
- Section 3 presents Local Government Finance developments specifically within the Local Government finance arena which impact on the budget setting arrangements for 2023/24 and future financial years. It also highlights the Chartered Institute of Public Finance and Accountancy (CIPFA) Financial Resilience Index, the CIPFA Financial Management Code and provides a commentary on financial resilience, which is of importance when considering the Council's financial standing in the context of budget setting.
- Sections 4 and 5 present the key points of the Policy Statement issued on 12 December 2022 and the PLGFS issued on 19 December 2022.
- Section 6 outlines the month 8 financial monitoring position for both the revenue budget (a forecast £2.233m adverse variance) and the capital programme. This highlights the on-going financial issues which influence or require addressing in 2023/24.

Sections 7 to 16 set out how the budget gap has been determined:

- Section 7 summarises the revisions to the estimates since the budget gap of £27.975m for 2023/24 and £14.575m for 2024/25 was presented to Cabinet on 12 December 2022. It highlights that a direct comparison would show a budget gap of £20.377m for 2023/24 and £9.512m for 2024/25. These budget gaps represent the position after the use of some reserves. In order to allow budget reductions and the total use of reserves to be the final elements in balancing the budget, the forecast net gap/budget reduction requirement before the use of reserves of £29.276m would be used as the starting position from which the 2023/24 budget would be balanced, with £13.445m used as the starting position for the final changes to the 2024/25 budget.
- Section 8 presents expenditure adjustments to the budget, detailing the changes that have been made since the 12 December 2022 report.
- Section 9 sets out the impact of the projected change to the payment of levies to the Greater Manchester Combined Authority (GMCA) and the Environment Agency. These are both subject to updating when final levy notifications are received in February 2023.
- Section 10 provides detail of the PLGFS unringfenced funding allocations made available to the Council by the Government.
- Section 11 outlines the main ringfenced grants that must be used in accordance with specific guidance but nonetheless help the Council deliver its services. Two grants received specifically for Adult Social Care, have been used to support the Adult Social Care budget position.
- Section 12 sets out Retained Business Rates income (subject to confirmation by 31 January 2023). It also presents the Council Tax referendum limits and proposed Council Tax Policy for 2023/24. The Council is proposing to increase Council Tax

for 2023/24 by 3.99% compared to 2022/23 levels (subject to final confirmation at Budget Council). Budget estimates for 2024/25 also assume an increase of 3.99%. Section 12 also advises that the Council is removing the Empty Property Discount and increasing the Empty Property Premium.

- Section 13 outlines the impact of the Collection Fund (the ringfenced account within which Council Tax and Business Rates are managed).
- Section 14 details the review of previously approved budget reductions and the impact of changes that have had to be made on the 2023/24 and 2024/25 budget position.
- Section 15 outlines the Government's confirmation of the ability to use capital receipts to support transformation and how the Council intends to use this flexibility.
- Section 16 then summarises the impact of all the above and the revised Budget Reduction Requirement to be addressed.

Sections 17 to 19 present how the budget is balanced and the level of reserves available to the Council:

- Section 17 presents the Administration's 2023/24 and 2024/25 budget proposals to address the budget reduction requirement totalling £16.313m in 2023/24 and £7.575m in 2024/25. There is also an impact of £1.135m in 2025/26.
- Section 18 shows how reserves will be used to balance the 2023/24 budget at a value of £14.008m (a net £12.963m after a movement to reserves).
- Section 19 presents the expected level of reserves at the end of 2023/24 and how they support the 2023/24 budget and financial strategy.

Section 20 presents a summary of the Statement of Robustness a requirement under Section 25 of the Local Government Finance Act 2003 which is the assurance by the Director of Finance on the robustness of the estimates used for the purposes of the revenue budget calculations and the adequacy of proposed reserves. The detailed Statement is attached at Appendix 9.

Section 21 sets out the proposed fees and charges for the financial year 2023/24. The detailed fees and charges schedule is presented at Appendix 10.

Sections 22 and 23 present the Medium Term Financial Strategy covering the financial years 2024/25 to 2027/28 including the plans for the transformation programme that will deliver the savings required to balance the budgets in future years.

Section 24 provides a brief summary of the Pay Policy Statement attached at Appendix 12.

Sections 25 to the end of the report include options to consider, consultation comments and Legal and Procurement comments in accordance with standard practice.

2 Oldham Council Policies and Strategies

- 2.1 Framing budget setting for 2023/24 and future years are the Co-operative Council ethos, and the 2022/23 to 2027/28 Corporate Plan and Oldham Plan which were updated and approved during 2022. The following paragraphs explain the underlying drivers of the Council through the Co-operative ethos and Corporate Plan. However, the delivery of the objectives the Council has set need to be considered in the context of a requirement to reduce operating costs using a programme of transformation and change whilst working within the financial framework of the Constitution and the Rules of Procedure.

Co-operative Council in a Co-operative Borough

- 2.2 Oldham Council became a Co-operative Council in 2011 and therefore the Council is committed to developing a Co-operative future; one where citizens, partners and staff work together to improve the borough. The Council encourages all members of the community to play an active part in building a co-operative borough. This means everyone doing their bit.
- 2.3 Oldham's values driven approach underpins the way the Council does business. In practice, this means maximising the positive social, economic and environmental impact that can be achieved. From maximising social value achieved through procurement practices, to paying all its staff the Living Wage Foundation National Living Wage and providing funding for the providers of Adult Social Care to do the same, the Council is using its influence as a commissioner, service provider, facilitator and employer to embed co-operative values across Oldham. However, the Council is not doing this alone. Oldham has a strong Strategic Partnership structure and plan that has driven the reform, integration and shared economic agenda both in Oldham and within Greater Manchester.
- 2.4 Following the ethos of a Co-operative Council, the Council continues to make fundamental changes in how it works with residents, businesses and partners.

The Council's Corporate Plan

- 2.5 Oldham Council's previous Corporate Plan ran from 2017 to 2020, confirming the Council's values of Fairness, Openness, Responsibility, Working Together, Accountability, Respect and Democracy (FORWARD) together with expected behaviours, and the co-operative approach to working with residents. This plan expired at the start of the COVID-19 pandemic so as an interim measure a COVID-19 Recovery Strategy was produced as a roadmap to supporting residents in response to the pandemic. This COVID-19 Recovery Strategy has now been replaced with a new Corporate Plan which was approved at the Council meeting of 7 September 2022.
- 2.6 Alongside the development of the Corporate Plan, the Council worked with partners to develop the new Oldham Partnership's vision document, Our Future Oldham. This was endorsed by the Council alongside the Corporate Plan at the Council meeting of 7 September 2022 and has subsequently been approved by members of the Oldham Partnership.
- 2.7 The Council's Corporate Plan and Our Future Oldham were developed in parallel to ensure that the Council's priorities over the five year period 2022/23 to 2026/27 to align as far as possible with our residents' broader vision for the future. This ensures the most effective and efficient use of resources to support the improvement of our residents lives.
- 2.8 Oldham Council's Corporate Plan describes how the Council will maximise the impact of efforts and resources to improve the lives of residents in the borough. The Plan focuses specifically on the impact of the Council's work to support children and young people as

this has been identified as the Council's number one priority. As will be seen later in the report, the investment in Children's Social Care is an example of the Council's commitment to children and young people. The Plan acknowledges the present and future challenges created by the cost of living crisis, and describes how services across the Council will be improved for residents. It sets out five policy priorities:

- Healthy, safe and well supported residents;
- A great start and skills for life;
- Better jobs and dynamic businesses;
- Quality homes for everyone; and
- A clean and green future.

2.9 It also highlights the Council's four operational priorities as:

- Residents first;
- Place based working;
- Digital; and
- Working with communities to reduce need.

2.10 Our Future Oldham outlines the vision for the future of the borough shared by the Oldham Partnership also informed by the views and priorities of residents. The document establishes a set of aims – the core elements of a good life in Oldham, that every resident should expect. These range from basics like a good education and a home that meets needs to contributing to creating a richer life and place, such as opportunities to meet/work with neighbours/community members.

2.11 Our Future Oldham also establishes the central governance model for the Oldham Partnership, including the functioning of the Partnership itself and its key delivery boards: the Economic Development Board, the Health and Wellbeing Board and the Communities Board.

2.12 The 2023/24 budget process has been framed around the aims of the Corporate Plan and Oldham Plan with the preparation of the 2023/24 revenue budget (including budget reduction proposals), the MTFs and the capital strategy having regard to the five policy and four operational priority areas and how these can be delivered.

Transformation Programme

2.13 Council services continue to evolve through innovation, collaboration with strategic partners and re-design. To accelerate this process, the Council and key partners have embarked on an ambitious Transformation Programme which has been refreshed in 2022. This updated programme:

- identified, scoped and agreed the change initiatives required to ensure the Council and its partners can deliver the strategic ambitions they have for the borough and its residents;
- has begun to drive the implementation of those changes; and
- laid the foundations for the delivery of a substantial contribution to savings targets for 2024/25 and the period of the MTFs which is extended to 2027/28.

2.14 This Programme is helping to ensure that all such services, whether delivered in-house or with partners, strive for excellence and provide value for public money, getting the maximum impact for residents of Oldham. In responding to the financial challenge, the Transformation Programme is assisting the Council and its partners in adapting to local demands, national, regional and local political priorities as well as technological developments. Many of the

budget reductions for 2023/24 and future years have been focused through the lens of transformation and their delivery will be project managed and reported under the guidance of the Transformation Team.

- 2.15 Sections 22 and 23 outline the Council's MTFS and sets out the key themes within the Transformation Programme and how these will contribute to delivering the budget reductions required to balance the budgets for 2024/25 and future years.

Constitution and Rules of Procedure

- 2.16 Oldham Council has an agreed Constitution which sets out how the Council operates, how decisions are made and the procedures that ensure these decisions are efficient, transparent and accountable to local people. Most of the procedures are required by statute. Detailed procedures and Codes of Practice are provided in separate rules and protocols which accompany the Constitution and Articles contained therein. The following rules of procedure are particularly relevant in the context of determining the Council's 2023/24 Revenue Budget.

Budget and Policy Framework Procedure Rules

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

Financial Procedure Rules

- 2.18 These rules (which are aligned to the Budget and Policy Framework Procedure Rules) set out detailed procedures regarding financial administration covering, for example, the preparation and management of budgets, financial systems, internal audit, insurance, banking arrangements, payments, income and taxation. These rules were last refreshed at the 13 July 2022 Council meeting (together with the Contract Procedure Rules) and underpin the Council's statutory duty to make arrangements for the proper administration of its financial affairs.

3 Local Government Finance Developments and Financial Resilience

- 3.1 This section of the report highlights important developments specifically within the Local Government finance arena which impact on the budget setting arrangements for 2023/24 and future financial years. Also included is a commentary on the issue of financial resilience which remains topical as Local Authorities continue to deal with the consequences of rising service demand and the on-going impacts of the global pandemic.

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

- 3.2 The Review of Relative Needs and Resources of the Local Government finance system has been under consideration for several years. The purpose of the review is to examine and update the system for allocating resources among Local Authorities; taking account of relative need and the ability to generate resources locally through taxation. When implemented, this could have a major impact on the distribution of resources between Councils. Included within the 12 December 2022 Policy Statement was confirmation that, whilst the Government is committed to improving the Local Government financial landscape, change will not be implemented until at least 2025/26 as this will mark the start of the new Spending Review period.

Business Rates Reform and Revaluation

- 3.3 The suitability of Business Rates as a method of raising income for Local Government has been questioned for a number of years. This is primarily focused on the in-built inequality whereby retail businesses which conduct most or all of their trade on the high street are paying significantly more tax than businesses which are largely based on-line. Indeed, the Government has been considering changes to the Business Rates system for some time so it is likely to change significantly in the medium term. However, the Government has once again deferred fundamental reform for the immediate future.
- 3.4 Business Rates income is retained for local use at 50% with the other 50% paid to Central Government, with the exception of a small number of Councils, such as in Greater Manchester. Oldham and the other GM Councils are piloting 100% Business Rates retention. The pilot scheme will continue into 2023/24 (as confirmed in the PLGFS and the Council has assumed that it will continue to the end of the current Spending Review period 2024/25).
- 3.5 However, Business Rates revaluation will be implemented from 1 April 2023. This has been assumed to have a net neutral impact on the Council. This will affect the amount of Business Rates paid by the occupiers of commercial premises and therefore the amount collectable by the Council. From 1 April 2023, Business Rates bills in England will be updated to reflect changes in property values since the last revaluation in 2017. A package of targeted support worth £13.6 billion over the next 5 years will support businesses as they transition to their new bills. Local Authorities will be fully compensated for the loss of income as a result of these Business Rates measures and will receive new burdens funding (the detail of which has yet to be announced) for administration and IT costs.

Adult Social Care – Deferring the Introduction of Social Care Reforms

- 3.6 The Government set out its longer term vision for Adult Social Care in three White Papers published in 2021/22. This included a number of reforms, one of which was a cap on how much individuals will pay for their care and another was the move to introducing a Fair Cost of Care. These reforms to Adult Social Care services were expected to be introduced from April 2023. The AS22 announced the deferring of the introduction of the social care cap for at least two years to October 2025 and this was confirmed in the PLGFS. Councils are,

however, still expected to move towards the introduction of the principles of the Fair Cost of Care but without a specific timeline. The Council has prepared its budget estimates having regard to the principles of moving towards the Fair Cost of Care.

- 3.7 AS22 confirmed that funding for the implementation of the reforms will be maintained within the Local Government funding envelope at a value of £1.265bn in 2023/24 (increased at the PLGFS to £1.345bn and £1.953bn in 2024/25 to enable Local Authorities to address current Adult Social Care pressures). This is in addition to the existing Social Care Grant that was already anticipated. For 2023/24 the PLGFS included additional recycled funding of £6.742m for Oldham within the Social Care Support Grant allocation (£0.021m more than had been anticipated in December 2022).
- 3.8 Reform to Adult Social Care clearly impacts on the processes and procedures operated by the Council although the real impact will be when the changes are introduced from 2025/26.

Adult Social Care – New Funding

- 3.9 Announced in AS22 and then confirmed as part of the PLGFS, is additional grant funding of £600m in 2023/24 and £1 billion in 2024/25 to be distributed through the Better Care Fund to enable Local Authorities and the NHS to work together to get people out of hospital in a timely manner and into care settings which will free up hospital beds. This ringfenced grant funding is split 50:50 between the Department of Levelling Up, Housing and Communities (DLUHC) and the Department for Health and Social Care (DHSC) and is in addition to the existing Improved Better Care Fund grant that the Council already receives. Further details of allocations for Oldham can be found at 11.12.
- 3.10 Also announced in AS22 was an additional £400m in 2023/24 and £683m in 2024/25 for Adult Social Care as a ringfenced grant to support capacity and hospital discharge. The impact for Oldham in 2023/24 and 2024/25 is detailed at 11.13.

The Chartered Institute of Public Finance and Accountancy (CIPFA) - Financial Resilience Index

- 3.11 Members will recall that during 2019/20, the Chartered Institute of Public Finance and Accountancy (CIPFA) announced its intention to publish its Financial Resilience Index. This was in response to the challenges being experienced by a number of Local Authorities with regard to financial sustainability, and was intended to be an early warning indicator to prompt discussion and action. The level of reserves and balances are a key element in the CIPFA Financial Resilience Index. A third index was published on 21 December 2022.
- 3.12 The Oldham position for both previous years 2019/20 and 2020/21 had not highlighted any major areas of concern. However, the December 2022 Index, based upon 2021/22 data, highlighted that the indicator for change in Earmarked Reserves has moved to high risk on the indicator of financial stress scale when compared to the nearest neighbour Local Authority comparator group and since the release of the last Financial Resilience Index. Alongside this, the indicator for Unallocated Reserves has moved from lower risk to medium risk. These increases are due to the use of reserves to support the revenue budget which is set to continue over the medium term. However, a number of indicators decreased in risk i.e. the Children's Social Care Ratio which has moved to low risk and indicates the percentage of spend for this area against the Council's Net Revenue Expenditure is at an acceptable level. The remaining Oldham indicators were not to be considered to be extremely high risk or a cause for immediate concern.
- 3.13 The Index has provided some useful information and confirmed the position that, leading into 2022/23 the Council was financially resilient although it did highlight the reliance on Earmarked Reserves. As outlined at Section 19, although reserves are being used in

2022/23 and to support the budget in 2023/24 and 2024/25, the call on reserves is manageable and means the Council remains financially resilient.

The Chartered Institute of Public Finance and Accountancy Financial Management Code

- 3.14 Also as a result of the financial challenges facing the Local Government sector, CIPFA introduced the Financial Management Code with the objective being “to support good practice in financial management and to assist Local Authorities in demonstrating their financial sustainability”.
- 3.15 The Code is based upon a series of principles which are supported by specific standards of practice which CIPFA consider necessary for a strong foundation. The foundation being the ability to:
- Financially manage the short, medium and long-term finances of a Local Authority
 - Manage financial resilience to meet foreseen demands on services
 - Financially manage unexpected shocks in their financial circumstances
- 3.16 The Financial Management Code builds on the success of the CIPFA Prudential Code which requires Local Authorities to demonstrate the long-term financial sustainability of their capital expenditure. The Code is also consistent in that it is based upon principles rather than prescriptions and each Local Authority must demonstrate that they meet the requirements of this Code.
- 3.17 A report was considered by the Audit Committee on 17 January 2022, which set out that the Council has generally good compliance with the Code. A compliance update report is planned to be presented to the Audit Committee during 2023. This is expected to show continued compliance and that action is being progressed to address the few areas for improvement that were identified at January 2022. In this regard, this can give Members some further assurance about the financial management arrangements within the Council.

Financial Resilience

- 3.18 In order to comply with Section 25 of the Local Government Act 2003, the Authority’s Chief Financial Officer (the Director of Finance) is required to report on the robustness of the estimates made for the purposes of the budget calculations and the adequacy of the proposed reserves. This information enables a longer-term view of the overall financial resilience of the Council to be taken. The Director of Finance must also report on the affordability and prudence of capital investment proposals, the level of general balances to support the budget and an appropriate level of Earmarked Reserves to be maintained by the Council. The Council Policy on Earmarked Reserves is an integral part of demonstrating continued financial resilience supporting the fiscal stability of the Council. A Detailed commentary on the ‘Section 25’ requirements is set out at Section 20 and at Appendix 9.
- 3.19 There have been several reports issued on the subject of the financial resilience of Local Authorities alongside the CIPFA Financial Resilience Index and the implementation of a Financial Management Code. Lack of financial resilience has been highlighted over the past few years by the issuing of a notice under Section 114 of the Local Government Act 1988 (a Section 114 Notice) by the London Borough of Croydon Council, Slough Borough Council and Thurrock Council.

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- 3.20 It is important to note that the Council's External Auditor (Mazars LLP) is required to form a conclusion as to whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The audit review has been changed and for the 2021/22 opinion requires the demonstration of:
- Financial Sustainability - How the Council plans and manages its resources to ensure it can continue to deliver its services.
 - Governance - How the Council ensures that it makes informed decisions and properly manages its risks.
 - Improving economy, efficiency and effectiveness - How the Council uses information about its costs and performance to improve the way it manages and delivers its services.
- 3.21 As can be seen, financial sustainability and thereby financial resilience is a new and important consideration. The Council has not yet received the final Annual Report on the financial year 2021/22 from the External Auditors. The report will contain a commentary on the audit of the financial statements as well as an opinion on the Council's Value for Money (VFM) arrangements (outlined above). Although it has not yet been received, in relation to each of the three areas examined, an interim update provided to the Audit Committee of 29 November 2022 indicated that it is expected that the findings will be positive and that no risks or significant weaknesses in arrangements will be reported. As such, Members can have further confidence in the current financial position and financial sustainability of the Council.
- 3.22 Financial resilience does depend in part on the Council maintaining an adequate level of reserves and balances. The reserves position is set out in Section 19. The reserves and balances position of the Council is projected to remain satisfactory at the end of 2022/23 and in supporting the 2023/24 and 2024/25 budgets.

4 Local Government Finance Policy Statement 2023/24 and 2024/25

- 4.1 Following on from the announcement of the Autumn Statement on 17 November 2022, the Secretary of State for Levelling Up, Housing and Communities the Rt. Hon Michael Gove MP, published a Policy Statement on 12 December 2022. This Policy Statement aimed to set out the Government's intentions for the Local Government Finance Settlement for the next 2 years to provide Councils with greater certainty on key aspects of funding to inform budget setting processes and help financial planning for the future. It confirmed that the PLGFS would focus on 2023/24 and 2024/25 and that reforms to redistribute funds such as the Business Rates reset and the Review of Relative Needs and Resources (the Fair Funding Review) would not progress over the current Spending Review period.
- 4.2 The Policy Statement included details of Council Tax referendum limits per year from April 2023 which has informed the approach to Council Tax as presented at Section 12. It also set out, indications of the Government's intentions around a number of grant funding sources whilst also confirming that the statutory over-ride for the Dedicated School Grant deficit would be extended for a further three years covering 2023/24 to 2025/26. The information in the Policy Statement has therefore assisted in the preparation of financial estimates for both 2023/24 and 2024/25.
- 4.3 The Policy Statement also indicated potential new funding for the financial year 2024/25 with regards to the delivery of the Extended Producer Responsibility for Packaging Scheme, however, no specific details were provided about this future funding stream.
- 4.4 Whilst the Policy Statement provided some further clarity on what would be included in the Settlement, the specific allocations and impact for Oldham for 2023/24 were not available until the PLGFS was released.

5 Provisional Local Government Finance Settlement

- 5.1 The 2023/24 PLGFS was released on 19 December 2022. It was announced by the Secretary of State for Levelling Up, Housing and Communities the Rt. Hon Michael Gove MP, and set out the Government's formal proposals for the funding of English Local Authorities in 2023/24.
- 5.2 Rather than provide funding spanning a two year timeframe to cover the remaining period of the Spending Review 21 (SR21), this was a one-year settlement. Indeed, it was the fifth consecutive one-year Local Government Finance Settlement. However, it was clear that the emphasis was on providing stability and certainty by providing indications of policy direction for 2024/25 to assist with financial planning, alongside providing extra cash for priority areas, such as social care.
- 5.3 Funding beyond 2024/25 is extremely uncertain. With a General Election to be held no later than January 2025 and therefore a new Spending Review not expected until after this event, the Council's MTFs for 2025/26 to 2027/28 must remain indicative.
- 5.4 Included in the PLGFS was key funding information for Local Authorities in relation to:
- Baseline funding levels for 2023/24
 - Council Tax referendum limits
 - Grants for 2023/24
- 5.5 Councils have the opportunity to submit consultation comments on the Provisional Settlement. The Government has issued specific consultation questions in relation to the Settlement to which a response was requested by 16 January 2023. The Council submitted a response by the deadline.

Settlement Funding Assessment

- 5.6 The Settlement Funding Assessment (SFA) is a Government calculated figure which includes the Revenue Support Grant (RSG) and the Baseline Funding Level (BFL). The BFL comprises Business Rates Top Up Grant plus the Government's assessment of Business Rates that can be collected locally (known as Business Rates Baseline). GM Districts do not currently receive any RSG in lieu of piloting 100% Business Rates retention.
- 5.7 As previously indicated in the AS22, the Baseline Funding Level has been uplifted by inflation with the Business Rates multiplier (3.8%) and, in the case of Oldham, a notional RSG figure uplifted by the Consumer Prices Index (CPI) in 2023/24. This is also confirmed that the RSG element will be uplifted again in 2024/25. CPI for 2023/24 is 10.1% with an estimated CPI rate for 2024/25 at 7.4%.

National Position

- 5.8 The figures presented in the PLGFS and the following table show a national increase in SFA from £16.348bn in 2022/23 to £17.137bn in 2023/24. This represents a 4.83% increase in national funding.

Table 1 – SFA for England

SFA for England	2022/23	2023/24	Change
	£m	£m	£m
Settlement Funding Assessment	16,348	17,137	789
of which:			
Revenue Support Grant	1,672	1,905	233
Baseline Funding Level	14,676	15,232	556

Oldham Council

- 5.9 The Oldham SFA presented in the table below shows an increase of £4.580m from £100.084m in 2022/23 to £104.664m in 2023/24. This represents a 4.58% increase, slightly lower than the increase in overall national funding.

Table 2 – SFA for Oldham

SFA for Oldham	2022/23	2023/24	Change
	£000	£000	£000
Settlement Funding Assessment	100,084	104,664	4,580
of which:			
Revenue Support Grant	0	0	0
Baseline Funding Level	100,084	104,664	4,580

- 5.10 The table below shows the contingent parts included in the Government's SFA figures with only the BFL and RSG elements being uplifted by the multiplier.

Table 3 – SFA Funding Streams

Funding Stream	2022/23	2023/24	Change
	£000	£000	£000
Baseline Funding Level	64,792	67,217	2,425
Revenue Support Grant	17,593	19,478	2,155
Public Health Grant	17,699	17,699	0
Total Settlement Funding Assessment	100,084	104,664	4,580

- 5.11 It can be seen that the increase is entirely due to an inflationary increase for RSG (which has been adjusted to reflect the CPI level of inflation at 10.1%) and the Baseline Funding Level. Public Health Grant allocations have yet to be notified for 2023/24 and, until notified otherwise, it is assumed to roll over at the same value as in 2022/23. As per previous practice, any increase to the Public Health Grant will be passported directly to the service.

Core Spending Power

- 5.12 Published alongside the PLGFS were the Government's estimates of Core Spending Power (CSP). This is the Government's assessment of the expected revenue resources available to Local Authorities in 2023/24 using Office of Budget Responsibility estimates.
- 5.13 The LPGFS included CSP detail by individual Authority and the amounts for Oldham are shown in the table below.

Table 4 – Core Spending Power

Core Spending Power for Oldham	2022/23	2023/24	Change
	£000	£000	£000
Core Spending Power	224,432	246,955	22,523

- 5.14 Whilst the settlement Core Spending Power implies the Council has £22.523m more resources than in 2022/23, the Government's CSP figures include assumptions as to the growth of the Council Tax Tax Base and the maximisation of annual Council Tax increases (i.e. that Council Tax will increase by 4.99% in 2023/24). These Government assumptions do not align fully with the Council's own budget position and estimates.

Council Tax & Referendum Limits

- 5.15 Also included within the PLGFS was information regarding Referendum Limits for Council Tax increases.

Council Tax Increases

- 5.16 Within the PLGFS, the Government confirmed the referendum limit for Metropolitan District Councils like Oldham for general purposes Council Tax would be a maximum increase of 3% per year from April 2023/24. As in previous years, Parish Councils remain excluded from the referendum limits.

Adult Social Care Precept

- 5.17 As a Metropolitan District Council, the Council is able to raise an Adult Social Care (ASC) precept. The threshold for ASC Precept increases to a maximum of 2% per year without the requirement for a referendum. There remains a requirement to evidence that the funds generated from this precept are used for Adult Social Care expenditure.

Mayoral Combined Authorities

- 5.18 The Government proposes not to set Council Tax referendum principles for Mayoral Combined Authorities in 2023/24 for general Mayoral functions. In Greater Manchester, the Mayor also has responsibility for Fire and Rescue Services and the Government has capped the increase for Fire Services precepts at £5 (for a Band D property) before a referendum is required. The Greater Manchester Mayor and the Greater Manchester Combined Authority will consider any increases through its budget setting processes and will advise the ten District Councils in early February 2023.

Police and Crime Commissioners

- 5.19 The Government proposes that Council Tax referendum principles for Police and Crime Commissioners (including the GM Police and Crime Commissioner Precept) are that increases are capped at £15 at Band D. Precept intentions for 2023/24 will be taken by the GM Mayor as Police and Crime Commissioner in accordance with the budget setting timetable.

Detailed Grant Funding Implications of the PLGFS for Oldham

- 5.20 The detailed grant funding notifications arising from the PLGFS are presented at Section 10 of the report and advise that compared to the report presented to Cabinet on 12 December 2022, the Council has received an extra £3.009m of unringfenced grant compared to that which was included in the December 2022 forecasts and also a further sum of £0.748m of ringfenced grant above that which had also been used in the December 2022 budget estimates presented to Cabinet. This has therefore improved the financial position and reduces the budget reduction requirement.

Final Local Government Finance Settlement

- 5.21 It is expected that the Final Local Government Finance Settlement will be received in early February 2023. Only when this is received will final funding notifications be confirmed. There may therefore be further changes to some of the grant notifications received via the PLGFS. Any changes to grant notifications will be included in reports to Cabinet and Council.

6 2022/23 Revised Budget and Year End Forecasts

- 6.1 The Authority's 2022/23 budget in the sum of £260.686m was approved by Council on 2 March 2022. This was after the deployment of £11.879m of corporate and specific reserves and the transfer of £1.710m to reserves for Retained Business Rates, meaning that the underlying base budget is £250.517m. This figure of £250.517m is the starting point for the consideration of the 2023/24 budget as highlighted in the next section of the report.
- 6.2 However, it is important to note that there have been a number of further one off funding allocations and amendments since March 2022. The current net revenue expenditure budget is £271.887m as reported in the Month 8 Financial Monitoring Report, elsewhere on the agenda. This represents an increase of £11.201m.
- 6.3 The month 6 financial position reported to Cabinet in December 2022 influenced the updated financial estimates for 2023/24 reported to Cabinet at the same meeting. The month 6 position highlighted some key trends and pressures that had to be addressed when preparing the budget for 2023/24. The month 8 position has therefore been used to inform the updated position and the key issues are explained in the following paragraphs. The table below details the 2022/23 month 8 year-end forecast position against budget for each Portfolio after the planned transfers to and from reserves. It also shows the comparative position at month 6.

Table 5 - Summary Forecast Revenue Outturn 2022/23

	Revised Budget	Forecast	In Year Use of Transfer To/ (From) Reserves	Variance Month 8	Variance Month 6
	£000	£000	£000	£000	£000
Community Health and Adult Social Care	67,997	75,486	(2,890)	4,599	8,043
Children's Services	52,811	67,167	(2,312)	12,044	11,297
Public Health	24,189	26,818	(3,063)	(434)	(339)
Communities	6,528	6,792	(526)	(262)	(299)
Place and Economic Growth	54,840	59,868	(1,992)	3,036	2,717
Corporate Services	26,240	26,669	(1,143)	(714)	(339)
Capital Treasury and Technical Accounting	27,282	25,218	(972)	(3,036)	(2,908)
COVID-19 Legacy Funding	12,000	-	-	(12,000)	(12,000)
NET OPERATIONAL EXPENDITURE	271,887	288,018	(12,898)	3,233	6,172
Management Action / Spending Restrictions	-	-	-	(1,000)	(1,720)
NET EXPENDITURE	271,887	288,018	(12,898)	2,233	4,452
FINANCED BY:					
Collection Fund Deficit	8,807	8,807	-	-	-
Use of Reserves to offset Collection Fund Deficit	(8,807)	(8,807)	-	-	-
General Use of Reserves	(11,879)	(11,879)	-	-	-
Transfer to Earmarked Reserves - Business Rates Retention Pilot Gain	1,710	1,710	-	-	-
Other Financing	(261,718)	(261,718)	-	-	-
TOTAL FINANCING	(271,887)	(271,887)	-	-	-
NET FORECAST VARIANCE	-	16,131	(12,898)	2,233	4,452

6.4 The forecast outturn to the end of the year is an adverse operational variance of £3.233m. This reduces to a forecast pressure of £2.233m with the anticipated outcome of increased management actions and strengthened spending and recruitment restrictions. However, key financing issues to note are:

- As agreed during the 2022/23 budget setting process, there is a movement from reserves of the Section 31 Grant Funding for Business Rate Relief compensation which was received in 2021/22 and is being used to support the 2022/23 budget.
- The 2022/23 budget assumed that this technical adjustment relating to Section 31 Grant Funding would be £13.092m. This has been revised as the Business Rate Relief adjustment was finalised when preparing the 2021/22 accounts and changed from £8.888m to £8.807m. Guidance received from the Chartered Institute of Public Finance and Accountancy after the 2022/23 Revenue Budget was set advised that the technical adjustment for the COVID-19 Additional Relief Fund (CARF) of £4.204m was not required. Hence the final technical adjustment after the revision was £8.807m which has been financed by reserves.
- The 2022/23 budget is underpinned by the general use of £11.879m of reserves (less a £1.710m contribution to reserves) as approved at the March 2022 budget.
- There is a requirement for the use of £12.898m of reserves in year to support the budget position.

6.5 There are significant variances contained within the projected net overspend. The forecast position includes a projection of all the additional pressures being incurred by the Authority due to the lasting impact of the COVID-19 pandemic. During the 2022/23 budget setting process, £12.000m was set aside and retained as a corporate provision to be utilised to mitigate the legacy costs of the pandemic. There are currently two areas which are experiencing significant pressures attributed to the after-effects of the pandemic; Community Health and Adult Social Care reporting £5.717m and Children's Services reporting £3.477m. These pressures, totalling £9.194m, when offset against the £12.000m leave a balance of £2.806m in the corporate provision, which is being applied to support the business as usual pressure.

6.6 Table 6 below analyses the variance between 'business as usual' and COVID-19 costs.

Table 6 - Analysis of Variances between Business as Usual and COVID-19 costs

	COVID 19 Costs included in forecasts £000	Business as Usual £000	Variance Month 8 £000
Community Health and Adult Social Care	5,717	(1,118)	4,599
Children's Services	3,477	8,567	12,044
Public Health	-	(434)	(434)
Communities	-	(262)	(262)
Place and Economic Growth	-	3,036	3,036
Corporate Services	-	(714)	(714)
Capital Treasury and Technical Accounting	-	(3,036)	(3,036)
COVID-19 Legacy Funding	(9,194)	(2,806)	(12,000)
Management Actions Spending Restrictions	-	(1,000)	(1,000)
Total	-	2,233	2,233

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- 6.7 In addition to the legacy impact of COVID-19 there are a wide range of issues that have produced the reported variances. These are set out in the following paragraphs.
- 6.8 The Community Health and Adult Social Care (CHASC) Portfolio is reporting a net adverse variance of £4.599m, after a £2.890m use of reserves. The adverse variance comprises £5.717m of COVID-19 related expenditure, in the main due to the demand for care packages linked to hospital discharges with a residual favourable variance of £1.118m which relates to 'business as usual' activities. The non-COVID-19, business as usual services across CHASC are now showing an underspend or breakeven largely as a result of being able to utilise a portion of the Adult Social Care Discharge Fund received from Central Government in 2022/23 that has only been recently allocated and could not be included in previous financial projections.
- 6.9 Although the overall overspend has reduced from £8.043m at Month 6 to £4.599m, the underlying on-going financial pressure, without the benefit of the discharge funding, remains higher at £6.300m (rather than £8.043m). The budget for 2023/24 therefore has been adjusted to reflect this £6.300m plus a further £1.000m to reflect the anticipated requirements attached to the new grant funding streams which are to be received in 2023/24. Therefore, a resource allocation of £7.300m is included in the 2023/24 budget together with funding for other pressures including demographics bringing the total to £16.478m. This is £0.700m lower than previous 2023/24 budget estimates.
- 6.10 Children's Services is forecasting a net adverse variance of £12.044m, after a £2.312m use of reserves. The main area of pressure continues to be Children's Social Care (CSC) which is showing a forecast overspend of £12.347m. The adverse variance within CSC attributes £3.477m to COVID-19, due to an increased demand for social care placements both throughout and following the pandemic plus additional costs relating to the use of supernumerary agency workers to reflect the lasting increase in demand for services and the impact on case numbers. The residual CSC adverse variance of £8.870m relates to operational pressures across the Division, again driven by placement and staffing pressures. There is also one budget reduction at a value of £0.500m that is not being delivered and is contributing to the pressures.
- 6.11 Education, Skills and Early Years is reporting an underspend of £0.281m and Preventative Services is showing an underspend of £0.022m; a combined business as usual underspend of £0.303m.
- 6.12 Whilst the projected overspend at the end of 2022/23 has increased from that reported at month 6, it is expected that during 2023/24, the programme of activity included in the report approved at Cabinet on 12 December 2022 "Children's Services Investment Proposals " will have begun to reduce expenditure such that the £11.800m already incorporated within the budget estimates for 2023/24 and future years will be sufficient to finance expenditure.
- 6.13 Public Health is forecasting an operational underspend of £0.434m after a net £3.063m use of reserves primarily related to the use of the Contain Outbreak Management Fund grant which was brought forward from 2021/22.
- 6.14 Communities is showing an underspend of £0.262m after utilising £0.526m of reserves.
- 6.15 Place and Economic Growth Portfolio is forecasting an adverse variance of £3.036m net of a £1.992m use of reserves, in the main due to uncertainty in realising budget reductions in the Creating a Better Place programme (CaBP). As such, a sum of £2.012m has been built into the budget for 2023/24 to reflect the required reprofiling of the CaBP programme. None of the adverse variances have been attributed to the lasting impact of COVID-19 and is therefore being wholly classed as an operational pressure.
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- 6.16 The Corporate Services Directorate is forecast to underspend by £0.714m, all of which relates to 'Business as Usual' and is after a £1.143m use of reserves. There are pressures totalling £0.144m within Commissioning and Procurement (£0.047m) and Customer and Digital and Transformation (£0.097m). The pressures are offset by favourable variances totalling £0.858m relating to; Finance (£0.622m), Chief Executive, Management and Executive Office (£0.030m), Legal Services (£0.045m), Communications and Research (£0.020m), HR and Organisational Development (£0.038m) and Strategy and Performance (£0.103m).
- 6.17 Within the overall Corporate Services there are two budget reductions Internal Efficiency Initiatives (Unity Partnership) at £0.363m and Information and Communications Technology (ICT) at £0.020m that are not being delivered and the budget for 2023/24 has been adjusted to reflect this position.
- 6.18 Capital, Treasury and Technical Accounting is showing a favourable variance of £3.036m, all of which relates to 'business as usual' activities.
- 6.19 The approved budget for 2022/23 included centrally held resources to fund the final pay award (£1.500m), general inflationary pressures (£0.942m) and the escalating cost of energy (£1.500m). Reserves have also been set aside to fund any additional pressures above these sums. The approved budgetary funding is being utilised as follows:
- Funding for the pay award of £1.500m was retained centrally and is fully committed following confirmation of the final pay award. There is a dedicated reserve that, together with the balance of the inflationary pressures budget (referred to below), has been used to fund the impact of the pay award. Centrally held resources are being reallocated to service budgets to reflect the costs arising from the pay award.
 - The funding for inflationary pressures has been allocated directly to services where appropriate leaving a balance which, as advised above, is being used to fund the full impact of pay awards in service budgets. The £0.942m budget is forecast as being fully spent.
 - The funding for energy pressures has been fully utilised and allocated to the Place and Economic Growth Portfolio. Once again there is a dedicated reserve that is currently sufficient to deal with any shortfall.
- 6.20 The budget estimates for 2023/24 and 2024/25 have been significantly influenced by the inflationary pressures being experienced in 2022/23. The impact of pay, energy, contractual and service inflation collectively have created the largest budgetary pressure for 2023/24.
- 6.21 As outlined above, the month 8 report identifies a number of approved Budget Reductions which will not be achieved in 2022/23 and are contributing to adverse variances in Directorates. These total £2.895m as presented at section 8.2(e) have been built into the budget estimates for 2023/24 and 2024/25.
- 6.22 A further two Budget Reductions with a combined value of £1.500m are rated 'Amber – off track but measures are in place to recover the position'. These Budget Reductions are being closely monitored to ensure they do not become unachievable before the end of the financial year.
- 6.23 In view of the projected adverse variance, measures have been initiated to address the overspending, namely:
- management actions across all service areas to review and challenge planned expenditure and to maximise income.

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- processes to monitor the recruitment of staff to vacant posts and significant items of expenditure.
 - ensuring non-essential expenditure is minimised.
- 6.24 These processes have been reviewed, strengthened and widened in scope in that Management Board members will review Council wide activity not just their own Service areas. As a result it is expected that the £2.233m forecast outturn is achieved by further management action of £1.000m (in addition to the £0.720m already delivered).
- 6.25 The effectiveness of the on-going management action and the strengthened corporate procedures will continue to be closely monitored by Management Teams with regular progress updates being provided to the Management Board and Portfolio Holders. Every effort will be made to reduce the adverse variance before the end of the financial year.
- 6.26 As evidenced by the information at Section 8, the projected outturn for 2022/23 has been used to inform budget setting for 2023/24 with particular emphasis on the forecasts for pay, energy, contractual and general service inflation together with Adults Social Care and Children's Social Care.

7 Revenue Budget Position Previously Reported

- 7.1 At its meeting of 12 December 2022, Cabinet approved a report which presented a revised revenue budget position for Oldham Council for the years 2023/24 and 2024/25, reflecting updated forecast budget pressures together with estimates of Government grant funding and local income generation forecasts based on the information contained in AS22.
- 7.2 Members will recall that the revised budget reduction requirement presented a budget reduction requirement of £27.975m for 2023/24 and £14.575m for 2024/25.
- 7.3 Since the Cabinet meeting there have been a number of developments which have resulted in revised estimates for 2023/24 and 2024/25 including the Local Government Finance Policy Statement, the publication of the PLGFS and the preparation of the month 8 financial monitoring position and importantly, a change to Council Tax policy, which has introduced an additional 2% increase to Council Tax in relation to the Adult Social Care Precept. A Council Tax increase of 3.99% is therefore proposed rather than 1.99% (as detailed in paragraphs 12.17 to 12.35). This has resulted in revisions to the budget reduction requirement for both 2023/24 and 2024/25. A direct comparison of the position (before any budget reductions or a final balancing use of reserves) reported to Cabinet on 12 December 2022 is:
- A reduction from £27.975m to £20.377m for 2023/24; and
 - A reduction from £14.575m to £9.512m for 2024/25
- 7.4 The summary position is shown in the table below and an explanation of the figures within each of the individual rows of the table is detailed in the paragraphs 7.6 to 15.1 as per the reference column.

Table 7 Summary of Budget Reduction Requirement

	Para Ref	2023/24 Cabinet (12 Dec 2022) £000	2023/24 Further Revisions £000	2023/24 Final Position £000	2024/25 £000
2022/23 Net Revenue Budget		250,517		250,517	274,064
Total Adjustments to the Base Budget	7.6	12,044		12,044	8,600
Total Expenditure Adjustments	8.1	47,106	(1,193)	45,913	14,697
Total Impact of Levies, the Statutory Charge and Contributions	9.1	(804)	1,925	1,121	2,853
Total Expenditure		308,863	732	309,595	300,214
Total Government Grant Funding	10.1	(104,933)	(3,009)	(107,942)	(113,666)
Total Locally Generated Income	12.1	(155,650)	(6,342)	(161,992)	(164,803)
Total Collection Fund	13.1	(5,150)	1,020	(4,130)	0
Total Funding		(265,733)	(8,331)	(274,064)	(278,469)
Budget Reduction Requirement		43,130	(7,599)	35,531	21,745
Total 2021/22 and 2022/23 Budget Reduction Proposals	14.1	(3,655)		(3,655)	(5,700)
Total Flexible Use of Capital Receipts	15.1	(2,600)		(2,600)	(2,600)
Net Gap/Budget Reduction Requirement before Use of Reserves		36,875	(7,599)	29,276	13,445
Total Use of Reserves		(8,900)	1	(8,899)	(3,933)
Net Gap/Budget Reduction Requirement		27,975	(7,598)	20,377	9,512

7.5 Highlighted within the table is the Net Gap / Budget Reduction Requirement before the Use of Reserves at £29.276m for 2023/24 and £13.445m for 2024/25. Section 17 of the report uses this position as the starting position from which budget reductions and then the use of reserves (the final elements in balancing the budget) are presented, rather than the £20.377m and £9.512m.

Adjustments to the Base Budget

7.6 The budget for 2022/23 contained a number of adjustments including some which were one-off. The base budget must therefore be amended to address these one-off items to establish the start position for 2023/24 and 2024/25. The base budget adjustments are shown in the table below and the position has not changed from that reported to Cabinet on 12 December 2022 with £12.044m of adjustments for 2023/24 and £8.600m for 2024/25. These are mostly linked to the reversal of the use of reserves and the flexible use of capital receipts in balancing the budget of the previous year.

Table 8 Adjustments to the Base Budget

	2023/24 Cabinet (12 Dec 2022) £000	2023/24 Further Revisions £000	2023/24 Final Position £000	2024/25 £000
2022/23 Net Revenue Budget	250,517		250,517	274,064
Total Adjustments to the Base Budget	12,044	0	12,044	8,600
Revised Base Position for 2023/24	262,561	0	262,561	282,664

8 Expenditure Adjustments

8.1 A range of budget adjustments and pressures and have been identified during the preparation of the 2023/24 budget and 2024/25 forecasts. For 2023/24, these now total £45.913m, a reduction of £1.193m compared to the 12 December Cabinet report. For 2024/25, the total has reduced marginally from £15.560m to £14.697m. The table below presents the detailed changes for 2023/24 and 2024/25, explained (see paragraph reference) in the following narrative.

Table 9 - 2023/24 and 2024/25 Expenditure Adjustments

	Para Ref	2023/24 Cabinet (12 Dec 2022) £000	2023/24 Further Revisions £000	2023/24 Final Position £000	2024/25 £000
Expenditure Adjustments					
Pay Inflation	a	11,475	200	11,675	5,000
Contractual Inflation	b	1,713		1,713	1,000
Service Inflation	c	7,350		7,350	1,000
Energy Price Inflation	d	3,750		3,750	0
Unachieved / Reprofiled 2022/23 Budget Reductions	e	2,845	50	2,895	0
Children's Social Care - Demand Pressures - including COVID-19 Legacy	f	11,300		11,300	0
Children's Social Care - One Off Investment	f	2,900		2,900	0
Children's Social Care Pressures - impact on Legal Services	g	150		150	0
Adult Social Care - Demand Pressures/ Demographics	h	17,178	(700)	16,478	4,108
Adult Social Care – Market Sustainability and Fair Cost of Care Fund (BCF)	i	(2,068)	(560)	(2,628)	(1,324)
Adult Social Care – Adult Social Care Discharge Fund	i	(1,380)	(188)	(1,568)	(1,046)
Reversal of the Health and Social Care Levy impact on National Insurance	j	(383)		(383)	0
Home to School Transport - Additional Costs	k	1,000		1,000	250
Dedicated Schools Grant - Inherited Liabilities	l	128	(128)	0	0
Investment Fund	m	854	261	1,115	3,478
Employer Pension Contribution Rate Reduction	n	(1,500)		(1,500)	0
Cessation of Pension Prepayment Flexibility	o	750		750	75
Markets Relocation	p	542		542	0
Elections Cost Pressures	q	100		100	0
External Audit Scale Fees	r	150		150	0
Pest Control	s	0	100	100	
Cost of Living Support	t	1,790		1,790	(852)
Exceptional Hardship Payment Scheme	u	0	130	130	0
Information Technology - Research and Development Fund	v	100		100	0
Increased Expenditure Funded by the passporting of Public Health Grant	w	354	(354)	0	0
Development Fund / Political Priorities	x	0		0	3,000
COVID-19 Legacy Costs	y	(12,000)		(12,000)	0
Revised Parish Precept Expenditure (offset by Parish Precept income)	z	8	(4)	4	8
Total Expenditure Adjustments		47,106	(1,193)	45,913	14,697

8.2 A summary of each of these adjustments is set out in the following paragraphs:

a) **Pay Inflation - £11.675m in 2023/24 and a further £5.000m in 2024/25**

The 2022/23 pay award has been agreed for most Local Government employees and its impact on the Council has been calculated at an overall increase of 6.5% to the pay bill. The estimated pay award for 2023/24 is for an increase of 4% and for 2024/25 an increase of 3%. Reflecting these significant percentage increases, the budget for 2023/24 requires uplifting by £11.675m. This is £0.200m higher than previously presented to Cabinet following a recalculation of the pressure after the receipt of December's payroll information. The impact of a further 3% pay increase for 2024/25 results in a further pressure of £5.000m, an increase of £0.340m compared to the £4.660m previously assumed.

b) **Contractual Inflation - £1.713m in 2023/24 and a further £1.000m in 2024/25**

The Council has a number of contracts that are linked to RPI and CPI national rates which remain high, resulting in a 2023/24 pressure of £1.713m (unchanged from the position reported to Cabinet on 12 December 2022). It is expected that the 2024/25 budget will require adjustment of a further £1.000m, an increase of £0.043m to that presented to Cabinet in December 2022.

c) **Service Inflation - £7.350m in 2023/24 and a further £1.000m in 2024/25**

The inflation rate in 2022/23 has increased significantly and as such, a calculation has indicated that a 5% increase across all general services budgets (excluding any areas presented separately, such as pay and energy inflation) requires additional budgetary provision of £7.350m. The 2024/25 budget assumes a limited increase of £1.000m. These estimates are unchanged.

d) **Energy Price Inflation - £3.750m in 2023/24**

Cabinet on 12 December 2022 was advised that due to rising energy prices, an increase to the budget in the sum of £3.750m was required for 2023/24 but that no further amendment would be required to the budget for 2024/25. There has been no change to this assumption.

It is clear that energy price inflation is an extremely volatile area. Therefore, to be prudent, a specific risk reserve of £2.500m has been created to cover any additional costs due to volatility in 2023/24. The position will be kept under continual review.

e) **Unachieved / Reprofiled 2022/23 Budget Reductions - £2.895m in 2023/24**

Cabinet of 12 December 2022 was advised that budget reductions totalling £2.845m could not be achieved or offset by compensating recurring service savings. Since the Cabinet meeting this has increased by £0.050m as a result of the review of achievability of PPL-BR1-439 Internal Efficiency Initiatives – Unity Partnership. The updated total is £2.895m and consist of:

- PPL-BR1-439 Internal Efficiency Initiatives - Unity Partnership (£0.363m)
- PPL-BR1-512 Information and Communications Technology (£0.020m)
- PPL-BR1-401 Creating a Better Place – Projects & Assets (£2.012m) – although the value of this budget reduction will not be achieved as intended, it will be reprofiled to 2024/25
- CHS-BR1-443 External Placements Cost Avoidance (£0.500m)

f) **Children’s Social Care Demand Pressures - £11.300m and One-Off Investment of £2.900m in 2023/24**

Cabinet on 12 December approved a report which agreed investment of £11.800m for Children’s Social Care acknowledging the impact of the pressures being faced by the service and the need to rebase the budget. Of this sum £0.500m was to address the budget reduction CHS-BR1-443 External Placements Cost Avoidance which has not been delivered and is presented at (e) above with the balance of £11.300m to address on-going budget pressures reported in the month 6 financial monitoring report.

A further £2.900m of additional investment will be added to the budget for 2023/24 on a one-off basis to pump prime transformational activity. This will be funded by Children’s Services reserves. This is expected to deliver efficiencies and savings thus reducing the cost of Children’s Services in future years. As this is one off in nature the funding is removed in 2024/25.

In total, investment of £14.700m is being allocated to Children’s Social Care in 2023/24 and is unchanged from that previously reported.

g) **Children’s Social Care Pressures – Impact on Legal Services - £0.150m in 2023/24**

Cabinet in December 2022 was advised that £0.150m would be required in 2023/24 to address the increased legal costs arising from the number of children in the social care system. This pressure is unchanged.

h) **Adult Social Care – Demand Pressures/ Demographics - £16.478m in 2023/24 and £4.108m in 2024/25**

Members were advised in December 2022 that Adult Social Care pressures including the impact of demographics would require investment of £17.178m for 2023/24 and £2.865m for 2024/25. This was in part based on information contained in the month 6 financial monitoring report. The month 8 financial monitoring report has advised that the underlying pressure in Adult Social Care has reduced. The budgetary pressure for 2023/24 has been reassessed at £16.478m, a reduction of £0.700m (as outlined at paragraph 6.9). However, a review of the 2024/25 position has resulted in an increase of £1.243m from £2.865m to £4.108m.

i) **Adult Social Care – New Ringfenced Grants - £4.196m in 2023/24 and a further £2.370m in 2024/25**

The December report advised that new ringfenced grants for Adult Social Care were expected to provide additional resources of £3.448m in 2023/24 and a further £2.373m in 2024/25. The PLGFS has provided detailed allocations for 2023/24 and this has increased resources by £0.748m in 2023/24 as follows:

- Market Sustainability and Fair Cost of Care Fund - £2.628m (an increase of £0.560m).
- Adult Social Care Discharge Fund - £1.568m (an increase of £0.188m).

A small decrease of £0.003m has been assessed for 2024/25 from £2.373m to £2.370m.

As this is ringfenced funding it has the impact of directly offsetting expenditure and is therefore presented as an adjustment to expenditure estimates. Further detail is provided at Section 11.12 and 11.13.

j) **Reversal of the Health and Social Care Levy net impact on Pay Budgets – (£0.383m) in 2023/24**

There has been no change to the calculated impact of the reversal by the Government of the Health and Social Care Levy thereby reducing National Insurance contribution rates by 1.25% with a net impact to mainstream service pay budgets for 2023/24 of £0.383m.

k) **Home to School Transport – Additional Costs - £1.000m in 2023/24 and £0.250m in 2024/25**

As reported to Cabinet on 12 December 2022, the anticipated increase to the cost of the Home to School Transport Service remains at £1.000m for 2023/24. A specific risk reserve of £0.228m will be held to mitigate any 'worst case scenario' additional pressures. A further pressure of £0.250m is anticipated for 2024/25.

l) **Dedicated Schools Grant (DSG) – Inherited Liabilities - £0.000m in 2023/24**

It had been assumed that there would be a requirement for the Council to fund historic costs e.g., on-going pension liabilities, which could no longer be funded by the DSG. This was reported to Cabinet as a pressure at a value of £0.128m. However, after a successful submission to the Department of Education, DSG funding will be received to offset the cost and the budgetary pressure can now be removed.

m) **Investment Fund - £1.115m in 2023/24 and £3.478m in 2024/25**

The investment fund represents the required budget to fund borrowing costs arising from planned capital expenditure. For 2023/24 this is estimated at a value of £1.115m (an increase of £0.261m from the 12 December 2022 position). An additional pressure of £3.478m is anticipated for 2024/25 (a reduction of £0.441m from the 12 December 2022 position).

n) **Employer Pension Contribution Rate Reduction – (£1.500m) in 2023/24**

As reported to Cabinet on 12 December 2022, the Greater Manchester Pension Fund has advised that based on the latest actuarial valuation, the employers pension contribution rates for the period 2023/24 to 2025/26 will produce a benefit to the Council at a value of £1.500m. This position is unchanged.

o) **Cessation of Pension Prepayment Flexibility - £0.750m in 2023/24 and £0.075m in 2024/25**

For the period 2020/21 to 2022/23, the Council made an up-front payment of its employer pension contributions to the Greater Manchester Pension Fund to generate a revenue budget reduction of £0.900m in each of the three years. Whilst the option to make such a prepayment will be available in 2023/24, the treasury management position of the Council and prevailing interest rates make this a much less beneficial option. The full impact of the £0.900m contribution reduction is offset in part by the Council's ability to generate additional interest on the funds it will not be prepaying thus reducing the financial pressures to £0.750m. The treasury management benefit is expected to reduce by £0.075m in 2024/25, thus increasing the budget requirement.

A final decision on whether to make the employers pension contribution prepayment is not required until April 2023 and there could be changes to the financial viability of the prepayment before that time. Delegation is therefore sought to enable the Cabinet Member for Finance and Low Carbon and the Director of Finance to make a final decision on the feasibility of the pre-payment and hence the generation of an additional benefit to the Council. Should a prepayment be made, although too late to be included in budget setting, the financial benefits will be reported to Cabinet in the Month 3 monitoring report for 2023/24.

p) **Market Relocation - £0.542m in 2023/24**

A report presented to Cabinet on 21 September 2022 identified revenue costs associated with relocating the Tommyfield Market to the Town Square Shopping Centre at a value of £0.542m. The budget requires adjustment to reflect this cost and will support the traders in relocating to the new premises and support their sustainability during current challenging times.

q) **Elections Cost Pressures - £0.100m in 2023/24**

The December Cabinet report advised that additional costs are anticipated in 2023/24 for premises hire for polling stations and increased postage costs. To address this, £0.100m is required to be added to the budget and this estimate has not changed.

r) **External Audit Scale Fees - £0.150m in 2023/24**

The estimated increase to the External Audit fee of £0.150m remains unchanged to that reported to Members in December.

s) **Pest Control - £0.100m in 2023/24**

The Council is investing resources of £0.100m in the provision of Pest Control services. This will provide funding for additional staff and materials to facilitate delivery of Public Health related Pest Control services for vulnerable residents.

t) **Cost of Living Support - £1.790m in 2023/24 and a reduction of £0.852m in 2024/25**

On 21 September 2022, Cabinet approved Oldham's response to the on-going cost of living crisis which requires expenditure of £1.790m in 2023/24. The cost falls to £0.938m in 2024/25 and therefore the budget requirement reduces by £0.852m.

u) **Exceptional Hardship Payment Scheme - £0.130m in 2023/24**

Mindful of the pressures being experienced by some households, the funding for the Exceptional Hardship Payment Scheme is being increased by £0.130m so that the Council has more resources available to support those experiencing difficulties paying Council Tax as a result of the cost of living crisis.

v) **Information Technology – Research and Development Fund - £0.100m in 2023/24**

Unchanged from the 12 December 2022 report is the £0.100m investment to enable some feasibility and research work to commence for potential information technology schemes and projects which will allow transformational change to take place and cost

savings to be realised. It is anticipated that this will be offset by £0.100m of the assumed £2.600m flexible use of capital receipts.

w) **Increased Expenditure Funded by the passporting of Public Health Grant - nil**

The 12 December 2022 Cabinet report advised that it was expected that Public Health Grant (PHG) would be increased by 2% and in line with Council policy to passport increases in PHG to the service, expenditure estimates were increased by £0.354m in 2023/24 and an anticipated £0.361m in 2024/25. The PLGFS has not included any additional PHG funding or provided any information about any increases. As such, the anticipated increased expenditure has been removed as there is no specific funding source to support it.

If there is a subsequent notification of PHG, then both the expenditure and grant income budgets will be increased by a corresponding sum. It is possible (as in 2022/23) that the PHG notification may be provided at the Final Local Government Finance Settlement.

x) **Development Fund / Political Priorities - £3.000m in 2024/25**

The 2024/25 forecasts include a budget of £3.000m to facilitate the funding of corporate priority developments that emerge during the budget process in line with political priorities. This is unchanged from the 12 December 2022 position.

y) **COVID-19 Legacy Costs – (£12.000m) in 2023/24**

In 2022/23, £12.000m was added to the budget to fund any legacy costs in relation to the COVID-19 pandemic, particularly in relation to Children's and Adults Social Care services. It was expected these costs would reduce on a gradual basis with £3.000m being released from the budget each year to 2025/26. It was therefore assumed that £9.000m would be available to support the budget in 2023/24. Given the on-going nature of the COVID-19 related pressures, the concept of COVID-19 legacy has now superseded and budgetary provision consolidated into the mainstream budgets of Children's and Adult Social Care in the sum of £4.500m each. The anticipated reduction in future years has been removed involving a total budget adjustment of £12.000m in 2023/24 and remains unchanged from the position reported in December 2022.

z) **Revised Parish Precept Expenditure (offset by Parish Precept income) - £0.004m in 2023/24 and £0.008m in 2024/25**

Since the 12 December report, the anticipated Parish Precepts expenditure for 2023/24 has reduced from £0.008m to £0.004m, although there could be a further change once the respective Parish Councils have finalised their budgets. This change has no detrimental impact to the Council as it will be fully funded by increased Parish Precept income. No change to the £0.008m 2024/25 estimate has been made.

8.3 Overall, the impact of all of the expenditure pressures outlined above is £45.913m for 2023/24 and £14.697m for 2024/25.

9 Levies

- 9.1 Members will be aware that the Greater Manchester Combined Authority charges the Council for Waste Disposal and Transport Services in the form of levies and a statutory charge. It also charges for some other regionally provided services. In addition, the Environment Agency also charges a levy for services. The Council has no discretion over the payment of levies and statutory charges.
- 9.2 As reported to Cabinet on 12 December 2022, it had been assumed that the levy/statutory charge/contributions to be made in 2023/24 would fall by £0.806m compared to the previously assessed level. This has now been revised so that rather than a decrease from the 2022/23 charge, there will be an increase of £1.119m. This results in a change to the estimate for 2023/24 by £1.925m.
- 9.3 Members will be aware that this financial year, the GMCA has returned to the Council its share of excess 2020/21 Waste Disposal service reserves at a value of £1.044m. This refund will be held in the Council's reserves at the end of the 2022/23 financial year and used to support the revenue budget in 2023/24.
- 9.4 The estimates increase to levies/contributions for 2024/25 includes funding of £1.432m for the Mayoral Bus Reform initiative which is to be funded on a one off basis by the use of reserves.
- 9.5 It is also anticipated that the Council's contribution to the Environment Agency Levy will remain unchanged at an increase of £0.002m.

Summary of Levies/Contributions

- 9.6 The changes to the estimates relating to Levies are summarised in the table below:

Table 10 – Impact of Levies

	2023/24 Cabinet (12 Dec 2022) £000	2023/24 Further Revisions £000	2023/24 Final Position £000	2024/25 £000
Projected Change to GMCA Levy budgets	(806)	1,925	1,119	2,851
Environment Agency Levy	2		2	2
Total Impact of Levies, the Statutory Charge and Contributions	(804)	1,925	1,121	2,853

- 9.7 The change to the levies for both GMCA services and the Environment Agency are based on best information available but are subject to revision when respective organisation meet to confirm their levy charges. Final notifications are expected in early February 2023.

10 Main Unringfenced Government Grants Announced in or Derived from the Provisional Local Government Finance Settlement

10.1 The PLGFS and associated announcements provided information about some but not all of the Government grant funding that the Council is expecting to receive in 2023/24. However, as is shown in the table below and the accompanying commentary, the Council expects to receive an increase in grant funding of £3.009m. It should be noted that there has been no specific funding provided for the general inflationary pressures that the Council is experiencing.

Summary of Unringfenced Government Grants Linked to the PLGFS

10.2 A summary of all grants notified or anticipated (for which a sum has been assumed) as included in the PLGFS is shown in Table 11 below. Total funding equals £107.942m which is £3.009m higher than the forecasts presented to Cabinet on 12 December 2022.

Table 11 – Summary of Unringfenced Government Grants

	2023/24 Cabinet (12 Dec 2022) £000	2023/24 Further Revisions £000	2023/24 Final Position £000	2024/25 £000
Government Grant				
Business Rates Top Up Grant	(43,277)	(2,739)	(46,016)	(48,113)
Grant in Lieu of Business Rates	(23,471)	(2,223)	(25,694)	(27,596)
Improved Better Care Fund Grant	(11,188)	0	(11,188)	(11,188)
Social Care Support Grant	(21,433)	(21)	(21,454)	(24,783)
Lower Tier Services Support Grant	(437)	437	0	0
Housing Benefit Administration Grant	(824)	14	(810)	(796)
Revenues and Benefits Service New Burdens Grant	0	(11)	(11)	(9)
Local Council Tax Administration Subsidy Grant	(360)	360	0	0
New Homes Bonus Grant	(562)	310	(252)	(125)
Services Grant	(3,381)	864	(2,517)	(1,056)
Total Government Grant Funding	(104,933)	(3,009)	(107,942)	(113,666)

10.3 The unringfenced Government Grants notified or expected for 2023/24 and 2024/25 are detailed below:

a) **Business Rates Top Up Grant - £46.016m in 2023/24 and £48.113m in 2024/25**

Business Rates top up grant for 2023/24 is £46.016m as notified in the PLGFS. This is £2.739m more than was presented to Cabinet on 12 December 2022. This is largely as a result of the increasing of the RSG element of the Top Up grant by 10.1% to reflect the rate of CPI as outlined at 5.11.

It is expected that there will be an allocation of Public Health Grant which, due to the Council piloting 100% Business Rates Retention, will have the impact of increasing the Business Rates Top Up grant. However any increase will be net neutral to the financial position of the Council as its policy is to passport the Public Health grant in full to the service.

For 2023/24, there has been a roll in of a number of grants into the Business Rates Top Up Grant as follows:

- Local Council Tax Administration Subsidy Grant. This had been included in the forecasts prepared for the 12 December 2022 Cabinet report at £0.360m, however the total allocation of £0.361m has been rolled into the total Business Rates Top Up Grant.
- Family Annexe Council Tax Grant. No allocation for this grant had been included within the 12 December 2022 estimates. The total allocation £0.004m has been rolled into the Top Up Grant.
- A new grant for Food Security Enforcement Grant (Natasha's Law) at a value of £0.005m has been rolled into the Business Rates Top Up Grant. This had not been included within the Council's 12 December 2022 estimates.

For 2024/25, it is expected that the Government will again increase allocations in line with inflation with an estimated CPI rate for 2024/25 at 7.4%.

b) Grant in Lieu of Business Rates - £25.694m in 2023/24 and £27.596m in 2024/25

Directly aligned to the Business Rates income that the Council generates is the level of Grant in Lieu of Business Rates. This grant represents compensation for Government policy announcements and events that have the impact of reducing the amount of collectable Business Rates revenue including the Business Rates Reliefs and the multiplier cap. For 2023/24, the Grant in Lieu of Business Rates is expected to be £25.694m.

The PLGFS confirmed the announcement at AS22 that the Business Rate multiplier is frozen and Local Authorities will be compensated for this. Grant for 2023/24 includes additional compensation for the multiplier based on CPI. The multiplier from the financial year 2024/25 will also have a link to the CPI.

The 2023/24 compensation that Oldham will receive has been included within the Grant in Lieu of Business Rates allocation detailed above at a value of £25.694m. As with Business Rates Top Up funding above, it is also expected that Grant in Lieu of Business Rates will be increased in line with inflation for 2024/25 resulting in a total grant value of £27.596m.

c) Improved Better Care Fund Grant - £11.188m for 2023/24 and 2024/25

The PLGFS confirmed the Improved Better Care Fund for 2023/24 at £11.188m, which is at the same level as that received in 2022/23 and is no change to the estimate included within the Council's 12 December Cabinet report. It is expected to remain at this level for 2024/25.

d) Social Care Support Grant - £21.454m in 2023/24 and £24.783m in 2024/25

The PLGFS also confirmed an increase in the unringfenced Social Care Support Grant which is a grant provided to assist Councils with financing the increased expenditure pressures for both Adult and Children's Social Care. The total amount allocated for Oldham is £21.454m, an increase of £0.021m from the 12 December 2022 estimates and includes recycled funding from previously announced Adult Social Care Reforms and the roll in of the Independent Living Fund Grant. The breakdown of this allocation compared to the position anticipated in the December Cabinet report is as follows:

- Rollover of Social Care Support Grant 2022/23 - £12.132m (no change)
- Recycled Social Care Support Grant - £6.742m (£0.021m increase)
- Independent Living Fund Roll in - £2.580m (no change)

The Government has announced increased national allocations for 2024/25 and for planning purposes, Oldham's estimated allocation has been increased by the same % as the national figures resulting in an expected grant of £24.783m.

e) Lower Tier Services Grant - nil

Within the PLGFS, the Government announced a new Funding Guarantee Grant to ensure that every Local Authority has an increase in Core Spending power of at least 3%. This new grant has been funded by removing the Lower Tier Services Support Grant and by reducing the New Homes Bonus grant. Oldham has a nil allocation of the Funding Guarantee grant as its CSP is higher than 3% at 10.04%.

The impact for Oldham is the removal of grant of £0.437m compared to the position presented to Cabinet on 12 December 2022.

f) Housing Benefit Administration Grant - £0.810m in 2023/24 and £0.796m in 2024/25

The Council received notification of the 2023/24 funding allocation from the Department of Work and Pensions after the issue of the PLGFS on 21 December at a reduced value of £0.810m, a decrease of £0.014m compared to the 2023/24 funding allocation and the estimate presented to Cabinet on 12 December 2022. The grant is expected to reduce at a similar level in 2024/25 to a value of £0.796m.

g) Revenues and Benefits Service New Burdens - £0.011m in 2023/24 and £0.009m in 2024/25

The Department of Work and Pensions has notified of a number of small new burdens grants to recompense the Authority for additional requirements. These include the cost of additional activities required to support Universal Credit claimants that are living in temporary or supported accommodation and receive their housing costs through Housing Benefit, the migration to Universal Credit and compliance with the Single Fraud Investigation Service. It is expected that the Council will receive £0.011m in 2023/24 with a slight reduction to £0.009m in 2024/25.

h) Local Council Tax Administration Subsidy Grant - nil

As detailed in paragraph (a) the Local Council Tax Administration Subsidy Grant has now been rolled in to the Business Rates Top Up Grant (within the RSG element) and the Council will no longer receive this as a separate allocation.

i) New Homes Bonus Grant - £0.252m in 2023/25 and £0.125m in 2024/25

This grant will continue in 2023/24 and is to be paid on the same basis as 2022/23, however there will be no legacy payments. The future of this grant post 2023/24 is unclear with a consultation expected to be issued before the 2024/25 PLGFS. The 12 December 2022 estimates had assumed a value of £0.562m, however, with no legacy payments, this allocation has reduced to £0.252m for 2023/24 which is a decrease of £0.310m. It is expected that the Government will phase out the remaining grant with a further reduction expected in 2024/25 to a value of £0.125m.

j) Services Grant – £2.517m in 2023/24 and £1.056m in 2024/25

Included within the estimates presented to Cabinet in December 2022 was an allocation of £3.381m for the Services Grant. This grant had already been reduced from original estimates due to the previous reversal of the Health and Social Care Levy contribution. As indicated in the AS22, the Services Grant was also to be reduced further to provide additional funding for the Supporting Families Programme. Although no details of this grant were provided, the Council has been advised separately of indicative allocations (see para 11.4). The PLGFS confirmed that Oldham's Services Grant allocation for 2023/24 is £2.517m, which is a further decrease of £0.864m.

For 2024/25, it is expected that the Government will reduce the Services Grant further to fund inflationary increases to the RSG. As part of the 100% Business Rates Retention Pilot, the Council does not receive RSG directly however the Government continues to publish notional RSG values and the expected Services Grant for the Council has been reduced by the equivalent notional increase in RSG at a value of £1.056m.

- 10.4 As mentioned at paragraph 4.3, the Government has also announced a new funding stream to be introduced from 2024/25 for the 'Extended Producer Responsibility for Packaging Scheme'. At the time of writing there is no clarity as to the grant funding levels or any conditions that might be linked to the grant. Any net benefit that the Council receives will reduce the budget reduction requirement for 2024/25.

11 Ringfenced Grants

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

Dedicated Schools Grant (DSG)

- 11.2 The DSG is a ringfenced grant payable to Local Authorities by Government for the funding of schools. For several years, the Government has been changing the way it distributes schools funding via the DSG from locally agreed arrangements towards a standard means of allocating resources. This is known as the National Funding Formula (NFF). The Council's approach to funding schools for 2023/24 was approved at Cabinet on 12 December 2022.
- 11.3 The overall DSG allocation was confirmed at £321.710m in information preceding the PLGFS on 16 December 2022. Further details regarding the DSG and allocation are included in **Appendix 1**.

Supporting Families (formerly Troubled Families) Programme

- 11.4 The Supporting Families Programme aims to support families with deep rooted problems relating to issues such as crime and anti-social behaviour, education, life chances, living standards, domestic abuse and mental and physical health. It provides much-needed support to improve outcomes for children and families on these issues. The programme is delivered through a devolved agreement between Government and Greater Manchester via a Reform Investment Fund. In the October 2021 Spending Review, the Chancellor committed to a continuation of the programme for the next three financial years with an additional £200m nationally over this period. In 2022/23, Oldham's allocation was £1.370m with a target of supporting an additional 420 families with complex needs. The funding is projected to increase over the next two years, with an indicative allocation of £1.570m in 2023/24 and £1.700m in 2024/25 but with a requirement to successfully support 680 families in 2023/24 and 840 families in 2024/25 (a 100% increase). The funding will complement investment through the Government's Family Hubs programme.
- 11.5 As detailed within Section 10.3 (j), the increase in the ringfenced Supporting Families Programme will be funded from reducing the unringfenced Services Grant allocation for 2023/24.

Housing Benefit Scheme / Housing Benefit Subsidy Grant

- 11.6 The Council receives Housing Benefit Subsidy Grant funding from the Department for Work and Pensions (DWP) to fund the costs of operating the Housing Benefits scheme. Allocations are determined on the submission of a Local Authority's initial estimate for its anticipated levels of rent allowances and rent rebates within a financial year. A revised estimate takes place mid-year. In addition to these estimates the DWP also allocates an amount for the administration of the scheme which is based on the number of new housing benefit claims and overall caseload.

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- 11.7 In 2022/23 the Council is currently forecasting £41.721m of funding for Housing Benefit from the DWP. This allocation is likely to be reduced during 2023/24 as Housing Benefit caseloads continue to fall. The estimated 2023/24 position will be revised following the Council's submission of updated information in accordance with the statutory deadline of 1 March 2023.

Discretionary Housing Payments (DHP)

- 11.8 The Council is awaiting notification of DHP grant allocations for 2023/24. For the 2022/23 financial year, the amount received by the Council was £0.427m and it is expected that the allocation for 2023/24 will be at a similar level. When received, this will be treated as a ringfenced grant as Authorities are required to provide a statement of grant usage and to return any unspent DHP allocation to the Government at the end of each financial year.

Homelessness Prevention Grant

- 11.9 The Government has announced continuation of a ringfenced grant to tackle homelessness and rough sleeping. Allocations have been notified and a grant of £0.578m has been awarded in 2023/24.

- 11.10 Homelessness Prevention grant is to give Local Authorities control and flexibility in managing homelessness pressures and supporting those who are at risk of homelessness. The Government expects it will be used to:

- Enforce the Homelessness Reduction Act and contribute to ending rough sleeping by increasing activity to prevent single homelessness.
- Reduce family temporary accommodation numbers through maximising family homelessness prevention.
- Eliminate the use of unsuitable bed and breakfast accommodation for families for longer than the statutory six week limit.

Domestic Abuse Duty Funding

- 11.11 The Domestic Abuse Act 2021 placed new duties on Local Authorities across England to ensure that victims of domestic abuse and their children can access the right support in safe accommodation when they need it. On 12 December 2022, DLUHC announced and published allocations of the Local Authority Domestic Abuse Duty funding for 2023/24 and 2024/25. For Oldham, the ringfenced grant awarded is £0.592m for 2023/24 and £0.603m for 2024/25.

Adult Social Care - Market Sustainability and Fair Cost of Care Fund

- 11.12 As detailed at Section 3.9/3.10, additional grant of £1 billion funding was announced by the Government as part of the Autumn Statement. Of this funding, £600m of Better Care Fund grant is split between Local Authorities and the National Health Service (NHS) with the Market Sustainability and Fair Cost of Care funding in 2022/23 of £162m being rolled in for 2023/24. The PLGFS confirmed that Oldham's allocation for this ringfenced grant is £2.628m, which is an increase of £0.560m against previous estimates. It is expected that a further £1.046m will be received in 2024/25.

Adult Social Care – Discharge Fund

- 11.13 Of the £1 billion additional funding detailed above, £400m is to be allocated to Local Authorities to help support with hospital discharges. The allocation for Oldham has now been confirmed at £1.568m, which is an increase of £0.188m from the estimates presented to Cabinet at its meeting of 12 December 2022. It is expected that a further £1.324m will be received in 2024/25.

Household Support Fund Grant

- 11.14 As confirmed in AS22, there is to be a twelve month extension of the ringfenced Household Support Fund grant in 2023/24 at a national value of £1 billion. Notifications for 2023/24 have not yet been received, however it is assumed that the Council will receive a level similar to that which it has received in 2022/23 which is at a value of £4.838m.

Holiday Activities and Food Grant

- 11.15 On 20 December 2022, the Department for Education announced the continuation of the Holiday Activities and Food Grant for 2023/24. This purpose of this funding is for Local Authorities to make free places at holiday clubs available in the Easter, summer and Christmas school holidays in 2023/24. These places will be made available to children in the Local Authority area who are eligible for and receive free school meals. The allocation for Oldham has been confirmed at £1.480m.

Council Tax Support Fund

- 11.16 Following the PLGFS, on 23 December 2022, DLUHC published allocations for a new Council Tax Support Fund of £100m which is to be used to support the most vulnerable households in England. The Government expects Local Authorities to use the majority of their funding allocations to reduce bills for current working age and pension age Council Tax Reduction claimants by up to £25. Councils can use their remaining allocation as they see fit to support vulnerable households with Council Tax bills. Oldham's allocation for this ringfenced grant is £0.573m for 2023/24. A discretionary scheme will be prepared to outline the way in which the grant will be allocated in Oldham.

12 Locally Generated Income

12.1 The AS22 confirmed the continuation of the 100% Business Rates Retention Pilot scheme into 2023/24 but advised that its continuation into 2024/25 would remain under review by the Secretary of State. The budget estimates for 2024/25 have been prepared on the basis that the pilot scheme will continue, and continuity will therefore be provided by the Government until the end of the current Spending Review period.

12.2 The table below sets out the individual elements of locally generated income with narrative detailing the key issues in the following paragraphs.

Table 12 Locally Generated Income

	2023/24 Cabinet (12 Dec 2022) £000	2023/24 Further Revisions £000	2023/24 Final Position £000	2024/25 £000
Locally Generated Income				
Retained Business Rates	(48,429)	(4,250)	(52,679)	(50,164)
Council Tax Income - General Purposes	(94,121)		(94,121)	(97,113)
Adult Social Care Precept	(12,778)	(2,096)	(14,874)	(17,200)
Parish Precepts	(322)	4	(318)	(326)
Total Locally Generated Income	(155,650)	(6,342)	(161,992)	(164,803)

Retained Business Rates

12.3 This income is driven by the rateable value of business premises and the Government notified business rates multiplier. There are, however, a range of other factors such as Government policy announcements, empty premises and local economic conditions that influence the level of Business Rates that can be collected. A key influence on Business Rates income has been the granting of a range of reliefs and discounts which has generated Grant in Lieu of Business Rates as explained at 10.3 (b). An extra factor for the financial year 2023/24 has been Business Rates Revaluation which has determined the amount of rates to be collected locally.

12.4 As advised in SR21 and supplemented by the AS22, the PGLFS confirmed the freezing of the Business Rates multiplier in 2023/24, therefore the multipliers are:

- non-domestic rating multiplier: 51.2p
- small business non-domestic rating multiplier: 49.9p

12.5 The impact of Retained Business Rates and Grant in Lieu of Business Rates on the 2023/24 budget is set out in the above table, comparing the estimated position reported to the Cabinet meeting of 12 December 2022 against the revised expected position.

12.6 The key financial implications for the 2023/24 budget are explained in the following paragraphs.

12.7 On 1 April 2017, the GMCA, Oldham Council and the nine other GM districts commenced a pilot scheme for the 100% local retention of Business Rates. Under the pilot scheme, additional Business Rates income was initially offset by reductions in other funding streams such as RSG and Public Health Grant in exchange for the local retention of all future growth in Business Rates revenue (rather than just 50% as is the case with the national scheme of rates retention). The pilot scheme has delivered financial benefits for its participants. Whilst

there has been some uncertainty as to the continuation of the 100% Business Rates retention piloting arrangements, the PLGFS advised that the pilot scheme would continue for another financial year in 2023/24 with a review to be undertaken in that year to determine the continuation of the scheme into 2024/25.

- 12.8 As presented to Cabinet in 12 December 2022, the anticipated Retained Business Rates income for 2023/24 was shown at £48.429m. This assumed no continuation of the pilot scheme at that time. As outlined above, it has now been confirmed that the pilot scheme will continue and includes an expectation that 75% of the estimated pilot gain can be used by the Council. The estimate was also prepared before the notification by Government of Business Rate Reliefs applicable from 1 April 2023, which has the impact of reducing the amount of Business Rates that can be billed. Despite the reliefs (for which the Council will receive compensation through Grant in Lieu of Business Rates (see paragraph 12.13)), the estimated level of Business Rates has increased to £52.679m.
- 12.9 This increase is in part the consequence of the assumption of a benefit of £4.180m from the Business Rates pilot scheme for 2023/24. The current arrangements are that the Council can retain 75% of this benefit with the balance attributable to the GMCA (although this has yet to be finally confirmed for 2023/24). Working on a 75% share, the Council would receive £3.135m and this will be made available to support the 2023/24 budget whilst the GMCA share of £1.045m will be transferred to a reserve to be paid to the GMCA once the final position has been agreed. It is important to note that these figures will only be confirmed at the end of 2023/24 and must therefore remain indicative but can be relied upon for budget setting purposes.
- 12.10 The level of Business Rates to be relied upon for budget setting (the Business Rates Tax Base) has to be formally approved by Cabinet. A report setting out the estimated Tax Base was presented to Cabinet on 23 January 2023. However, under the current Local Government finance system introduced on 1 April 2013, local billing authorities are required to prepare and submit to the Government a locally determined and approved Business Rates forecast through the National Non-Domestic Rates (NNDR 1) return by 31 January each year. The work to finalise the NNDR1 is still underway, therefore, the Cabinet report of 23 January 2023 gives delegation for the decision to vary the final Business Rates forecast and hence the Business Rates Tax base, to the Deputy Leader and Cabinet Member for Finance and Low Carbon in consultation with the Director of Finance. There may, therefore, be a further change to the estimates.
- 12.11 For the purposes of formal decision making, Oldham Council's share of the Business (Non-Domestic) Rates forecast for 2022/23 is presented at £48.499m a reduction of £0.106m compared to 2022/23 (reflecting the offsetting receipt of grant compensation) but £0.070m higher than the position reported to Cabinet in December 2022. However, when including the Retained Business Rate pilot scheme growth, the Council's share increases to £51.634m, with £1.045m available for the GMCA. This represents the best estimate available. The total sum of £52.679m is represented as follows:

Table 13 – 100% Pilot Scheme Benefits

	£000	£000
Council's share of 2023/24 Retained Business Rates income	(48,499)	
Council's share of Retained Business Rates Pilot scheme growth	(3,135)	
Total Benefit to the Council		(51,634)
GMCA share of Retained Business Rates Pilot Scheme Growth	(1,045)	
Total Benefit to GMCA		(1,045)
Total Retained Business Rates income		(52,679)

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- 12.12 The final Business Rates forecast for 2023/24 will be confirmed when preparing the submission of the Council's NNDR 1 return in late January 2023.
- 12.13 The estimated Business Rates income for 2024/25 is £50.164m. This is based on the presentation of Business Rates income assuming the pilot scheme continues but prudently does not assume any gain from the pilot scheme. If and when the formal notification of the continuation of the pilot scheme is confirmed, the estimate could be adjusted.
- 12.14 Members will recall, with the exception of 2021/22 and 2022/23, Oldham has participated in Business Rates pooling since 2015/16. The aim of pooling is to retain the benefits of any Business Rates growth within Greater Manchester for the benefit of the region. An initial expression of interest was submitted to the Government for the creation of a 2023/24 GM Business Rates Pool including all ten GM Districts.
- 12.15 The Business Rates Pooling proposition is such that no Local Authority should be worse off by pooling than it would be if it did not pool. Therefore, if there is any growth in Business Rates as a result of the economic regeneration activity planned within the borough, the Council would be able to keep its share of that benefit also benefiting from a share in any levy payment that any other levy paying Authority in the pool would normally pay to Central Government.
- 12.16 The fact that Greater Manchester is piloting full Business Rates retention, suggests participating in Business Rates pooling is no longer necessary as there are no additional financial gains to be made. However, a decision on membership could not be made until the contents of the 2023/24 PLGFS had been examined and the impact understood. Confirmation of pool membership had to be made within 28 days of the receipt of the PLGFS (16 January 2023). Having considered all the relevant information, the conclusion reached by all Councils was that pooling was not advantageous for 2023/24. With that collective decision, the Government was informed that there would be no GM Business Rates pool in 2023/24.

Council Tax

- 12.17 Council Tax is the largest single revenue stream that is used to support the Council's revenue budget. Council Tax and Adult Social Care Precept (ASCP) income changes each year due to changes in the Tax Base (increase/decrease in chargeable Band D equivalent properties), fluctuations in collection rates and the Council's annual decisions on the level of the Council Tax as set out below.

Council Tax Tax Base

- 12.18 Each year the Council is required to review its Tax Base by considering the:
- numbers of properties within the boundary of the borough which determines the number of Band D equivalent properties upon which the Council Tax calculations are based; and
 - anticipated level of Council Tax that will be collected known as the Collection Rate.
- 12.19 The Tax Base for 2023/24 was initially estimated at 57,943 Band D equivalents, but in the report approved at Cabinet on 12 December 2022, Members were advised that the most recent assessment was that the Tax Base would increase to 58,500. This was clearly subject to confirmation through the formal setting of the Tax Base at Cabinet in January 2023. On 23 January 2023, Cabinet considered and approved the calculation of the Council Tax Tax Base for 2023/24 at 58,500. This determines the overall level of Council Tax that the Council can use to support the 2023/24 budget. The Tax Base calculations are summarised in **Appendix 2**.

Council Tax Policy

- 12.20 Members will recall that in 2022/23, the Council increased its Council Tax by 3.99% which was comprised of 1.99% for general purposes and 2% for the ASCP (the Council was able to use the 1% ASCP increase it had deferred from 2021/22).
- 12.21 When the 2022/23 budget and MTFs was approved, it was assumed that the maximum increase in Council Tax for general purposes for 2023/24 and future years without the need for a referendum would be 1.99%. There was uncertainty as to whether the Government would permit an ASCP hence this was not included at that time (subsequently there was confirmation that a 1% increase could be applied).
- 12.22 The AS22 advised of further flexibilities, confirmed in the subsequent Policy Statement and the PLGFS, permitting a further 1% increase for Council Tax for general purposes each year from April 2023 – to a maximum of 3% and also a further 1% increase for the ASCP each year from April 2023 – to a maximum of 2%. Therefore, the maximum increase without the requirement to hold a Council Tax referendum for both 2023/24 and 2024/25 is 4.99%. The Government assumes in its calculations that Authorities will increase Council Tax by the maximum allowed.
- 12.23 Consideration has been given to the approach to Council Tax for 2023/24 and 2024/25 having regard to the information set out at 12.22. Members are therefore proposing to revise the Council Tax policy and increase Council Tax by 3.99% reflecting:
- An increase of 1.99% to Council Tax for general purposes
 - An increase of 2% for the ASCP

This increase is still provisional at this stage and will only be finalised at the Budget Council meeting of 1 March 2023.

Council Tax Income – General Purposes

- 12.24 As advised above, when the original estimates were prepared for 2023/24, it was assumed that the Council Tax Tax Base would increase from 57,450 to 57,943 Band D equivalents. However, the approved Tax Base has now increased to 58,500 with a further increase of 500 for 2024/25.
- 12.25 The net effect of the revision to the Tax Base combined with the anticipated 1.99% general purposes increase to Council Tax is an increase of Council Tax income to £94.121m for 2023/24 and £97.113m for 2024/25.

Council Tax Income - Adult Social Care Precept

- 12.26 It is proposed that the precept, which has to be highlighted separately on the face of the Council Tax bill, will be increased by the Council by 2% for 2023/24 and 2024/25. This increase will generate an additional £2.096m Council Tax income for 2023/24.
- 12.27 The revenue raised from the ASCP must be ringfenced to support the increased costs of Adult Social Care and to ensure that Councils are using income from the precept for Adult Social Care, Councils are required to publish a description of their plans, including changing levels of expenditure on Adult Social Care and related services which requires sign off from the Council's Chief Finance Officer (the Director of Finance). As advised at para 8.2 (h), the planned increased spending on Adult Social Care for 2023/24 is £16.478m. In total the Council expects to collect a cumulative sum of £14.874m from the ASCP in 2023/24.
- 12.28 The Government has confirmed that the threshold for ASCP increases is also at a maximum of 2% for 2024/25. The estimates in this report assume that this flexibility will be taken to support increased spending in Adult Social Care in 2024/25 (currently estimated at £4.108m).

Council Tax Levels for 2023/24

- 12.29 As Members will only be making decisions in relation to Council Tax levels for 2023/24, this section of the report only presents 2023/24 Council Tax information.
- 12.30 Taking into account the proposals above, Oldham Council Band D Council Tax for 2023/24 is therefore proposed at £1,863.16 of which £254.26 relates to the Adult Social Care Precept. This represents an overall increase of 3.99% in Council Tax for Oldham Council services. Table 14 highlights the general purposes Council Tax this will generate together with the ASCP.
- 12.31 As advised previously, the Council Tax for 2023/24 will not be finally determined until the Budget Council meeting on 1 March 2023.
- 12.32 Any changes to the Parish Precepts will be for the respective Parishes to agree.

Relevant Basic Amount of Council Tax

- 12.33 Members are reminded that the Council is required to calculate its Relevant Basic Amount (RBA) of Council Tax to determine whether there is a requirement to hold a referendum about a Council Tax increase above a level that the Government considers excessive.
- 12.34 This “excessiveness” is determined annually and for 2023/24 was detailed in ‘The Referendums Relating to Council Tax Increases (Principles) (England) Report 2023/24 (draft)’ which was published as part of the PLGFS for 2023/24. For Oldham Council, the RBA consists of an increase in the RBA of Council Tax comprising a maximum of 3% for general Council Tax plus 2% for the ASCP.
- 12.35 For Oldham, the 2023/24 maximum Council Tax increase available is 5% (3% for general purposes and 2% ASCP). Therefore any increase below 5% would not be classed as excessive and would not trigger a referendum. The Council Tax intention set out above is therefore not “excessive” and no referendum is required.

Council Tax Reduction (CTR) Scheme

- 12.36 The CTR Scheme (see report elsewhere on the agenda), sets out how the Council supports residents who qualify for assistance in paying Council Tax. Councils are required by statute to put in place a Local CTR scheme. Any changes to the scheme for the year ahead must be considered and approved annually by Council by no later than 10 March of the preceding financial year. The proposed scheme for 2023/24 is unchanged from the 2022/23 scheme. The financial impact of the Council’s proposed scheme is reflected in the Council Tax Tax Base estimates which were approved by Cabinet on 23 January 2023. The Tax Base, in turn, underpins the budget estimates included within this report.

Council Tax Empty Property Discount

- 12.37 The Local Government Finance Act 2012 gave the Council discretion to determine its own discounts for unoccupied and unfurnished properties. From 1 April 2013, the Council provided a discount of 100% for one month followed by a 25% discount for a further five months. It is proposed that from 1 April 2023, the Council will no longer provide any discount for these properties.

Council Tax Empty Property Premium

- 12.38 Following a legislative change in 2018 to the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018, the Council currently applies a Council Tax Empty Property Premium of 100% for properties empty and unfurnished for over two years. This policy was introduced from 1 April 2019 to encourage owners of empty properties to bring properties back into use and to help mitigate the impact of reduced Central Government funding.
- 12.39 As part of the revised legislation, Councils were also given the power from 1 April 2020 to introduce additional premiums for properties that have been empty and unfurnished for between five and ten years (200%) and over ten years (300%). Up to 2022/23, the Council had chosen not to adopt this additional increase. However, with effect from 1 April 2023, the Council will introduce a:
- Premium of 200% for properties that are empty and unfurnished for between five and ten years.
 - Premium of 300% for properties that are empty and unfurnished for over ten years.

Additional Council Tax Empty Property Premium and Second Homes

- 12.40 The Government is currently bringing forward the Levelling-up and Regeneration Bill which will give Billing Authorities further flexibility to bring forward the time period under which a premium can be charged on long-term empty properties from two years to one year, together with the introduction of a Council Tax premium of 100% on second homes. This may affect approximately 375 properties in Oldham. The proposed Bill confirms that these amendments will have effect for financial years beginning on or after 1 April 2024 and it does not matter whether the commencement date of the properties becoming vacant, in respect of the amended period of one year provided for in the Bill, began before the Bill actually comes into force.

Impact of Decisions of Precepting Authorities

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

Mayoral Police and Crime Commissioner Precept

- 12.42 The PLGFS allows a Mayoral Police and Crime Commissioner Council Tax precept increase of up to £15 for a Band D property for 2023/24 without a referendum. In response to this, on 11 January 2023, the Mayoral Police and Crime Commissioner for Greater Manchester launched a consultation on the precept to be charged for 2023/24 proposing a Band D Council Tax increase at the maximum level of £15. The consultation closes on 25 January after which comments will be considered by the Police, Fire and Crime Panel on 26 January 2023. It is expected that the precept will be formally determined at the GMCA meeting on 10 February 2023. As the Mayor's approach has not been finally determined, for reporting purposes, the precept is shown as remaining at the 2022/23 value of £228.30.

Mayoral General Precept (including Fire Services)

- 12.43 The Mayor will also propose the Mayoral General Precept on 10 February 2023 (this will incorporate funding for Fire and Rescue Services as well as other Mayoral functions). The PLGFS advised that there is no cap on a Mayoral General Council Tax increase but increases to the precept for Fire Services are capped at £5 for a Band D property without a referendum. Again, the Mayor's intention has yet to be determined so at this stage the only position that has been assumed is an unchanged precept from 2022/23, at a value of £102.95.

Parish Precepts

- 12.44 Parish Precept income is collected by the Council on behalf of the Saddleworth and Shaw and Crompton Parish Councils. This is then paid to the Parish Councils and this income and expenditure is included in the net revenue budget of the Council. These precepts are included on the Council Tax bills of properties falling within these parish areas. The revenue collected is for the benefit of each parish and thus has no impact on the financial projections presented in this report. At this stage no change in Parish Precepts has been assumed.
- 12.45 Saddleworth and Shaw & Crompton Parish Councils are due to agree their budgets and precepts imminently. At present no change is assumed in the level of precept.
- 12.46 The Parish Precept income will however increase slightly as a result of an increase in respective Council Tax Tax Bases. This change will generate extra Parish Precept at a value of £0.003m for Saddleworth Parish Council and £0.001m for Shaw Parish Council.

Council Tax to be Used to Support the 2023/24 Budget

Council Tax

- 12.47 Subject to confirmation from all precepting bodies, taking account of the Council Tax Base of 58,500 for 2023/24 and the Council Tax and Adult Social Care Precept proposals, the sums anticipated to be drawn from the Collection Fund for Council Tax in 2023/24 are as shown in the table below.

Table 14 – Draw down on Collection Fund

Precepting Body	2023/24 £000
Oldham Council including Social Care Precept (subject to confirmation)	108,995
Mayoral Police and Crime Commissioner Precept (subject to confirmation)	13,356
Mayoral General Precept (including Fire Services) (subject to confirmation)	6,023
Saddleworth Parish Council (subject to confirmation)	218
Shaw & Crompton Parish Council (subject to confirmation)	100
TOTAL	128,692
Less: contribution from Parish Taxpayers	(318)
TOTAL Draw on Collection Fund for Major Preceptors	128,374

- 12.48 The 2023/24 Band D Council Tax is shown in the table below at anticipated levels for Oldham Council services, Mayoral Precepts and Parish Precepts. These will clearly change as the budget setting processes of each organisation develop.

Table 15 - Anticipated Band D Council Tax

Council Tax Raising Body	2022/23 £	2023/24 £	Change %
Oldham Council (subject to confirmation)	1,791.68	1,863.16	3.99%
Mayoral Police and Crime Commissioner Precept (subject to confirmation)	228.30	228.30	0.00%
Mayoral General Precept (including Fire Services) (subject to confirmation)	102.95	102.95	0.00%
TOTAL BAND D COUNCIL TAX	2,122.93	2,194.41	
Saddleworth Parish Council (subject to confirmation)	24.31	24.31	0.00%
Shaw & Crompton Parish Council (subject to confirmation)	17.89	17.89	0.00%

13 Collection Fund

- 13.1 The Collection Fund is a statutory fund held separately from the General Fund of the Council. Due to the impact of COVID-19 and the reduction in both Council Tax and Business Rates collection, the Government, in 2020/21, passed legislation that required Councils to spread any deficit of the Collection Fund in that year over the next three years. This was applied to both Council Tax and Business Rates and was incorporated into the regulatory process of estimating the Collection Fund deficits in January 2021. This meant that 2020/21 Collection Fund deficits would still be recovered but over a longer time period.
- 13.2 After applying this approach, a deficit of £2.370m was to be recovered from the Collection Fund in 2023/24, with the Council element totalling £2.192m (the Council deficit was made up of a deficit of £0.927m for Council Tax and £1.265m for Business Rates). Due to the better than expected level of both Council Tax and Business Rates income collection (as outlined below), there is now no need to recover the Collection Fund Deficit in 2023/24. This was included in the budget position reported to Cabinet in December 2022 and therefore remains unchanged.
- 13.3 As Collection Fund balances remain in surplus, as advised in the month 8 financial monitoring report elsewhere on the agenda, it has been assessed that all of the surpluses in both Council Tax and Business Rates can be drawn down to support the 2023/24 budget setting process as shown in the table below. This gives a net one off benefit of £4.130m for the Council. As shown, the overall surplus is higher but the major preceptors are entitled to a share.
- 13.4 The position reported to Cabinet in 12 December 2022 advised that the surplus that could be drawn would support the 2023/24 budget by £5.150m. The position has therefore been revised down by £1.020m to £4.130m as a result of a range of changes to Collection Fund assumptions.

Table 16 – Collection Fund Summary

	Council Tax £000	Business Rates £000	Total £000
2020/21 General Collection Fund Deficit anticipated within the original estimates	927	1,265	2,192
2022/23 General Collection Fund Surplus to be drawn down	(975)	(5,396)	(6,371)
Collection Fund Impact 2023/24	(48)	(4,131)	(4,179)

	Council Tax £000	Business Rates £000	Total £000
Share - Oldham Council	(40)	(4,090)	(4,130)
Share – Greater Manchester Combined Authority Mayoral Police and Crime Commissioner	(5)	-	(5)
Share – Greater Manchester Combined Authority Mayoral General Precept (including Fire Services)	(3)	(41)	(44)
Total (Surplus)	(48)	(4,131)	(4,179)

14 Review of 2021/22 and 2022/23 Budget Reduction Proposals

- 14.1 The Revenue Budget Reports for both 2021/22 and 2022/23 included approved Budget Reductions that had future years impacts, running up to the 2025/26 financial year.
- 14.2 As previously reported to Cabinet on 12 December 2022, a review of these budget reductions has taken place which resulted in the withdrawal of an approved budget reduction (Autism Youth Club at a value of £0.012m) and a significant reprofiling of the anticipated benefits linked to the Creating a Better Place programme.
- 14.3 The impact of the above and the consequent revision to already approved budget reductions across each relevant year are summarised in the table below. This position is unchanged from the position reported to Cabinet in 12 December 2022. The full list of previously approved budget reductions are shown at **Appendix 3**:

Table 17 – Summary of Budget Reduction Proposals Approved in 2021 and 2022

	2023/24 Revised £000	2024/25 £000
2021/22 Approved Budget Reductions	(4,922)	(300)
2022/23 Approved Budget Reductions	(1,895)	(1,150)
Revisions / Reprofiling of Approved Budget Reductions	3,162	(4,250)
TOTAL	(3,655)	(5,700)

15 Flexible Use of Capital Receipts

- 15.1 The Government confirmed after the 2022/23 budget was set that the ability to use capital receipts to support the cost of transformational activities, the 'Flexible Use of Capital Receipts', will continue in 2023/24 and 2024/25. Transformation is a key element of the Council's MTFS and therefore the budget projections include £2.600m of capital receipts to support such transformational activity in both 2023/24 and 2024/25. This position is unchanged to that reported to Cabinet in 12 December 2022.
- 15.2 The Flexible Use of Capital Receipts Strategy is included as Annexe D of the Capital Strategy report which can be found elsewhere on the agenda.

Table 18 – Flexible Use of Capital Receipts

	2023/24 £000	2024/25 £000
Flexible use of Capital Receipts 2023/24 and 2024/25	(2,600)	(2,600)

16 Revised Budget Reduction Requirement

- 16.1 As previously highlighted, the result of these revisions to estimates is that compared to the position reported to Members on 12 December 2022, the budget reduction requirement has reduced from £27.975m to £20.377m for 2023/25 and from £14.575m to £9.512m for 2024/25. However, these positions included an assumed use of reserves. The use of reserves is always the last element presented when balancing the budget, hence the requirement to use the Net Gap / Budget Reduction Requirement before the Use of Reserves as the starting point from which to balance the 2023/24 budget and to show the final position in relation to the budget for 2024/25.
- 16.2 Therefore the table below presents the outstanding balances to be addressed of £29.276m for 2023/24 and £13.445m for 2024/25 before adjusting for the use of reserves as approved at the 12 December 2022 Cabinet meeting. The full budget position is also attached at **Appendix 4**.
- 16.3 Sections 17 and 18 of the report show how the budget for 2023/24 is balanced using firstly budget reductions and then the use of reserves. The revised 2024/25 position is also presented.

Table 19 – Revised Budget Reduction Requirement

	2023/24 Cabinet (12 Dec 2022) £000	2023/24 Further Revisions £000	2023/24 Final Position £000	2024/25 £000
2022/23 Net Revenue Budget	250,517		250,517	274,064
Total Adjustments to the Base Budget	12,044		12,044	8,600
Total Expenditure Adjustments	47,106	(1,193)	45,913	14,697
Total Impact of Levies, the Statutory Charge and Contributions	(804)	1,925	1,121	2,853
Total Expenditure	308,863	732	309,595	300,214
Total Government Grant Funding	(104,933)	(3,009)	(107,942)	(113,666)
Total Locally Generated Income	(155,650)	(6,342)	(161,992)	(164,803)
Total Collection Fund	(5,150)	1,020	(4,130)	0
Total Funding	(265,733)	(8,331)	(274,064)	(278,469)
Budget Reduction Requirement	43,130	(7,599)	35,531	21,745
Total 2021/22 and 2022/23 Budget Reduction Proposals	(3,655)		(3,655)	(5,700)
Total Flexible Use of Capital Receipts	(2,600)		(2,600)	(2,600)
Net Gap/Budget Reduction Requirement before Use of Reserves	36,875	(7,599)	29,276	13,445

17 Balancing the 2023/24 Budget – 2023/24 Budget Reduction Proposals

- 17.1 Recognising that Budget Reductions would be required to address the 2023/24 and 2024/25 budget position, Cabinet Members have undertaken an in-depth review of their respective Portfolios. This has enabled budget reduction proposals to be identified. These are presented by Cabinet Portfolio in the table below and in summary at **Appendix 5** with the detailed proposals (with an Equality Impact Assessment as appropriate) at **Appendix 6**.
- 17.2 Member support for Portfolio specific proposals has been demonstrated by each budget reduction proforma (BR1) bearing the signatures of the relevant Cabinet Member.
- 17.3 The 45 budget reduction proposals at a cumulative value of £16.313m for 2023/24, a further £6.969m in 2024/25 (and a further £1.135m in 2025/26) with an FTE impact of 7 in 2023/24.
- 17.4 In addition there is a further proposal which would lead to increased Council Tax income in 2024/25, a funding stream which underpins the net revenue budget of the Council. This must therefore be presented separately as rather than reducing the expenditure budget (as for each of the budget reductions) it has the impact of increasing Locally Generated Income.
- 17.5 In total therefore, the impact on the 2024/25 budget is a contribution of £7.575m towards closing the budget reduction requirement for that year.
- 17.6 The table below highlights that if all budget proposals are accepted then the remaining budget reduction requirement is £12.963m for 2023/24 and £5.870m for 2024/25 as shown below.

Table 20 – Summary of Budget Proposals

	2023/24 £000	2024/25 £000
Net Gap/Budget Reduction Requirement before Use of Reserves	29,276	13,445
Portfolio Budget Reduction Proposals		
Regeneration and Housing	(198)	(275)
Finance and Low Carbon	(11,502)	(160)
Culture and Leisure	(24)	(57)
Employment and Enterprise	(73)	(74)
Education and Skills	(311)	(265)
Health and Social Care	(2,320)	(4,825)
Corporate Services	(526)	(554)
Neighbourhoods	(1,349)	(759)
Total Budget Reduction Proposals	(16,313)	(6,969)
Locally Generated Income		
Finance and Low Carbon		(606)
Total Additional Locally Generated Income	0	(606)
Total Budget Proposals	(16,313)	(7,575)
Revised Budget Reduction Requirement after Budget Proposals	12,963	5,870

17.7 However, one of the Corporate Services Budget Reduction Proposals at a value of £4.800m (COR-BR1-633: Reprofiting of the Minimum Revenue Provision) has a one-off impact and there must be an adjustment to the 2024/25 budget to reflect this position. The table below shows that after adjusting for the £4.800m the revised budget reduction requirement for 2024/25 increases to £10.670m.

Table 21 – One-off Budget Reductions – Impact on 2024/25

	2023/24 £000	2024/25 £000
Revised Budget Reduction Requirement after Budget Reduction Proposals	12,963	5,870
Add back one-off Budget Reductions		4,800
Revised Budget Reduction Requirement	12,963	10,670

18 Balancing the 2023/24 Budget – Contributions to and from Reserves

Contribution to Reserves

- 18.1 As advised at Section 12 there is an anticipated benefit to the Council and also the GMCA from participating in the Greater Manchester Business Rates Retention pilot scheme. In order to enable the payment to the GMCA of its share of the benefit (£1.045m), there is a requirement to hold the £1.045m in the Council's reserves until such time as the payment is required. It is therefore necessary to make a contribution to reserves of £1.045m. This increases the budget reduction requirement for 2023/24 to £14.008m and as can be seen at 18.5, also has an impact on the 2024/25 budget.

Table 22 – Transfer to Reserves

	2023/24 £000	2024/25 £000
Revised Budget Reduction Requirement	12,963	10,670
Transfer to Reserve - 100% Business Rates Pilot Gain	1,045	
Revised Budget Reduction Requirement	14,008	10,670

- 18.2 Therefore, after taking into account the transfer to reserves of £1.045m for 2023/24 the revised budget reduction requirement is £14.008m for 2023/24 and remains at £10.670m for 2024/25.

Use of Reserves

- 18.3 The budget for 2023/24 will be balanced by the use of reserves with two reserves being used to support the 2024/25 budget as follows:
- Members will recall that as part of the 2022/23 budget strategy, approved at Council on 2 March 2022, to allow time for transformational change to be implemented, the Council approved the use of £6.000m of general reserves to support the 2023/24 budget and a further £2.500m for 2024/25. In addition, as approved within the Medium Term Financial Strategy 2022/23 to 2026/27, a further £1.432m of reserves are to be used in 2024/25 to support the Mayoral Bus Reform initiative.
 - The use of £2.900m of reserves in 2023/24 was approved by Cabinet on 12 December 2022 to pump prime initiatives in Children's Social Care which are expected to generate efficiencies and budget reductions from 2025/26.
 - As detailed at paragraph 9.3, the Council has received £1.044m from the GMCA with regards to a 2020/21 Waste Disposal Service reserves refund. This money was received in 2022/23 and will be transferred to reserve at the end of the 2022/23 financial year to support the 2023/24 revenue budget (in effect to provide a partial offset to the increase in the GMCA levies for 2023/24).
 - After the use of all specific reserves and all other measures, the table below shows that the 2023/24 balance to be addressed by the use of general reserves is £4.064m.

Table 23 – Use of Reserves

	2023/24 £000	2024/25 £000
Revised Budget Reduction Requirement	14,008	10,670
General Use of Reserves 2023/24 (Approved 2022/23 Budget)	(6,000)	
General Use of Reserves 2024/25 (Approved 2022/23 Budget)		(2,500)
Specific use of Reserves to support Bus Reform in 2024/25 (Approved 2022/23 Budget)		(1,432)
Children’s Social Care Investment	(2,900)	
Use of Returned GMCA Waste Disposal Reserves	(1,044)	
Additional General Use of Reserves - Required to balance 2023/24	(4,064)	
Total Use of Reserves	(14,008)	(3,932)
Revised Budget Reduction Requirement	0	6,738

18.4 The overall use of reserves to balance the budget in 2023/24 is therefore £14.008m, although this is offset by the contribution to reserves of £1.045m which nets the total use of reserves to £12.967m.

Impact of the Use of Reserves on the Estimates for 2024/25

18.5 The use of reserves to support the 2023/24 budget has an impact on the budget reduction requirement for 2024/25. This is more complex when presenting a two year budget as the use of or contributions to reserves that were approved within the budget setting arrangements for 2022/23 have already been incorporated into the 2023/24 and 2024/25 budgets. There is therefore a need to reflect the use of reserves that have been introduced in the latter stages of the budget process that have an on-going impact into 2024/25. There are three items that impact on a recurrent basis (the £2.900m investment in Children’s Social Care has a one-off impact). These are shown in the table below and have the impact of increasing the budget reduction requirement for 2024/25 that has yet to be addressed to £10.801m as shown at Table 24.

Table 24 – Impact of 2023/24 Contributions to/from Reserves on the 2024/25 Budget

	2023/24 £000	2024/25 £000
Revised Budget Reduction Requirement	0	6,738
Transfer to Reserve - 100% Business Rates Pilot Gain		(1,045)
Share of GMCA Waste Disposal Reserves		1,044
Additional General Use of Reserves - Required to balance 2023/24		4,064
Revised Budget Reduction Requirement after Reserves	0	10,801

Summary Budget Position

- 18.6 If the proposals in this report are approved, it results in a balanced revenue budget position for 2023/24 and a forecast Net Gap / Budget Reduction Requirement for 2024/25 at a value of £10.801m as summarised in the table below and set out in detail at **Appendix 7** resulting in a Net Revenue Expenditure Budget (Total expenditure, less budget reductions and flexible use of capital receipts) of £287.027m for 2023/24.
- 18.7 The indicative 2023/24 net revenue budget, assuming that the adjustments contained in this report are agreed, is presented at **Appendix 8**. The format mirrors the reporting structure presented to Members in financial monitoring reports.

Table 25 - Summary Budget Position

	2023/24 Cabinet (12 Dec 2022) £000	2023/24 Further Revisions £000	2023/24 Final Position £000	2024/25 £000
2022/23 Net Revenue Budget	250,517		250,517	274,064
Total Adjustments to the Base Budget	12,044	0	12,044	17,463
Total Expenditure Adjustments	47,106	(1,193)	45,913	14,827
Total Impact of Levies, the Statutory Charge and Contributions	(804)	1,925	1,121	2,853
Total Expenditure	308,863	732	309,595	309,207
Total Government Grant Funding	(104,933)	(3,009)	(107,942)	(113,666)
Total Locally Generated Income	(155,650)	(6,342)	(161,992)	(165,539)
Total Collection Fund	(5,150)	1,020	(4,130)	0
Total Funding	(265,733)	(8,331)	(274,064)	(279,205)
Budget Reduction Requirement	43,130	(7,599)	35,531	30,002
Total 2021/22 and 2022/23 Budget Reduction Proposals	(3,655)		(3,655)	(5,700)
Total Flexible Use of Capital Receipts	(2,600)		(2,600)	(2,600)
2023/24 Proposed Budget Reductions		(16,313)	(16,313)	(6,969)
Total Use of Reserves	(8,900)	(4,063)	(12,963)	(3,932)
Net Gap/Budget Reduction Requirement	27,975	(27,975)	0	10,801

- 18.8 It is acknowledged that the 2023/24 revenue budget is underpinned by the deployment of reserves and that this is not sustainable in the medium term. However, the Council is committed to delivering its Transformation Programme to support the revenue budget in future years. This is set out in more detail in the MTFS section of this report which can be found at Section 22.
- 18.9 It is important to note that, as highlighted throughout the report, a number of issues have yet to be confirmed so the position could change. It is not expected that there will be any significant variance to the overall position presented. As advised, some grant notifications have not yet received, final levy figures are awaited as well as the Final Local Government Finance Settlement. Although not directly impacting on the budget, the Mayoral and Police and Crime Commissioner precepts will not be confirmed until February. The Budget Council report will therefore present the final position and the Council Tax charges for 2023/24.
- 18.10 The next iterations of this report that will be presented to Cabinet and Council will be amended in line with notifications received.

19 Reserves and Balances

19.1 The forecast year-end Earmarked Reserves position presented below reflects the estimated closing balance for 2022/23 and hence the total reserves available for the financial year 2023/24. However, this is before the proposed use of reserves of £14.008m in 2023/24 as highlighted at paragraph 19.2.

Table 26 – Reserves Position

Earmarked Reserves	2022/23 Opening Balance £000	2022/23 Estimated Closing Balance £000
Adverse Weather Reserve	(1,000)	(1,000)
Balancing Budget Reserve – 2022/23	(20,686)	0
Balancing Budget Reserve – 2023/24	(6,000)	(14,008)
Balancing Budget Reserve – 2024/25	(3,932)	(3,932)
Council Initiatives Reserve	(2,944)	(845)
Directorate Reserves	(2,675)	(3,432)
District Executive Reserves	(560)	(555)
Emergency and External Events Reserve	(2,000)	(2,000)
Fiscal Mitigation Reserve	(20,820)	(26,543)
Insurance Reserve	(10,020)	(5,860)
Integrated Working Reserve	(18,383)	(12,677)
Life Cycle Costs Reserve	(1,643)	(1,568)
Regeneration Reserve	(2,168)	(987)
Transformation Reserve	(6,397)	(5,148)
Total	(99,228)	(78,555)

19.2 Although the estimated level of reserves at the end of 2022/23 is £78.555m, the use of £10.064m of general reserves and £3.944m of specific reserves to underpin the 2023/24 budget (a total of £14.008m), will therefore utilise in full the Balancing Budget Reserve for 2023/24 at the start of the 2023/24 financial year. This will reduce the balance of Earmarked Reserves to £64.547m but with the addition of the £1.045m reserve created to hold Business Rates gains, reserves will be £65.592m on 1 April 2023.

19.3 In addition, a number of these reserves are committed to finance expenditure planned for future financial years meaning they are not available for alternative uses. This includes a further £2.500m to support the revenue budget over 2024/25 plus a further £1.432m for Bus Reform required in 2024/25 and also the:

- Integrated Working Reserve, to enable joint working with NHS partners to support health and social care integration.
- Regeneration Reserve, to facilitate up-front expenditure linked to capital projects including the Creating a Better Place Strategy.
- Transformation Reserve, to facilitate the continuation of existing and implementation of new transformational activity that will support improvements in service delivery as well as create efficiencies and budget reductions.

19.4 It should be noted that, unlike previous years, it is unlikely that there will be significant opportunities to establish new reserves at the end of the 2022/23 financial year. As detailed within the Council's Month 8 revenue budget monitoring report (elsewhere on the agenda),

the Council has a projected adverse variance of £2.233m although management action could reduce this by the year end. If there remains a deficit at the year end, it will be met from the use of corporate Earmarked Reserves and this has been assumed in the year end projections. However, if the deficit is fully addressed in year, there may be an opportunity to replenish reserves. Any Earmarked Reserve creation will therefore change the current reserve projections and will not be known until the end of the 2022/23 financial year.

- 19.5 Having regard to all relevant information, it is recommended that the level of General Fund balances required to support the 2023/24 budget remains at £20.012m. Under Section 25 of the Local Government Act 2003, the Chief Finance Officer is required to prepare a statement on the adequacy of proposed financial reserves and the robustness of the budget estimates and this is included at Section 20 and at **Appendix 9** to this report. Members are also reminded that all budget proposals have been subject to a risk assessment undertaken by the Director of Finance.

20 Statement of Robustness

- 20.1 In order to comply with Section 25 of the Local Government Act 2003; the Authority's Chief Financial Officer (the Director of Finance) is required to report on the robustness of the estimates made for the purposes of the revenue budget calculations and the adequacy of the proposed reserves. It also reports on the Director of Finance's consideration of the affordability and prudence of capital investment proposals. The level of general balances to support the budget and an appropriate level of Earmarked Reserves maintained by the Council in accordance with the agreed Council Policy on Earmarked Reserves, are an integral part of its continued financial resilience supporting the stability of the Council.
- 20.2 The agreed Council approach adopted is to use a risk-based approach based upon a number of areas of risk. These areas of risk and a summary of the General Fund balance calculation can be found at Appendix 8. This calculation has confirmed that the General Fund Balance will remain at £20.012m for 2023/24, but may increase to £20.068m for 2024/25 and increase to £20.234m for 2025/26 to 2027/28.
- 20.3 Whilst the Council is utilising a number of reserves to support the 2023/24 revenue budget and anticipates a use of reserves in 2024/25, Members can be assured that Oldham Council currently remains financially resilient. Work is taking place to address the on-going financial pressures that the Council is facing. At the start of 2023/24 it will continue to be well placed to meet the difficult financial challenges ahead. However, this strategy relies on the delivery of the transformation programme over the short to medium term.
- 20.4 In conclusion, the Chief Finance Officer is able to advise Members of the robustness of the estimates and the affordability and prudence of capital estimates 2023/24. Despite the use of reserves over recent years, the level of reserves remains adequate to support the 2023/24 financial position and demonstrates financial resilience. However, this is only the case provided that the balance s are set at the level of £20.012m for 2023/24 as calculated and shown in Appendix 9 to this report and that all budget options, or in year alternatives, are monitored closely and delivered as planned.

21 Fees and Charges

21.1 Attached at **Appendix 10** is the proposed fees and charges schedule for the 2023/24 financial year. Consideration has been given as to whether charges should be increased, reduced or left unchanged in the context of each service. In determining their proposals, Members have considered whether:

1. charges need to increase to keep pace with service specific cost pressures and inflation in order to avoid creating a future budget pressure;
2. proposals support the long-term sustainability and viability of services which rely on a significant proportion of fee income to cover service costs;
3. increased charges are necessary to mitigate overspends or alternatively support the delivery of budget reduction proposals;
4. the market can bear any additional increase; and
5. fee increases could be counter-productive as they have the potential to reduce demand or have wider adverse implications.

21.2 For the majority of charges, a range of increases are recommended primarily to cover anticipated pay and price pressures. It should be noted that the Consumer Prices Index (CPI) for November 2022 was 10.7%, with Retail Price Index (RPI) at 14.0%. Where charges are not increasing, this is largely for the reasons set out at paragraph 21.1 (points 4 or 5) but may also be because some charges are determined under separate Statutory arrangements.

21.3 Where proposals have been put forward to increase charges, this is deemed necessary to support the long-term sustainability and viability of specific services or to deliver several proposed revenue budget reductions and to reflect cost pressures in providing services. If charges were not increased, above-inflation increases would be needed in future years to recover real terms income losses. The impact of fees and charges increases have therefore been included within the budget estimates or budget reduction proposals.

21.4 Below is a brief summary of the fees and charges proposals for each service:

Registrars (Births, Deaths and Marriage Duties)

21.5 It is proposed that in this service area, charges for discretionary services are typically increased by 10%. A small number of discretionary charges have been left unchanged due to low demand/uptake.

Libraries, Leisure and Culture

21.6 The Libraries, Leisure and Culture discretionary charges for services are typically proposed to be increased by 10%. A small number of discretionary charges have been left unchanged due to low demand/uptake. The significant exception to this is music fees, which are proposed to increase by 6% because a larger increase poses a significant risk to income yield in that a significant number of parents will withdraw their children from the service.

Outdoor Education

21.7 Outdoor education services have been the subject of a detailed review so as to align charges with the cost of provision. Whilst residential charges services are typically proposed to be increased by 10%, increases proposed in respect of activities are significantly higher. Conversely, a small number of discretionary charges have been left unchanged due to low demand/uptake. The proposed pricing structure is based on market research: other Local Authorities, community interest companies and commercial providers.

Lifelong Learning

- 21.8 Lifelong Learning discretionary service charges are typically proposed to be increased by 10%. A small number of discretionary charges have been left unchanged due to low demand/uptake.

Revenues & Benefits

- 21.9 Oldham currently charges £75.00 and £91.50 when summonses to the Magistrates Court are issued for Council Tax and Business Rates non-payment. This is the lowest in Greater Manchester (average being £86 and £116 respectively). These charges have remained unchanged for a number of years. It is proposed to increase these fees by 10% reflecting the increased costs being faced, following which Oldham will still have amongst the lowest charges in Greater Manchester and the Northwest.

Adult Social Care

- 21.10 A 10% increase is proposed for housing and care and Adult Social Care services. No changes are proposed for services associated with the protection of property as these are already amongst the highest in Greater Manchester. Court of Protection fees remain unchanged at present, but these will be determined in line with Statutory provisions.

Corporate Landlord/Facilities Management

- 21.11 A 10% increase is typically proposed for corporate landlord and facilities management services. A number of new fees have been introduced for renumbering/renaming of properties.

Parking

- 21.12 Increases in parking charges are proposed for the financial year 2023/24 of the order of 10%, subject to rounding to the nearest 10 pence.

School Meals

- 21.13 School meal charges for children are currently £2.70. It is proposed that charges remain at the same level for 2023/24.

Parks, Open Spaces and Outdoor Facilities

- 21.14 For the 2023/24 financial year, a general 10% increase is proposed for parks, open spaces and outdoor facilities.

Cemeteries and Crematorium

- 21.15 Increases for 2023/24 are proposed for cemeteries and crematorium charges in of the order of 10%, subject to rounding to the nearest pound.

Highways

- 21.16 A 10% increase in highways charges is proposed for 2023/24.

Planning

- 21.17 For 2023/24, it is proposed that there is a 10% increase in planning charges.

Public Protection

- 21.18 A 10% increase is proposed in charges associated with Food Safety, Environmental Health, Health and Safety, Neighbourhood Enforcement, Housing, Public Health, Animal Health and Taxi Licencing. Some increases vary from this amount due to rounding to the nearest pound or £5 as appropriate. The increase proposed for some Pest Control fees is 5%, in order to remain competitive in the marketplace. The fees for some domestic Pest Control services are to be removed. Betting and Adult Entertainment Licence fees remain unchanged as charges are capped by legislation.

Security

- 21.19 It is proposed that security charges are increased by around 3%, in order to remain competitive in the marketplace.

Waste and Fleet Management

- 21.20 Increases are proposed of the order of 10% for waste and fleet management services, subject to rounding to the nearest pound or £5 as appropriate.

Summary

- 21.21 Most services are proposing fee increases by 10% for 2023/24 in order to maintain income levels in real terms. This is in the context of general price inflation which is currently in excess of 10% (as measured by the CPI). Whilst, in some instances, zero or lower increases are proposed, applying this approach across most or all services is likely to increase the existing budget reduction requirement.

22 Budget Strategy and Medium Term Financial Planning for Future Years

- 22.1 As has been outlined in earlier sections of the report, the Council has prepared a budget strategy which concentrates on the financial years 2023/24 and 2024/25. The plans to address in full a £29.276m budget reduction requirement for 2023/24 have been outlined. Budget Reduction proposals have been identified totalling £7.575m for 2024/25 and £1.135m for 2025/26 which go part way to addressing the budget reduction requirement for those years.
- 22.2 However, the Council continues to face considerable financial uncertainty. Whilst the 2024/25 budget projections have been prepared having regard to indicative information included within AS22 and the Policy Statement, there is no such information on which to base funding estimates for the years beyond this. However, in line with previous practice, the MTFS has been prepared to cover a five year period, extending to 2027/28. The later years will be covered by a new Spending Review period, and it is therefore a challenge to project the value of Government grant funding for 2025/26 to 2027/28.
- 22.3 Whilst local developments can be anticipated to some degree, the impact of national and international events cannot be predicted. As has been evidenced over recent years, the impact of previously unimaginable events such as a global pandemic and a European war has significantly changed the economic environment in which the Council operates. Both these issues and others have had an impact on the financial position in 2022/23 and influenced the budget reduction requirement for 2023/24 and all future years covered by the MTFS.
- 22.4 Adult Social Care reforms as outlined in Building Back Better/People at the Heart of Social Care White Papers were deferred by AS22 but are expected to be reintroduced from 2025/26. At this stage these are assumed to have a neutral impact (increased expenditure/reduced income offset by increased grant), however, the implications will become clearer as further detailed policies are published and developed.
- 22.5 Having regard to all the uncertainty, the Council's priority is therefore to stabilise the financial position and ensure its continued financial resilience over the medium term.
- 22.6 Estimates upon which the MTFS is based are prepared using the best information currently available but remain under continuous review. The local, regional, and national policy landscapes continue to develop and change. In addition, existing financial challenges are subject to revision as new issues emerge. Each new issue or change has an impact, sometimes on a one-off basis, but more commonly, a multi-year effect. Therefore, as soon as the 2023/24 revenue budget has been finalised, the cycle of reviewing and updating the budget reduction requirement for 2024/25 and future years will begin again.
- 22.7 Having been subject to a decade of severe funding reductions prior to the pandemic, increased demand pressures and from 2022/23 significant inflationary pressures, the Council has successfully managed to balance its 2023/24 budget whilst simultaneously protecting service provision as far as possible. However, to achieve this, since 2017/18, there has been an increase in the use of one-off measures, including the use of reserves utilised to balance the budget.
- 22.8 As this section of the report highlights, there are still significant budget reduction targets over the MTFS period. As the next financial planning cycle progresses, a key task will be to ensure that the suggested level of saving remains deliverable and that there are sufficient robust budget reduction proposals being prepared to contribute to addressing the target.
- 22.9 One of the impacts of the COVID-19 pandemic has been the delay to taking forward the Council planned programme of transformational change as the focus of attention was to

deal with the immediate challenges. Nonetheless, work has taken place in developing a refreshed programme which will be the focus of this financial strategy. The budget estimates already include £3.932m of reserves to support the 2024/25 budget of which £2.500m has been included to smooth the implementation of the Transformation Programme.

- 22.10 Other reserves are available (including the Transformation reserve, the Integrated Working reserve and the Children's Services) reserve to allow time for the development and implementation of the next phases of the agenda for transformational change.
- 22.11 However, the budget reduction requirement for future financial years in part reflects the use of planned one-off savings and measures including the use of reserves and flexible use of capital receipts that are being used to balance the 2023/24 revenue budget and support the 2024/25 budget position. It is essential that robust and deliverable budget proposals are developed, approved and implemented successfully.

Policy Landscape Surrounding the Development of the Medium-Term Financial Strategy

National Context

- 22.12 As has previously been advised, there are a number of key external factors beyond the control of the Council which have influenced budget setting for 2023/24 and future years. These include:
- a) the legacy of COVID-19 which has disrupted international trade, particularly as China remained in partial lockdown until very recently and this has reduced the supply of goods and materials;
 - b) the inflationary pressures caused by a range of issues including (a) above, the war between Russia and Ukraine and the disruption to trade with the European Union (EU) resulting from Brexit. These have impacted on energy and general commodity prices and had a knock on effect to the general cost of living sparking wage inflation; and
 - c) changes within Central Government which led to significant increases in interest rates and the cost of borrowing and the consequent actions to economic turbulence.
- 22.13 In this regard, the overarching challenge in preparing the MTFs is that Government policy and on-going funding levels are difficult to predict as there will be a new Spending Review period beginning from 2025/26 and the Government has already indicated that its aim would be to restrain public expenditure as one of the key strategies to steady the financial position of the country. This could mean limiting future financial support for Local Government.
- 22.14 The potential uncertainty in general Government grant adds to the challenge of developing and providing medium-term financial forecasts. Therefore, whilst this section of the report presents forecast budget reduction requirements for the period 2024/25 to 2027/28, Members must consider these forecasts as indicative only and could be subject to significant change as more detail on each area emerges.

Oldham Context

- 22.15 The Council's programme of transformational change which, whilst interrupted during 2020, 2021 and early 2022 due to the impact of the pandemic on capacity, has progressed but been refreshed during 2022.
- 22.16 The programme of transformation is supported by a range of existing medium-term strategies which are designed to make a positive contribution to the Council's financial standing as well as supporting the ambitions for the Borough including those linked into regenerating the Borough.

22.17 Specific themes underpinning the transformational change programme within the MTFS are presented in Section 23 of this report.

Forecast Budget Estimates and Budget Reduction Requirements

Risks and Uncertainties

22.18 There are a vast range of risks and uncertainties influencing the MTFS. Some key issues are set out below:

- Underpinning the MTFS is that the economic turbulence experienced in 2022 has been brought under control and whilst the legacy of this and other issues beyond the influence of the Council have an impact on financial projections, the Government's actions have been enough to bring some stability. There is a risk that issues may re-emerge. An adequate level of reserves and balances is therefore an essential element of the strategy to manage potential future challenges.
- The MTFS is based around the reduction in cost pressures as inflation is expected to fall from the financial year 2023/24. Whilst current economic forecasts confirm this, unforeseen events could very quickly change the position.
- There are other partner organisations such as the GMCA impacted by the increased cost of inflation. No specific assumptions have been made as to GMCA passing on any additional costs to Oldham and the other GM District Councils.
- The Council must focus appropriate resources to deliver future transformational change and the delivery of such change is a key assumption in the financial strategy. The position will require constant review, however, the programme management arrangements that the Council has established will provide an early warning if challenges are encountered.
- Whilst the MTFS estimates reflect a series of assumptions relating to inflation levels, pay awards, interest rates, service demand, levy increases, general Government funding, locally generated funding and the profile of capital programme investment, there is scope for significant variation due to the challenge of preparing forecasts for all these variables in what remains a turbulent and uncertain global political and economic environment.
- The MTFS estimates also assume that beyond 2023/24 the income maximisation strategy of the Council together with the regeneration agenda creating economic and business growth as well as new housing will increase both the Council Tax and the Business Rates income. Whilst it is anticipated that this approach will be successful, it is not without risk.
- There are specific challenges in forecasting Business Rates income due to general volatility surrounding Business Rates income, the impact of the current economic position on the certainty for business investment/future growth, the ability of certain business sectors to bounce back from the current recession, the number of appeals (particularly linked into the 2023 revaluation) and the continued changes in Government policy around Business Rates reliefs. The forecasts are subject to constant review and are prepared using most recent information.
- The medium-term financial position of the Council will also be affected by future decisions about Council Tax and fees and charges increases.

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- It is assumed that there will be no major Government policy initiatives which place a significant financial burden on the Council without a matching funding stream. In this regard it is expected that Adult Social Care reform will fully resume from 2025 but the MTFS assumes this will be funded by Central Government resources. The availability of Government funding is far from certain.
 - The Council has developed close working arrangements with partner organisations and actively embraced the health and social care integration agenda. The recently implemented reforms to the NHS, have created some temporary uncertainty around future operating arrangements and highlight how external events can impact on established working arrangements. However, the Council and partners will be taking advantage of the opportunities that the new NHS organisational arrangements are providing.

22.19 In view of the significant risks and uncertainties surrounding the medium-term indicative financial estimates, the assumptions and calculations underpinning these forecasts will be regularly reviewed and updated.

Forecast Budget Reduction Requirements and Underlying Budget Assumptions (2024/25 to 2027/28)

22.20 Summarised in Table 27 is the forecast budget reduction requirement for the period 2024/25 to 2027/28. Although 2024/25 has been included within the focused two year budget earlier in this report, there still remains an unaddressed budget reduction requirement of £10.705m. The starting point for the assumptions is:

- a prior year net budget of £274.064m for 2024/25,
- £279.205m for 2025/26,
- £283.349m for 2026/27; and
- £287.932m for 2027/28.

22.21 The starting position has then been adjusted for the expenditure and funding assumptions detailed below to determine the net budget requirement. This assumes all 2023/24 and 2024/25 budget reduction and income generation proposals presented elsewhere in this report are approved and implemented in full. The key assumptions in determining the forecast budget position for 2024/25 are presented earlier within this report. The key assumptions underpinning the estimates for 2025/26 to 2027/28 are presented as follows:

Expenditure Assumptions for 2025/26 to 2027/28

Reversal of the Use of One Off Measures from previous years

- 22.22 The 2024/25 budget includes the use of £2.600m of Capital Receipts to offset the revenue costs of transformational projects that deliver future on-going revenue savings for either the Council or other public sector delivery partners. As this is a one-off initiative, an amount of £2.600m must be added to the financial pressures for 2025/26. In addition, adjustments must also be made for the one-off use of reserves for on-going services of £2.500m previously agreed as part of the 2022/23 budget setting process.

Pay Inflation

- 22.23 The MTFS assumes a pay increase of 3% for staff in each of the financial years 2025/26 and 2026/27, reducing to 2% for the 2027/28 financial year to align with sector expectations for inflationary increases.

Contractual, Service and Energy Inflation

- 22.24 As seen earlier within the report, inflation has risen significantly for 2023/24, however, to align with Government expectations this is expected to reduce over the remainder of the MTFS period. These expectations have formed the basis for contractual, service and energy inflation for the years 2025/26 to 2027/28. It has been assumed that contractual inflation will remain cash flat from 2026/27 onwards, with energy inflation estimated to remain at 2023/24 levels over the MTFS period and therefore not requiring a budgetary uplift. Overall, the increases for these inflationary items are estimated to be £1.500m in 2025/26, £1.000m in 2026/27 and £1.000m in 2027/28.

Adult Social Care Demographics and other Cost Pressures

- 22.25 Within the MTFS it is assumed that the impact of Adult Social Care demographics will continue be a pressure and that other pressures including the commitment to financing the increase in the Living Wage Foundation National Living Wage for paid social care workers will result in cost pressures of £2.865m for 2025/26, £2.921m for 2026/27 and a further £2.979m for 2027/28.

Adult Social Care – Introduction of Adult Social Care Reforms

- 22.26 As detailed within Section 3.6 of this report, the AS22 announced the deferral of the introduction of the social care cap and the Fair Cost of Care reform until 1 October 2025 although Councils are expected to continue work on this area in advance of this introduction. The Council has been working on the implementation of these reforms in 2022/23, and based upon current knowledge it is anticipated that costs will increase for the Council at a value of an additional £1.000m for each financial year being included for 2025/26 to 2027/28 with corresponding grant income being received.

Home to School Transport

- 22.27 The MTFS estimates include an additional £0.250m for each of the financial years 2025/26 to 2027/28 to reflect anticipated increased costs for the Home to School Transport service.

Children's Social Care

- 22.28 Included earlier within the report are details on the additional one-off investment the Council has made into Children's Social Care for 2023/24 to enable the service to rebase its budget and address the pressures that it currently faces. Alongside this investment, an additional sum of £2.900m pump priming monies funded by reserves was included within the 2023/24 budget to fund transformational activity. It is assumed that this transformational activity will generate revenue budget reductions. Further information on these savings are detailed in Section 23.25, however, the total cumulative budget reductions are £2.186m in 2025/26, £3.479m in 2026/27, £4.477m in 2027/28 and £5.772m in 2028/29. The total investment of £14.700m is anticipated to be sufficient to enable the service to address current and future pressures and therefore no additional budgetary requirements have been included within the MTFS for 2025/26 to 2027/28.

Investment Fund

- 22.29 The Investment Fund presents the revenue cost of financing the Capital programme where the Council has had to undertake additional prudential borrowing to support capital expenditure. The 2025/26 to 2027/28 budget assumes an increase of £4.500m in 2025/26, £3.500m in 2026/27 and £3.500m in 2027/28. The capital programme is detailed in the capital strategy report included elsewhere on this Agenda.

Employer Pension Contribution Rate Reduction

- 22.30 Included within this report at Section 8.2 (n), the Greater Manchester Pension Fund advised that based on the latest actuarial valuation, the employers pension contribution rates for the period 2023/24 to 2025/26 will produce a benefit to the Council at a value of £1.500m. It is assumed that after this period, pension contribution rates will return to their former level and as such, £1.500m has been included within the MTFS estimates for 2026/27.

Cessation of Pension Prepayment Flexibility

- 22.31 For the period 2020/21 to 2022/23, the Council made an up-front payment of its employer's pension contributions to the Greater Manchester Pension Fund to generate a revenue budget reduction. Although this flexibility will be available in 2023/24, it is assumed that this will not be pursued. The funds not being pre-paid will generate additional interest for the Council of £0.150m in 2023/24, reducing to £0.075m in 2024/25. Estimates assume that this will reduce by a further £0.075m in 2025/26.

Exceptional Hardship Payment Scheme

- 22.32 Mindful of the pressures being experienced by some households, the funding for the Exceptional Hardship Payment Scheme is being increased by £0.130m in 2023/24 so that the Council has more resources available to support those experiencing difficulties paying Council Tax as a result of the cost of living crisis. It is expected that this funding increase is continued into 2024/25 and future years.

Development Fund

- 22.33 Each of the financial years 2025/26 to 2027/28 includes an allocation to facilitate the funding of corporate priority developments that emerge during the budget process in line with political priorities. For each of the financial years over the MTFS period, an additional £3.000m has been included within the estimates.

Parish Precept Expenditure

- 22.34 This is estimated to increase by £0.008m in each of the financial years 2025/26 to 2027/28 offset by increased Parish Precept income.

Levies, the Statutory Charge and Contributions

- 22.35 A review of the estimated levy/ statutory charges by the GMCA (for Waste and Transport Services) and contributions towards regional services and the levy from the Environment Agency has updated the anticipated increase to Levies and Contributions for the financial year 2025/26 to 2027/28. The overall increase is estimated at £1.386m in 2025/26, £1.256m in 2026/27 and £1.293m in 2027/28 and of course will be subject to confirmation by respective external agencies on an annual basis.

Funding Assumptions

Business Rates Top Up

- 22.36 As previously advised, it has been assumed that the current Business Rates Retention piloting arrangements for Greater Manchester will end in the financial year 2024/25. As such from 2025/26 it is assumed the Council will receive a Business Rates Top Up Grant of £41.021m which does not increase over the MTFS period.

Grant in Lieu of Business Rates

- 22.37 It is assumed that an element of the grant the Council receives to compensate for the Business Rates reliefs that the Government has awarded will continue from the financial years 2025/26 to 2027/28. Again, given the movement from 100% to 50% Business Rates Retention, the value of the grant is reduced from that included within the 2024/25 estimates. Members will recall that the current Spending Review period ceases at the end of the 2024/25 financial year and therefore the MTFS estimates assume a cash flat grant of £19.870m for each of the financial years 2025/26 to 2027/28.

Revenue Support Grant

- 22.38 Linked into the changes to Business Rates, the Council will start to receive RSG from the financial year 2025/26 to 2027/28 (it currently does not receive this grant due to piloting 100% Business Rates Retention). As mentioned earlier, the current Spending Review period does not cover the financial year 2025/26 onwards and, as such, it is deemed prudent to assume no inflationary increase for RSG over the remainder of the MTFS period. Therefore, assumptions for RSG are that it will be received at a value of £21.209m for each of the financial years 2025/26 to 2027/28.

Improved Better Care Fund (IBCF)

- 22.39 It is assumed the IBCF will continue for the financial years 2025/26 to 2027/28. It is anticipated that this will remain at the 2023/24 level of £11.188m for these financial years.

Social Care Support Grant

- 22.40 Within the Provisional Local Government Finance Settlement received on 19 December 2022, a number of grants were rolled into the Social Care Support Grant as detailed at Section 10.3 (d). In line with other grant assumptions detailed above, the MTFS includes the estimate for this grant held at the 2024/25 projected value of £24.783m for each of the financial years 2025/26 to 2027/28.

Adult Social Care Reform Grant

- 22.41 As detailed in the present assumptions underpinning the MTFS, it is expected that the implementation of the Adult Social Care Reforms from 1 October 2025 will increase costs for the Council by £1.000m for each of the financial years over the MTFS period. It is assumed that Councils will be compensated with grant for these additional costs and therefore estimates include total grant funding for these reforms at £1.000m for 2025/26, £2.000m for 2026/27 and £3.000m for 2027/28.

Housing Benefit Administration Grant

- 22.42 The Autumn Statement in November 2022 confirmed that the creation of a new housing element of Pension Credit to replace Pensioner Housing Benefit has been delayed to 2028/29 and therefore it is expected that this grant will continue to be received by the Council. However, as numbers of Universal Credit claimants reduce, it is expected that this grant will decrease by £0.014m each financial year. As such, it is estimated that the Housing Benefit Administration Grant for 2025/26 will be received at a value of £0.782m, with £0.768m being received in 2026/27 and £0.754m in 2027/28.

Revenue and Benefits Service New Burdens Grant

- 22.43 The Department of Work and Pensions recompenses the Council for a number of small new burdens in the Revenue and Benefits service which include the cost of additional activities required to support Universal Credit claimants that are living in temporary or supported accommodation and receive their housing costs through Housing Benefit, the migration to Universal Credit and compliance with the single fraud investigation service. In line with the Housing Benefit Administration Grant assumptions that Universal Credit claimants reduce, it is assumed that the grant received by the Council will decrease in value by £0.002m for each financial year. It is assumed that £0.007m will be received in 2025/26 with £0.005m in 2026/27 and £0.003m in 2027/28.

Services Grant

- 22.44 Included within the 2024/25 estimates detailed at Section 10.3 (j), is an assumption that the Government will reduce the Services Grant further to fund inflationary increases to the RSG. As mentioned at 22.38, the MTFS includes no inflationary increases for the RSG in the financial years 2025/26 to 2027/28 therefore, it is assumed that the Services Grant will be received at a cash flat value of £1.056m for the remainder of the MTFS period.

Extended Producer Responsibility for Packaging

- 22.45 The receipt of this grant in 2024/25 was outlined in the Policy Statement of 12 December 2022 but as yet it is not possible to assess its likely value. Therefore no estimate has been made.

Retained Business Rates

- 22.46 It is assumed that Business Rates will be collected locally and retained at a level of 50% to finance local services from the financial year 2025/26 to 2027/28. It is anticipated that as a result of regeneration across the borough linked to the Creating a Better Place programme, Retained Business Rates will increase to £26.074m in 2025/26, £26.302m in 2026/27 and £26.530m in 2027/28.

Council Tax Income

- 22.47 As per Council policy, it is assumed that Council Tax will increase by 1.99% for general purposes between 2025/26 and 2027/28. In addition, it is expected the number of recipients of Council Tax Reduction will reduce and that there will be an increase in new residences and/or empty homes occupied. Together this is expected to increase the Council Tax Base by 500 Band D equivalents each financial year after the Collection Rate is taken into account. An amount of £118.326m will be precepted for 2025/26, £121.689m for 2026/27 and £125.139m for 2027/28, plus £0.334m in 2025/26, rising to £0.342m in 2026/27 and £0.350m by 2027/28 for Parish Precepts. It also assumed that the ability to raise an Adult Social Care Precept will cease at the end of the current Spending Review period.

Flexible Use of Capital Receipts

- 22.48 The ability to utilise capital receipts to finance transformational activity ceases at the end of 2024/25. It is assumed this initiative is not continued into 2025/26 and future years.

Summary Position

22.49 Having regard to the expenditure and income assumptions as set out above the information presented below in Table 27 details the revised budget reduction requirement for the financial years 2024/25 to 2027/28.

Table 27 – Budget Reduction Requirement 2024/25 to 2027/28

	2024/25	2025/26	2026/27	2027/28
	£000	£000	£000	£000
2022/23 Net Revenue Budget	274,064	279,205	283,349	287,932
Total Adjustments to the Base Budget	17,463	5,100	0	0
Total Expenditure Adjustments	14,827	17,098	17,179	14,487
Total Impact of Levies, the Statutory Charge and Contributions	2,853	1,386	1,256	1,293
Total Expenditure	309,207	302,789	301,784	303,712
Total Government Grant Funding	(113,666)	(138,615)	(139,599)	(140,583)
Total Locally Generated Income	(165,539)	(144,734)	(148,333)	(152,019)
Total Funding	(279,205)	(283,349)	(287,932)	(292,602)
Budget Reduction Requirement	30,002	19,440	13,852	11,110
2021/22 Approved Budget Reductions	(300)	(303)	0	0
2022/23 Approved Budget Reductions	(1,150)	0	0	0
Return on Children's Investment	0	(2,186)	(1,293)	(998)
Revisions / Reprofiting of Approved Budget Reductions	(4,250)	(747)	(100)	
2023/24 Proposed Budget Reductions	(6,969)	(1,135)	0	0
Total Flexible Use of Capital Receipts	(2,600)	0	0	0
Total Use of Reserves	(3,932)	0	0	0
Net Gap/Budget Reduction Requirement	10,801	15,069	12,459	10,112

22.50 Table 27 shows that the budget reduction requirements for the remainder of the MTFS period total £48.441m and by year are:

- 2024/25 - £10.801m
- 2025/26 - £15.069m
- 2026/27 - £12.459m
- 2027/28 - £10.112m

22.51 The full detailed projections resulting in the above summary are included at **Appendix 11** of the report.

22.52 The means by which the Council will address these budget reduction requirements is set out at Section 23 which describes the Council's Transformation Programme.

23 Transformation Programme

23.1 The 2022/23 to 2026/27 MTFS set out the Council's previously agreed programme of transformational activity based on four main themes plus a Cross Cutting programme of change along with a number of saving targets for each theme. Since then, the Transformation Programme has been re-engineered during 2022/23 based on the development of an updated Corporate Plan and the Council's approach to delivery of its new corporate objectives. The themes of the Transformation Programme reflect changes to improve efficiency and at the same time deliver both better services and future savings. It is expected that there will be further savings from the transformation programmes above those set out in the 2023/24 budget; these will be developed with Services and will feed into future iterations of the MTFS.

23.2 The programme of change is based around three main objectives:

- Demand management - an essential element of controlling and reducing costs
- Income Maximisation – taking forward the objectives of the income strategy, not only to increase the Council's income base, but to ensure improved income collection
- Service Review – all services reviewing their budgets to identify potential savings and efficiencies including policy changes.

23.3 The programme is managed through the Change and Transformation Board which is chaired by the Deputy Chief Executive and comprised of Senior Council officers. The programme is comprised of six core themes and each of these is led by a Sponsor and a Senior Responsible Officer (SRO) with the Deputy Chief Executive taking overall responsibility for the initiative. Where possible the budget reduction targets to which services were already working have been retained within the financial strategy. In addition to core themes there is an Enabling Programme to support more efficient and effective service delivery and drive budget reductions across all service areas as outlined in the following paragraphs.

Enabling Programme

23.4 The Enabling Programme is in place to provide support when a programme of work requires specific focus from specialist functions that enable the delivery of business change. These typically include but are not limited to Business Intelligence, Information and Communications Technology (ICT), Human Resources, Finance and Legal services. Through effective planning of these enabling activities, the requirements of the totality of the Transformation Programme will be managed to identify matters of timing, sequencing and capacity. It is evident that many of the planned workstreams and the themes within them are interlinked. However, the overall programme management of the workstreams will create a more coherent approach to the extensive change activities, provide focus on the most important projects and enable more effective management of the inter-dependencies.

23.5 The key enabling services and their contribution to the Transformation Programme are set out below:

- Programme Management Team

This team will provide a dedicated support service to drive and provide coordination to the all-encompassing change and transformation programme.

- Business Intelligence, Performance and Strategy

The availability and use of data and analytical capability to underpin current and future decisions on service delivery. This will support the delivery of efficiencies in other parts of the Council.

- ICT and Digital

Improving and strengthening the digital options for residents will promote greater efficiency across many services provided by the Council. The digital infrastructure underpins a modern and forward looking Borough and reflects the expectations of residents and businesses to transact with public sector organisations using the latest technology, to increase choice and improve satisfaction while moving high volume transactions on to more cost-effective alternatives. Greater use of technology will also lead to more effective internal systems and processes.

Efficiency improvements are expected to support services achieve future savings, indeed, some of the budget reductions that have already been proposed, rely on digital developments.

Taking forward the ICT and Digital agenda across the Council has significant corporate implications, impacting on every service in some way and so it is critical to the Oldham ambition to deliver more efficient services and reduce expenditure in service provision. Investment funding for digital and technology initiatives is included in the Capital Programme.

- Human Resources (HR) and Organisational Design (OD) Support

These service areas will focus on the development of a revised workforce strategy to assist the service redesign/delivery starting with the already approved programme within Children's Services. This will underpin improvements to the Agency Supply Model and reward and recognition packages for staff.

Clearly, input from HR/OD will be required wherever the Transformation Programme requires a change to either the existing establishment or to ways of working to ensure that appropriate consultation and consideration to the views of staff.

- Finance

As a key enabling service, the Finance Team will provide support in costing new investment proposals but also in the assessment of the level of efficiency to be delivered from a financial perspective.

Along with the Business Intelligence team, benchmarking work will be undertaken and financial analysis to highlight areas where a service review might support a change programme.

- Legal Services

The Legal Services team will support any change and Transformation Programmes to ensure that statutory requirements are met, and appropriate procedural protocols are followed.

23.6 In further developing the detailed Transformation Programme, it is not expected that the enablers for change will deliver specific savings from their own service, but they are expected to support the delivery of greater efficiencies in process. The support provided by the enabling programme will support the bigger spending areas within the Council such as Children's Services and Adult Social Care to better manage future demand, reform the present operating model and realign service design to generate both non cashable efficiencies and cashable transformation savings.

Core Themes

23.7 The revised core themes are focused around the areas set out below:

- Children's Change Programme including Social Care Demand Management
- Adult Social Care Change and Improvement Programme and Integration with the NHS
- The Creating a Better Place Programme
- Place Based Integration to create stronger communities
- Commissioning, Procurement and Contract Management
- Income Maximisation

23.8 As with the earlier iterations of the Transformation Programme, this refreshed programme is supported by several cross cutting initiatives relating to general efficiency and management control, vacancy management, procurement and commissioning practices so all aspects of the programme of change are interlinked.

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

23.10 The significant financial challenge that the Council is facing means that there will need to be an acceleration to the programme of transformation to deliver a sustainable balanced budget with a reduced reliance on one-off measures.

23.11 Mindful that in some instances there is a requirement to support change with some pump-priming resources, the reserves strategy includes:

- a Transformation Reserve will be used from 2023/24 onwards to support the implementation of the initiatives including any investment required to facilitate the efficiencies outlined in the following paragraphs.
- an Earmarked Reserve for integrated working which can support investment in joint working initiatives with the NHS to deliver future efficiencies and a regeneration reserve which can support the Creating a Better Place programme of work.
- Children's Services resources to facilitate investment of which £2.900m has been allocated to support initiatives approved by Cabinet on 12 December 2022 to promote improvements in service and efficiencies.

Theme 1 – Children's Change Programme including Social Care Demand Management

23.12 Members will recall that at the Cabinet meeting of 12 December 2022, a report 'Children's Services Investment Proposals' was approved. This in effect outlined the £14.700m of investment in Children's Services. This investment is comprised of:

- recurrent funding of £11.800m to provide resources to stabilise the challenging financial position that has been experienced in 2022/23 and ensure statutory responsibilities can be adequately addressed.

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- one off funding in 2023/24 of a net £2.900m funded from reserves (a total investment of £3.524m offset by a £0.624m in year return on investment) to pump prime a number of invest to save initiatives. In effect, this investment forms the spine of the Change/Transformation Programme for Children's Services.

23.13 The Children's Change Programme is focusing on the key areas where effective and efficient demand management results in both efficiencies and future savings. It is being overseen by the Children's Transformation Board which has a membership covering key areas of Council business including those identified within the Enabling Programme.

23.14 The Children's investment programme and hence the transformational change programme has four core areas as detailed below:

- Better support for families at an earlier stage
- Providing the very best of care for our most vulnerable children
- Supporting children and young people by making Oldham the best place to be a social worker
- Rewarding and supporting the work of Oldham's Foster Carers

The delivery of these core activities and the contribution to the change programme is set out in the following paragraphs.

Better support for families at an earlier stage

23.15 By identifying need and then providing support at an earlier stage, the Transformation Programme is preventing crisis intervention but also enabling demand to be managed. Preventative action will minimise demand which is avoidable, that which is preventable, and which arises from failure in the system. Taking forward the "Targeted Edge of Care Programme" the present service is being enhanced to support children at risk of going into care. The programme is focused around a team to support children and families at the point of breakdown where the care system is the alternative. This results in an improved outcome whereby the child is able to stay in the family environment reducing the need for foster care or a residential placement, thereby reducing cost.

23.16 £11.300m of the recurrent investment has largely been directed at this area, enabling demand management strategies to be taken forward.

Providing the very best of care for our most vulnerable children

23.17 The making of effective and timely decisions about the safety of children and young people and the care and support they need has been enhanced by the investment in additional staffing resources and this will not only ensure the needs of a young person are met, but that those needs are reviewed and appropriate action is taken to respond to change, which may require a stepping down of support and hence a potential reduction in costs.

23.18 There will be a continuing review of the Semi-Independent/Supported Living Accommodation for children of 16 to 18 years of age (and up to 25 if they are care leavers). This will encompass both internal and external provision and the future use of block contracts to ensure the provision of appropriate but cost effective provision. It will be supported by a strong preventative model which will aim to reduce the need for care support in the first place. Linked to this is a change to the Children's Residential Programme. Where such care is needed, the aim is to replace expensive external Out of Borough placements with internal provision where possible, potentially working in partnership with other Districts and GMCA to develop capacity within the City Region to reduce the need for future Out of Borough Care Replacements.

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- 23.19 Resources of £0.583m of the £2.900m one off investment will be directed to this area in 2023/24 with the expectation of the delivery of cashable efficiencies from 2024/25 to 2028/29 (a year beyond the timeline of the MTFS) as illustrated in the table at 23.25.

Supporting children and young people by making Oldham the best place to be a social worker

- 23.20 The challenges in recruiting and retaining the social care workforce (especially social workers for Children's Social Care where there is a national shortage) have been well reported. In response to this, the December 2022 Cabinet paper advised that in October 2022 a new Social Work Academy was launched to attract, recruit, and retain social workers. The academy offers those already in the profession further training and development, encouraging career progression and overall professional development. It also targets those people who would like to enter the social work field by providing social work apprenticeships and degrees, and career development. This 'grow your own' strategy is indeed a transformational change programme. It is expected to produce high quality, dedicated social workers that understand Oldham and the needs of its children and young people. It will also enable caseloads to be kept at an acceptable level and allow the Council to rely less on agency social workers and therefore reduce costs.
- 23.21 Approved one off investment of £2.941m is to be made in 2023/24 in order to generate significant savings each year from 2024/25, more than repaying the initial investment (as outlined at the table at 23.25).

Rewarding and supporting the work of Oldham's Foster Carers

- 23.22 Recognising the contribution of foster carers to children looked after and young people, the December Cabinet report advised of the enhancement of in-house foster carers allowances and skills payments and the proposal to recruit additional 'specialist foster carers' to support existing foster carers with additional training, advice, and support in caring for our most vulnerable children and young people, enabling more of them to remain in foster care rather than more costly residential placements. It is anticipated that this will also reduce future dependency on the Adolescent Support Unit, reduce the number of placement breakdowns and future moves to independent fostering agencies or residential care outside the borough. The investment in this activity is expected to provide financial efficiencies from 2023/24, starting with a sum of £0.624m, with a cumulative impact of £3.529m up to 2028/29.

Other Initiatives

- 23.23 A programme of Early Help and Prevention will concentrate resources to provide appropriate support to vulnerable children and families through a range of preventative measures. This will include universal services, community advice/support and the increased provision where appropriate of online support.
- 23.24 Improved commissioning will look at the current services delivered externally to redesign and where appropriate re-commission such services.

Summary Savings – Children’s Change Programme

23.25 Using the programme of activity outlined above and building upon the investment to generate future savings agreed at Cabinet on 12 December 2022, the MTFS includes the return on the investment/savings to be achieved from the Children’s Change Programme as summarised in the table below. This extends one year beyond the timeframe of the MTFS and illustrates that investment can take time for its full benefits to become evident.

Table 28 - Return on Investment

Description	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000
Providing The Best Care	583	(548)	(181)	(102)	14	(71)
A Better Place to be a Social Worker	2,941	(1,610)	(1,097)	(730)	(650)	(791)
Supporting Foster Carers	(624)	(742)	(908)	(461)	(362)	(432)
Investment Initiatives - Reserves	(2,900)	2,900	0	0	0	0
Return on Investment	0	0	(2,186)	(1,293)	(998)	(1,294)

23.26 It is important to note that the programme of change is expected to produce further efficiencies and the table shows the minimum level expected. As the various stages of the programme are delivered, there will be a further review and a refresh to enhance efficiency and effectiveness.

Theme 2 – Adult Social Care Change and Improvement Programme including Integration with the NHS

23.27 The Adult Social Care Change and Improvement Programme (ASCCIP) has been reviewed and reprioritised to take forward an ambitious programme of change linked to the revisions to the legislative framework within which the service is operating but also to focus on delivering more efficient and effective services for the users of Adult Social Care. A key element of the change and transformation programme will be the embedding new ways of working in order to take forward the budget reductions set out to support the delivery of a balanced budget for 2023/24 and underpin the budget for 2024/25 and future years.

23.28 A range of core project streams will be taken forward based around initiatives including:

- Taking forward the Target Operating Model (TOM) which ensures that statutory duties are met but at the same time delivers an appropriate prevention offer which removes, reduces or delays the need for care. Budget reductions totalling £3.000m have already been included in MTFS forecasts over the period 2023/24 to 2025/26.
- A transformational change to service provision included as a budget reduction with financial benefits over the years 2023/24 to 2025/26 totalling £4.500m, is the approach to Direct Payments (giving service users money to pay for their own care). New working practices will ensure the right level of support is provided to meet residents eligible needs in a way that reflects their strengths and connections in their local community.
- Modernizing the local digital offer, which is vital to the delivery of ASC reform. The ICT and Digital enabling programme is a key support strand in taking forward these initiatives. This includes:
 - Modernising systems and the approach to digital self-assessment whilst creating independence and reducing reliance on services

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- Developing Artificial Intelligence solutions
 - Embedding assistive technology to improve service users' independence and reduce reliance on services, whilst also providing an evidence base for decisions relating to provision of care and support;
 - Maintaining the existing on-line offer and ensuring that it is remain easily accessible for residents
- Increasing reablement capacity and throughput.
 - Improved Procurement/Commissioning through the improved use of the present information system (Mosaic).
 - Working with NHS partners to maximise the opportunities arising from the shift to Integrated Care Systems. By developing local and GM-level commissioning. Adult Social Care services will continue to work collaboratively with system partners, blending teams and enhancing systems ensuring the impact of partner redesign complements the Council's Transformation Programme.
 - Transforming the service for those transitioning to Adult Social Care services from Children's Services building on work across adults and children's social care, health, and education over the past two years. This will see the development of a dedicated service focused on ensuring that statutory duties are completed in a strengths-based way, supporting young people who require care and support post 18 years.
 - The Health and Care Act (2022) provides new duties and responsibilities for the provision and sharing of information across the health and care sector. The Council, its partners and service providers are working to facilitate the sharing of data to improve outcomes for people with health and care needs and hence drive efficiency, effectiveness and cost reduction. In addition, the new CQC inspection framework for Adult Social Care, requires that customer insights, engagement and co-production form part of the fundamental approaches to realising quality assurance and service improvement.
 - By working on a holistic approach in partnership with Children's Social Care in line with the current policy framework, it is planned future efficiencies can be generated in the future support/placements as transition is made into the child coming of age. Overall, it is planned this programme will generate savings of up to £1.000m.
 - In conjunction with key partners such as MioCare CIC (the Council's 100% owned Community Interest Company) the Council will take a review of the processes involving care planning to the delivery of the package of care. Whilst this review will not generate specific savings it is a key Enabling Programme within Adult Social Care transformation to support the delivery of efficiencies elsewhere which have the potential to generate future savings.
- 23.29 Aligning to the income maximisation strategy there will be continuous review that recipients of Council services (individuals and partners) pay an affordable and fair cost for services.
- 23.30 As advised, two of the Adult Social Care budget reductions have been presented to support the 2023/24 and 2024/25 budgets. The approaches established as these budget reductions are delivered together with the other activities outlined above, will form the basis of the next phases of the programme of change and support the delivery of further budget reductions over the rest of the MTFs period.

Theme 3 – The Creating a Better Place (CaBP) Programme

- 23.31 The CaBP programme (originally approved January 2020) sets out a vision for the borough which is focused on building more homes for the borough’s residents, creating new jobs through town centre regeneration and ensuring Oldham is a great place to visit with lots of family friendly and accessible places to go. The strategy aims to deliver these ambitions in ways that contribute to a reduction in carbon emissions in support of the Council’s Green New Deal strategy.
- 23.32 The CaBP strategy was reviewed and updated in August 2020, in light of the COVID-19 pandemic, to place more emphasis on economic recovery and accelerating the potential for generating revenue budget savings. The programme envisages delivering an already approved £8.058m of revenue budget reductions between 2022/23 and 2026/27. The financial benefits have already been factored into MTFS estimates.
- 23.33 The CaBP Programme is now embedded into the operating arrangements of the Council, this is still a transformational programme but one that has been well established.
- 23.34 Services which maintain and enhance the public realm alongside corporate land and property assets are essential to the delivery of the Council’s priorities. At a strategic level it is acknowledged that the Council’s property portfolio can be a catalyst for building new homes, creating job opportunities, re-skilling residents through new apprenticeship opportunities, and re-engaging communities and partners through property / estate co-location and collaboration.
- 23.35 Developing the existing programme of work on the use of property and assets, the Council will maximise the benefit from the corporate estate by developing property disposal and procurement routes that will ensure the Council is able to shape and maintain a property portfolio that will support service delivery and contribute a sustainable income stream.
- 23.36 In addition, the Council will rationalise its office accommodation, where possible, following the place based principles and co-locate staff with partners to maximise efficiencies and realise the potential of ‘One Public Estate’ for Oldham and Greater Manchester.
- 23.37 The regeneration of Oldham town centre remains a Council priority. Following the acquisition of the Spindles and Town Square Shopping Centres its current redevelopment is a key part of the Creating a Better Place Strategy unlocking land and development opportunities. The relocation of the Council offices into new modern accommodation is a key strand of this programme.
- 23.38 The table below shows the specific revenue budget impact of the Creating a Better Place programme linked purely to the asset rationalisation element of the work. So far, £8.058m of budget reductions have either been delivered or built into budget estimates.

Table 29 – Creating a Better Place Savings

	2022/23	2023/24	2024/25	2025/26	2026/27	TOTAL
	£000	£000	£000	£000	£000	£000
Creating a Better Place	(708)	(800)	(5,400)	(1,050)	(100)	(8,058)

- 23.39 There are also ambitious plans for the regeneration of the borough as a whole with investment in Royton and projects in train at Hollinwood and Foxdenton. The Council will also seek to integrate and rationalise the highly visible and valued services which support and maintain the public realm of the Borough.

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- 23.40 Significant capital investment is needed to deliver the town centre vision, new homes and the vision for the rest of the borough. These resources are reflected in the Capital Strategy and Capital Programme for 2023/24 to 2027/28.
- 23.41 This investment will bring future benefits to Oldham through additional economic and housing growth, which is expected to increase revenue from, for example, Council Tax and/or Business Rates. This has a strong link to the Income Maximisation theme presented below. The budget estimates have already been adjusted to reflect the anticipated extra income from this activity with the Tax Bases for Council Tax increased by 500 Band D equivalent properties from 2025/26. An increase in Business Rates Income has also been included where a standstill position would otherwise have been adopted.
- 23.42 Clearly as this wide ranging programme develops into its next phase, the contribution to the budget reduction target will increase and this will be included in future iterations of the MTFS.

Theme 4 - Place Based Integration to create stronger communities

- 23.43 The Place Based Integration programme has been developed from feedback from residents who as much as possible, want services close to home and tailored to the specific needs of their community. The aim of the programme has been to reconfigure and integrate services in each of the five districts footprints of Oldham. There are significant inter-dependencies with the other Transformation Programmes and services; specifically with Adults and Children's services. As well as bringing more Council services to local areas, the aim is to more deeply integrate with other public bodies like the NHS, schools, housing associations and the police. The aim is to provide a more holistic support to residents.
- 23.44 The Programme aims to take a community-centred, preventative approach to public services which benefits residents. It is better to help people stop smoking than treat the consequences of smoking both from a public expenditure perspective but also from an individual perspective. The Council expects residents to be happier and healthier with an appropriate support network including the dedicated local team within the District.
- 23.45 The Council's relationship with the voluntary, community, faith and social enterprise sector will also continue to be strengthened as set out in the Greater Manchester VCSFE Accord.
- 23.46 The Oldham Plan, Our Future Oldham sets out the intention to embed Place Based Working with Oldham as somewhere that uplifts and supports every resident. This will be done by tailoring services to deliver the needs of individual districts by putting emphasis on what is important in each neighbourhood.
- 23.47 The programme aims to deliver, amongst other things, the following outcomes:
- Improved engagement, resilience and outcomes for adults with long term challenges.
 - Better informed processes and service re-design influenced by learning from those with lived experience through a co-production approach. Opportunities for earlier intervention identified.
 - Mapping of the current system across Oldham and an improved understanding across partners of where complexity prevents client engagement.
 - An established peer support network for former cared for younger women to provide community level support and self-help.
 - Strengthened relationships with the community and voluntary sector, particularly in providing support for high-risk individuals.
 - A more targeted and evidence-based approach to the commissioning of services.
 - A tested and improved early intervention offer for adults based on a whole system, holistic and a personalised response.

23.48 The overall impact of the above activities is the expectation of reduced cost across the system and future cost avoidance by reducing demand hence supporting the MTFS. As the place based integration programmes are developed further, the benefits of the activity will be fully evaluated during 2023/24. It is anticipated that the benefits of this approach will lead to specific budget reductions to assist in closing the 2024/25 gap and support the financial position over the rest of the MTFS period.

Theme 5 - Commissioning, Procurement and Contract Management

23.49 This programme will take forward a forensic review of all current contracts within the Council supported by a reconstituted Commissioning Board (currently under development) aiming to save on average a minimum of 5% on current contracted spend. This theme is to some degree cross cutting in nature as its also supports savings on the four core themes as set out above.

23.50 Using a team of subject matter experts, the work undertaken through this programme will provide challenge and independent review. It will utilise benchmarking and other key comparative information to ensure that economy, efficiency and effectiveness is delivered through the Council's commissioning, procurement and contract management arrangements.

Theme 6 – Income Maximisation

23.51 The Council will refresh its Income Maximisation Strategy and a review of Traded Services will endeavour to pursue key objectives within this strategy. The Council will:

- Adopt a more commercial approach to all of its chargeable activities. This will be based around to the annual review of fees and charges but individual reviews will be undertaken as required. The fees and charges for 2023/24 outlined at Section 21 and Appendix 10 have been prepared so that increases in many areas reflect prevailing levels of inflation as measured by the CPI;
- Revisit and update existing policies and ways of working: particularly with regard to income collection practices and the recovery of arrears;
- Improve collection rates for Council Tax and Business Rates as well as strengthen and grow tax bases underpinning these major revenue streams;
- Adopt efficient methods of working and look to reduce in line with Co-operative Values non-statutory chargeable activity that is unlikely to generate surplus revenue or at least fully recover all cost inputs;
- Take a more considered and sophisticated approach to assessing risk versus reward for local investments;
- Undertake a Traded Services review to ensure such services are being delivered efficiently and effectively, minimising any adverse impact on the Council's budget;
- Review and rationalise the existing property holding across the Council linked into the Creating a Better Place Programme;
- Maximise the opportunity to utilise revenue grant funding to support the operational activities of the Council;
- Maximise the opportunity to utilise external capital grants to reduce the levels of prudential borrowing required to finance capital expenditure and thereby alleviate pressure on the revenue budget;
- Maximise the income/funding it can access from its membership of the Manchester City Region; and
- Lobby for the fair future reform of Local Government Finance to ensure Oldham receives its appropriate share of national funding.

23.52 This Strategy will support the Council to deliver its Co-operative Priorities by:

- Maximising existing income sources;
- Fully recovering cost inputs;
- Maximising Social Value by recovering as much income as possible to enable it to assist the most vulnerable;
- Growing sustainable local income such as Council Tax and Business Rates including utilising capital investment and planned transformation within the Council; and
- Maximising Joint Working where appropriate.

Service Reviews

23.53 Underpinning all transformation workstreams will be:

- A programme of service reviews which should lead to the identification of service specific budget reductions and efficiencies including the use of benchmarking analysis and reviewing practices at other Local Authorities;
- An approach to service delivery where the Council (and its partners) will be making new strategic choices to ensure the service provision is based on the characteristics of Oldham, its people, and communities within the borough. New opportunities for collaboration and new ways of working between organisations (especially support functions) that share a common footprint will be prioritised;
- A review of the provision of discretionary services and also the level at which statutory services are delivered will be undertaken. Such initiatives may be discrete exercises but are more likely to be encompassed within a service review under the remit of demand management; and
- Reviews of Council policies with regard to service provision, linked to the consideration of discretionary/statutory services but also to ensure best practice.

23.54 At this stage there is still further work to assign specific budget reduction targets to the areas of transformational activity detailed above, however as initiatives are progressed, detailed targets will be able to be assigned.

On-going Budget Review

23.55 Given the importance of delivering budget reductions and embedding the programme of transformational change, during 2023/24, there will be a regular review of the progress of existing change programmes against delivery milestones with a view to determine financial targets. It will also ensure that there is continuous emphasis on the delivery of change and the achievement of all budget reductions required in line with the Medium Term Financial Strategy.

Reserves and Balances

23.56 In the light of the risks and uncertainties highlighted in the MTFS, it is important to maintain a healthy and robust level of reserves and balances to manage uncertainty. The financial resilience of the Council has been reduced but based on the reserves and balances information set out at Section 19 of the Revenue Budget Report and below in Table 30, the position remains manageable when considering the 2023/24 to 2027/28 period.

Table 30 – Earmarked Reserves Projected Use

Earmarked Reserves Projection	2023/24 Estimated Closing Balance £000	2024/25 Estimated Closing Balance £000	2025/26 Estimated Closing Balance £000	2026/27 Estimated Closing Balance £000	2027/28 Estimated Closing Balance £000
Integrated Working Reserve	(9,127)	(8,172)	(7,422)	(6,922)	(6,422)
Transformation Reserve	(4,000)	(3,000)	(3,000)	(3,000)	(3,000)
Regeneration Reserve	0	0	0	0	0
Balancing Budget Reserve – 2024/25	(3,932)	0	0	0	0
Other Reserves	(35,522)	(38,162)	(37,821)	(37,771)	(37,721)
Total	(52,581)	(49,334)	(48,243)	(47,693)	(47,143)

23.57 The MTFS indicates a potential general use of reserves of £14.008m in 2023/24 and a further £3.932m in 2024/25. The table above highlights a further projected use of reserves to support transformational activity which will support the delivery of the budget reductions mentioned earlier within this section. This use of reserves is not being specifically budgeted at this stage as the timing and profiling across the MTFS is subject to change and will be linked to specific projects within the transformation themes.

23.58 In line with the good budget management practices within the Authority, there may be an opportunity to replenish reserves to improve financial resilience. This will be considered during the final accounts processes for respective financial years.

23.59 The continued reliance on the use of reserves to balance the budget is not without risk but given the planned approach, the availability of reserves to support the transformation process and other corporate initiatives, the risk is to some degree mitigated. However, the position will be monitored closely and in line with the Council's Reserves Policy which is reported to the Audit Committee.

24 Pay Policy Statement

24.1 Included at **Appendix 12** is the Council's Pay Policy Statement. This Statement sets out the Council's approach to pay policy in accordance with the requirements of Section 38 to 43 of the Localism Act 2011, which requires approval of the Statement through full Council. The purpose of the statement is to provide transparency with regard to the Council's approach to setting the pay of its employees, with particular emphasis on the level of remuneration for the Council's most senior staff.

25 Options/Alternatives

25.1 The options as follows:

- Option 1 – The Policy Overview and Scrutiny Committee accepts the budget assumptions and resulting financial forecasts presented within the report and the budget position at Appendix 4.
- Option 2 – The Policy Overview and Scrutiny Committee proposes amendments to the assumptions which will change the resulting budget reduction requirement and financial forecasts.
- Option 3 – The Policy Overview and Scrutiny Committee recommends all the 2023/24 and 2024/25 budget proposals included in this report and the approach to the use of reserves and balances and as well as Council Tax and Adult Social Care Precept increases.
- Option 4 - Policy Overview and Scrutiny Committee can request that further work is undertaken on some or all of the budget proposals and the approach to reserves and balances and that Cabinet considers a revised position.

26 Preferred Option

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

27 Consultation

27.1 Members of the public and stakeholders will be consulted on our proposals and invited to submit their feedback. A proactive approach to communications will be taken, with a multi-channel communications strategy incorporating digital, social and traditional media, ensuring that residents and businesses across Oldham are aware of our budget proposals and are able to have their say.

(Jeni Harvey, Head of Communications and Research)

28 Financial Implications

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

29 Legal Services Comments

29.1 Legal issues are addressed in the body of the report. The Council has a legal obligation to pass a resolution to agree its budget and Council Tax resolutions before 11 March 2023.

(Paul Entwistle, Director of Legal Services)

30 Co-operative Agenda

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

(Jonathan Downs, Corporate Policy Lead)

31 Human Resources Comments

- 31.1 The FTE reductions detailed within the budget proposals comprise of vacant positions. As the number of filled positions proposed for deletion as a result of the budget options are below the legally set threshold of 20, there will be no requirement for the issuance of a formal Section 188 notice. This will not, however, negate the need for service redesigns to be conducted with the appropriate consultation periods and in line with the Council's relevant policies and procedures. Where staff are displaced as a result of service redesign the Council's redeployment process will be applied and redundancies mitigated as far as possible. Full consultation with staff and recognised Trade Unions will form a part of these processes.

(Vikki Morris, Assistant Director of HR & Organisational Development)

32 Risk Assessments

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

Mark Stenson (Assistant Director of Corporate Governance and Strategic Financial Management)

33 IT Implications

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

34 Property Implications

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

35 Procurement Implications

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

36 Environmental and Health & Safety Implications

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

37 Equality, community cohesion and crime implications

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

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

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

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

37.3 The Equality Act 2010 extends the public sector equality duties to cover nine protected characteristics, namely:

- age,
- disability,
- gender,
- gender reassignment,
- marriage and civil partnership,
- pregnancy and maternity,
- race,
- religion and belief and
- sexual orientation.

37.4 In December 2010, the Government announced that it would not be taking forward the socio-economic duty for public bodies. Despite this the Council has continued to consider people on low incomes as part of its equality impact assessment process.

37.5 Assessing the potential equality impact of proposed changes to policies procedures and practices is one of the key ways in which public authorities can show ‘due regard’. Equality Impact Assessments (EIAs), therefore, provide a structured framework which enables the Council to ensure that it considers the equality impact of decisions, and to demonstrate to others that it has done so.

37.6 Oldham’s EIA process was refreshed in 2022, with the launch of a new Impact Assessment Tool to improve our decision making, putting equality and our wider priorities at the heart of the process. The new tool mandates that decisions are screened against the nine protected equality characteristics, Oldham’s Corporate Plan priorities (including the socio-economic duty), and the Oldham Plan priorities.

37.7 The Impact Assessment Tool provides an easy-read infographic, clearly showing how any decision will impact on Equality Characteristics, Corporate Plan priorities, and Oldham Plan priorities. Supporting narrative is provided against any positive or negative impact, helping explain the impact of the decision and asking what action can be taken to mitigate potential negative impacts.

37.8 The equality impact assessment process undertaken for the Council's budget process involves:

- 1) An initial equality impact screening – The budget proposal action plan forms completed by each Director / Service Manager incorporate an initial equality screening to identify whether any proposal has the potential for significant disproportionate adverse impact in respect of any protected characteristic i.e. whether the impact of the proposal falls disproportionately on any particular group – such as people with a disability.

The key aims of this review process are to:

- assess the potential equality impact of each proposal using the information provided; and
 - provide challenge to those where the initial screening does not accurately identify those equality groups potentially affected and that a further screening process needs to be completed.
- 2) Full Equality Impact Assessment tool completed – An equality impact assessment is carried out if the initial screening identifies that the proposal could have a potential significant, disproportionate adverse equality impact.

(Jonathan Downs, Corporate Policy Lead)

38 Key Decision

38.1 Yes

39 Key Decision Reference

39.1 FLC-25-22

40 Background Papers

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

File Ref: Background papers are contained in Appendices 1 - 12
Officer Name: Anne Ryans / Neil Stott
Contact: anne.ryans@oldham.gov.uk (0161 770 4902)
neil.stott@oldham.gov.uk

41 Appendices

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- Appendix 3 - Summary of Budget Reductions by Portfolio approved in 2021 and 2022 with an impact on 2023/24 and 2024/25
- Appendix 4 - Current Budget Position 2023/24 and 2024/25
- Appendix 5 - Summary of Budget Reductions by Cabinet Member Portfolio
- Appendix 6 - Budget Reduction Proposals and Draft EIA's
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- Appendix 8 - 2023/24 Indicative Budget Presentation
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- Appendix 10 - Proposed 2023/24 Fees and Charges Schedules
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 - 12a – Staff earning in excess of £50,000 per annum
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1. Background

- 1.1 The Dedicated Schools Grant (DSG) is a ringfenced grant payable to Local Authorities by Government for the funding of both maintained schools and academies. From 2018/19, the Government changed the way it funds the Authority for schools via the DSG to a standard means of allocating resources. This is known as the National Funding Formula (NFF).
- 1.2 The DSG contains 4 blocks, each of which is determined by a separate National Funding Formula which calculates the total funding due to Local Authorities. The Department for Education (DfE) calculated the funding that Local Authorities will receive for the Schools Block as if the National Funding Formula had been applied. As in 2022/23, it still remains the role of the Local Authority to determine the funding to schools and academies via their Local Funding Formula for the Schools and Early Years Blocks.
- 1.3 There is no legal requirement for Authorities to move further to the funding allocation methodology introduced by the NFF in 2018/19 when determining schools and academies funding for 2023/24 using the local formula, however there is a requirement for the Local Authority to consult with schools on the DSG allocation methodology that will be applied.
- 1.4 As referenced above, the DSG is made up of 4 blocks of funding:
 - a) The **Schools** block covers funding for:
 - Individual mainstream schools and academies
 - Growth Funding for planned growth by the Local Authority (LA) in schools.
 - b) The **High Needs** block covers funding for the education of pupils subject to Education, Health and Care Plans from age 0-25 in a range of provision including special schools, mainstream schools, alternative provision, independent specialist provision and Council centrally retained expenditure for High Needs. High Needs Block also covers the funding of Alternative Provision and covers a range of support for pupils unable to access mainstream education, subject to certain qualifying criteria. Funding for the High Needs block has over the past few years, not kept pace with demand.
 - c) The **Early Years** block covers:
 - Two Year old Funding
 - Early Years Funding in Schools and Private, Voluntary and Independent provision
 - Centrally retained expenditure for under 5's.
 - d) The **Central Schools Services** block covers:
 - Funding previously allocated through the retained duties element of the Education Services Grant (ESG) which has been discontinued from 2018/19
 - Central school services which includes the expenditure related to Schools Forum, Premature Retirements, Admissions service, and School Improvement
 - School Licenses
 - Statutory and Regulatory duties.

- 1.5 There is limited flexibility for Local Authorities to transfer funding between the four blocks. For 2023/24 the Education and Skills Funding Agency (ESFA) has limited the movement of funds from the Schools Block to other blocks to 0.5% of the total Schools Block Allocation, but only with the agreement of the Schools Forum. Any proposed movement above the 0.5% must be referred to the Secretary of State for approval. There is no proposal to transfer funding between blocks in 2023/24.
- 1.6 The Authority has a responsibility to ensure that the DSG is deployed in accordance with the conditions of the grant and "School and Early Years Finance (England) regulations 2021". The arrangements for 2023/24 are detailed by the ESFA "I Schools operational guide: 2023 to 2024" published in July 2022 and updated on 16 December 2022 and the "High needs funding 2023 to 2024 operational guidance" in August 2022 also updated on 16 December 2022.
- 1.7 From 2016/17 to the end of 2021/22 the Oldham DSG has been in a deficit position, i.e., resources spent have been in excess of grant funding available. As a result, the Department for Education through the Education and Funding Skills Agency has been monitoring the financial position of the DSG and has required the Authority to submit a Recovery Plan for review. The DSG financial information presented follows the currently required format of the Recovery Plan although as can be seen, a surplus is now projected to be achieved at the end of 2022/23.
- 1.8 Oldham has been supported by the Education and Skills Funding Agency (ESFA) in its monitoring and management of the DSG with the Recovery Plan subject to review. In more recent developments Oldham has been invited by the Government to take part in the Delivering Better Value (DBV) in SEND Programme which provides dedicated support for the reform to high needs systems to 55 Local Authorities with historical deficit issues, the aim being to put more Local Authorities on a more sustainable footing so that they are better placed to respond to the forthcoming SEND Review reforms.
- 1.9 Oldham was selected as one of the Local Authorities to be invited to take part in the programme, as it had a significant percentage DSG deficit in 2020/21. The first 20 of the 55 Authorities started the programme in June, the second round (which includes Oldham) is now being launched. The Government is initially providing external consultancy advice to the Council to enable it to plan and agree improvements and a change programme. There is also funding available for the Council to fund new activities identified through the DBV initiative, the value of which is to be agreed.

2. DSG Allocations 2023/24

- 2.1 On 19 July 2022, the Department for Education, via the Education and Skills Funding Agency published provisional DSG funding allocations for 2023/24. This included confirmation that nationally, schools funding had increased by £2.6bn in 2020/21, £4.8bn in 2021/22, £7.1bn in 2022/23 and would be increased by a further £1.5 bn in 2023/24. Within this funding announcement the Government advised that in 2023/24, High Needs funding for Schools was set to increase by £570m.
- 2.2 Oldham's share of this overall DSG funding for 2023/24 was initially announced in July 2022 at a sum of £296.106m excluding Early Years and growth funding, based on October 2021 pupil numbers. It was subsequently revised on 16 December 2022 based on October 2022 pupil numbers. The 2023/24 DSG allocation for Oldham is £321.710m including the Early Years Block. This is £21.237m more than the 2022/23 allocations.

- 2.3 Funding is allocated to schools via a formula and as there is a requirement to agree the funding formula with schools, consultation with schools and the Schools Forum is required. A budget report, based on estimated 2021 pupil numbers and an estimated Schools Block allocation of £238.566m, was presented and agreed by Schools Forum on 16 November 2022. This suggested a funding allocation methodology for schools; a move towards the 2023/24 NFF cash values in full except for the Area Cost Adjustment factor, which was to be reduced to 1.00000.
- 2.4 The projection that Schools Forum received in November 2022 was that the outturn DSG position for 2022/23 would be a surplus of £0.442m, mainly due to a reduction in the cost of post-16 education.
- 2.5 The funding formula as proposed was approved by Schools Forum. However, this agreement was on the basis that this was subject to review once the detailed funding information was announced and ensuring that the funding provided a minimum funding level per pupil of £4,405 for primary and £5,715 for secondary schools. The funding formula was subsequently reported to and approved by Cabinet on 12 December 2022.
- 2.6 As advised above, on 16 December 2022, the Council received the DSG notification for 2023/24 including an amount for the Early Years Block. The 2023/24 DSG for Oldham is a total value of £321.710m, which includes additional funding of £13.513m for the Schools Block and £6.472m for the High Needs Block. The total allocation is analysed over the four funding blocks including comparisons to the 2022/23 actual allocations in the table below:

Table 1 – Dedicated School Grant 2022/23

	Schools Block	Central School Services Block	High Needs Block	Early years Block	Total DSG Allocation
	£000	£000	£000	£000	£000
2023/24 Allocation*	240,592	2,461	58,722	19,935	321,710
2022/23 Allocation**	227,079	2,417	52,250	18,727	300,473
Variance	13,513	44	6,472	1,208	21,237

*2023/24 Schools Block includes £0.610m for National Non-Domestic Rates which the ESFA will pay the Council as the Oldham billing authority.

**The Schools Block allocation presented for 2022/23 does not include £6.755m for the School Supplementary grant which has now been rolled into the 2023/24 allocation.

- 2.7 The Autumn Statement of 17 November 2022 confirmed an extra £2.3 billion funding for schools and high needs, for the 2023/24 financial year, on top of previously notified funding. This will be allocated through the schools supplementary grant 2023/24. The allocation for Oldham is £8.187m and will be received on top of the sums in the table above. In addition to the schools supplementary grant, Local Authorities have been allocated a share of £400m additional High Needs funding for 2023/24, on top of the DSG high needs block allocations, calculated under the national funding formula. Oldham's allocation of this High Needs funding is £2.178m. This has been included in the High Needs Block for 2023/24 in the table above.
- 2.8 The allocations for the Schools and Central Schools Services Block are final. A small proportion of the High Needs Block is subject to change and will be adjusted in

Spring/Summer 2023. This will include an adjustment for Springboard and Halcyon Way Free Schools which are included within the Local Authority allocation and imports/exports (Oldham children educated in schools outside the borough and children from outside the borough educated in Oldham schools). For planning purposes, the allocation for imports/exports has been estimated at the same allocation as for 2022/23. An updated estimate for the Early Years Block based on the January 2023 census will also be made when the information is available, as the current figure is based on January 2022, and this is not formally updated until July 2023. In addition, the Early Years Block funding will not be fully finalised until July 2024 because 7/12 of the allocation will be based on the January 2024 census.

- 2.9 Overall, the 2023/24 DSG allocation has increased by £21.237m. For 2023/24, historic commitments funding has been reduced by 20% nationally by the DfE, however following a successful application for funding protection to the DfE the costs will be protected at 2022/23 levels as the costs will still be incurred. As a result, the Central School Services Block allocation for Oldham for 2023/24 has increased by £0.044m for on-going responsibilities due to an increase in the unit cash value and an increase of pupils.

3 DSG Deficit

- 3.1 The DSG fell into deficit in 2016/17 and remained so until the end of 2021/22, largely caused by spending pressures in the High Needs Block in relation to increasing numbers of pupils receiving Education Health & Care Plans (EHCPs), increasingly complex needs, increasing costs of provision, particularly those outside the Local Authority, the Pupil Referral Unit and for Post 16 Education.
- 3.2 There have been transfers of funding from other blocks within the DSG (including using year end underspends and transfers from Schools Block) to partially offset the deficit and Table 2 below shows the net overall position of the DSG balance for the last few years. The estimated position at the end of 2022/23 shows a substantial improvement with a surplus of £0.514m.

Table 2 - DSG Surplus / Deficit

Year	High Needs Block (Deficit)/ Surplus £000	Movement from Schools Block £000	Savings/ Movement Schools Block £000	Savings/ Movement Early Years Block £000	Overspend Central Schools Services Block £000	Other £000	DSG (Deficit)/ Surplus £000	Cumulative DSG (Deficit)/ Surplus £000
2015/16	(671)	0	1,399	99	0	10	837	837
2016/17	(2,968)	385	38	1	0	5	(2,539)	(1,702)
2017/18	(4,336)	2,380	682	(55)	0	0	(1,329)	(3,031)
2018/19	(2,665)	1,878	268	826	0	1	308	(2,723)
2019/20	(4,239)	1,594	366	134	(48)	0	(2,193)	(4,916)
2020/21	(817)	1,009	954	264	(54)	0	1,356	(3,560)
2021/22	428	1,049	(760)	110	(40)	0	787	(2,773)
2022/23 estimate	3,473	0	(346)	200	(40)	0	3,287	514
2023/24 estimate	2,381	0	(458)	1	0	0	1,924	2,438
2024/25 estimate	262	0	0	1	0	0	263	2,701

High Needs Block

- 3.3 The High Needs Block mainly funds pupils in specialist and alternative settings, such as special schools (both maintained and independent), resource units within mainstream schools, pupil referral units, and pupils with high needs in mainstream and early years settings and post 16 colleges. It also contributes to central support services such as Educational Psychology and Advisory Teachers for pupils with Special Educational Needs and / or Disabilities.
- 3.4 Table 3 details the funding allocation for the High Needs Block for 2023/24 and compares it to 2022/23. The allocation is provisional as there are still adjustments to be confirmed, as outlined earlier in section 2.8.

Table 3 - High Needs Block Allocation

High Needs Block	2022/23 allocation £000	2023/24 allocation £000
High Needs Formula	42,313	47,434
Hospital Allocation	690	662
Additional Allocation	0	0
Special Schools Census	5,478	6,434
Additional funding for Special Free School	1,015	1,015
Import/Export Adjustment (not yet known 2023/24)	999	999
Notified High Needs Allocation	50,495	56,544
Estimated Additional allocation imports/exports	0	0
Initial High Needs Allocation	50,495	56,544
Additional allocation to High Needs Block following the Spending Review 2021 and Autumn Statement 2022	1,756	2,178
Gross High Needs Allocation	52,251	58,722
Top sliced for Academies for ESFA (recoupment) to pay academies direct.	(12,908)	(13,848)
Total High Needs Block	39,343	44,874

- 3.5 Following the Autumn statement 2022, there has been a further additional High Needs allocation for Oldham of £2.178m for the 2023/24 financial year. Therefore, the total allocation for 2023/24 for High Needs is £58.722m and the funding for 2023/24 has increased by £6.471m (from £52.251m to £58.722m). This has been reduced by £252k from £1.015m to £0.763m for an estimated reduction for Special Free School funding resulting in an overall High Needs Allocation of £58.470m.
- 3.6 The place funding for academies/free schools is top sliced from the Local Authority allocation and paid to the schools directly. For 2023/24, this top slice is £13.848m.

DSG Recovery Plan

- 3.7 Table 4 shows the current recovery plan. This shows a projected surplus of £0.514m at the end of 2022/23. This was reported to the Schools Forum on 18 January 2023 and is included in the Council's Month 8 Financial Monitoring Report.
- 3.8 From a predicted cumulative surplus outturn of £0.442m in 2022/23, the position is now forecast to improve slightly with an in year 2022/23 surplus of £3.287m producing a £0.514m favourable outturn. This in turn produces a 2023/24 in-year surplus of £1.924m leading to an overall surplus balance of £2.438m at the year-end being carried forward. In 2024/25 a forecast in year surplus of £0.263m increases the cumulative balance carried forward to £2.701m. Anticipated increases in High Needs funding have been offset by the provision of a Service Improvement Development Fund to support a range of initiatives (the use of which is to be agreed).
- 3.9 It is an important element of the financial management of the Authority that the DSG is not in a deficit position and as the financial position of the DSG has improved, action taken to address the deficit has contributed to the current forecast surplus position. The action taken so far to try to reduce the deficit includes:
- The revision of Council processes to ensure that Education Health and Care Plans (EHCP) are up to date and accurately reflect the needs of the child
 - Improving sufficiency of local school places resulting in reduced reliance on out of borough and costlier independent sector school placements
 - Transfers of funding between the Schools and High Needs blocks
- 3.10 Work will continue during the remainder of 2022/23 and throughout 2023/24 and beyond to ensure that the projected surplus position is maintained in 2023/24.

Table 4 - DSG Recovery Plan

	2022/23 £000	2023/24 £000	2024/25 £000
Opening Balance b/fwd - Surplus/(Deficit)	(2,773)	514	2,438
Estimated Additional (Pressures)/ Savings during the financial year	(2,896)	(5,117)	(6,573)
2022/23 High Needs Block Increase	4,852	4,852	4,852
Additional High Needs Funding (announced December 2021)	1,756	1,756	1,756
Additional High Needs Funding (announced December 2022)	0	2,178	2,178
Reverse Indicative Transfer (initially approved for 2022/23 and then not required)	(1,124)	0	0
Additional further adjustment for funding Special Free School/import/exports and Hospital Education July 2022	1,092	0	0
Estimated adjustment for Special Free School funding	0	(252)	(252)
Estimated Additional High Needs Funding 2023/24 – 6.7%	0	4,294	4,294
Estimated Additional High Needs Funding 2024/25 – 3%	0	0	1,601
Increase to Element 3 top up funding for Special Schools for estimated cost increases re inflation etc	(393)	(409)	(415)
Contribution to Central Education Support Services including HI/VI Services	0	(200)	(200)
Additional spend to be agreed re High Needs Funding December 2022	0	(2,178)	(2,178)
Proposed one off funding – Special Educational Needs	0	(850)	0
Service Improvements Development Funding	0	(2,150)	(4,800)
In Year Surplus/ (Deficit)	3,287	1,924	263
Revised Net Forecast Surplus	514	2,438	2,701
Previously Reported Net Forecast Surplus (Nov 22)	442	3,273	3,830

- 3.11 The recommendations of the DfE consultation 'Clarifying the Specific Grant and Ring-Fenced Status of the DSG' have been incorporated in the Schools and Early Years Finance (England) Regulations 2020, which were laid before Parliament on 30 January 2020 and came into force on 21 February 2020. The revised legislation makes it entirely clear, on a statutory basis, that a DSG deficit must be carried forward to be dealt with from future DSG income, unless the Secretary of State authorises an Authority not to do this. The Government's intention is that DSG Deficits should not be covered from general fund resources and that over time they should be recovered from DSG income. This came into force from 29 November 2020 and was applicable for 3 financial years starting in 2020/21. In December 2022, it was announced the Government had agreed to the

extension of the statutory override for a one-off period of three years (up to March 2026) underpinned and reinforced by the Government's longer- term reforms.

- 3.12 Local Authorities must charge the amount of the deficit to an account established, charged and used solely for the purpose of recognising deficits in respect of its schools' budget. This account must be presented within the Statement of Accounts. Oldham has complied with this in the 2020/21 and 2021/22 accounts.
- 3.13 These regulations also mean that there will no longer be an automatic 1% trigger for the production of a DSG deficit recovery plan, instead the DfE will focus on those Authorities requiring help through a more measured and targeted approach.
- 3.14 As mentioned previously, Oldham has been supported by the Education and Skills Funding Agency (ESFA) in its monitoring and management of the DSG with the Recovery Plan subject to review. As the current Recovery Plan has been agreed with the Schools Forum, it is appropriate to continue to present information in this format. The Authority will continue to use the Recovery Plan arrangements as an effective means of monitoring the DSG position
- 3.15 The last meetings of the Schools Forum were on 21 September and 16 November 2022 and both meetings received an update in relation to the DSG including the Recovery Plan, which has been updated to take account of the most recent funding announcements, the latest expenditure predictions and their impact on the projections from the current financial year through to 2024/25. The next meeting of the Schools Forum is on 18 January 2023 and the information provided to that meeting aligns to the detail in this Appendix.

Calculation of Council Tax Tax Base 2023/24

Bands	A reduced	A	B	C	D	E	F	G	H	Total
Total number of Dwellings on the Valuation List		50,896	17,469	16,538	7,180	3,446	1,579	927	83	98,118
Total number of Exempt and Disabled Relief Dwellings on the Valuation List	157	(1,430)	(286)	(347)	(115)	(54)	(18)	(22)	(23)	(2,138)
No. of Chargeable Dwellings	157	49,466	17,183	16,191	7,065	3,392	1,561	905	60	95,980
Less: Estimated discounts, exemptions and disabled relief	(7.5)	(5,617.2)	(1,492.5)	(1,188.7)	(396)	(160.7)	(72.5)	(41.7)	(3.2)	(8,980)
Total equivalent number of dwellings after discounts, exemptions and disabled relief	149.5	43,848.8	15,690.5	15,002.3	6,669	3,231.3	1,488.5	863.3	56.8	87,000
Factor stipulated in regulations	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
Band D equivalent	83.1	29,232.5	12,203.7	13,335.3	6,669	3,949.3	2,150.1	1,438.8	113.5	69,175.3
Net effect of Local Council Tax Support Scheme (LCTSS) and other adjustments – reduction in Band D Equivalents										(9,582.2)
Increase in Band D equivalents in 2022/23 based on estimates of changes in discounts & exemptions and the acceleration of planned housing/ regeneration schemes.										872
Total after LCTSS and other adjustments										60,465.1
Multiplied by estimated collection rate										96.75%
Band D Equivalents										58,500

For information: Parish Council Tax Tax Bases –

Saddleworth 8,952

Shaw & Crompton 5,615

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Summary of Budget Reductions by Portfolio approved in 2021 and 2022 with an impact on 2023/24 and 2024/25**Approved at Council - March 2021**

Reference	Approved Budget Reduction	2023/24	2024/25
		Approved Budget Reduction £000	Approved Budget Reduction £000
Community Health and Adult Social Care			
CSA-BR1-435	Residential Enablement Redesign (Medlock Court)	(400)	0
Children's Services			
CHS-BR1-445	Early Help Remodelling	(300)	0
CHS-BR1-441	Special Educational Needs & Disability (SEND) Education Provision	(372)	0
Place and Economic Growth			
PPL-BR1-401	Creating a Better Place - Projects & Assets	(3,850)	(300)
Total	Approved at Council - March 2021	(4,922)	(300)

Approved at Council - March 2022

Reference	Approved Budget Reduction	2023/24	2024/25
		Approved Budget Reduction £000	Approved Budget Reduction £000
Community Health and Adult Social Care			
ASC-BR1-548	Smarter Ways of Working	(119)	0
ASC-BR1-552	Review Care and Support Plans	(1,255)	0
Children's Services			
CHS-BR1-536	Oldham Learning reduced de-delegated funding	(45)	0
CHS-BR1-543	Delete Post - Social Worker in Permanence	(46)	(47)
CHS-BR1-547	Savings on Targeted Youth Lot 3	(23)	0
CHS-BR1-544	Autism Youth Club	(12)	0
Place and Economic Growth			
PPL-BR1-501	Creating a Better Place - Income Generation	(100)	(850)
PPL-BR1-502	Additional Income Generation from new Flexi Parking Permit	0	(100)
PPL-BR1-508	Increase External Customer Base - Trade Waste	(10)	(3)
PPL-BR1-510	Public Protection Restructures - Environmental Health & First Response	(50)	0
PPL-BR1-504	Visit Oldham, Training Budget and Oldham Enterprise Trust	(48)	(8)
PPL-BR1-505	Corporate Landlord and Facilities Management	(100)	0
Corporate Services			
CEX-BR1-517	Finance Service - Unity Contract	(73)	(103)
PPL-BR1-512	Information and Communications Technology (ICT)	(15)	(40)
Total	Approved at Council - March 2022	(1,895)	(1,150)

Revisions / Reprofile of Approved Budget Reductions

Reference	Approved Budget Reduction	2023/24	2024/25
		Approved Budget Reduction £000	Approved Budget Reduction £000
PPL-BR1-401	Creating a Better Place - Projects & Assets	(3,850)	(300)
PPL-BR1-501	Creating a Better Place - Income Generation	(100)	(850)
TOTAL		(3,950)	(1,150)
Revised after 2022/23 Review		(800)	(5,400)
Reprofilng Creating a Better Place Total		3,150	(4,250)
CHS-BR1-544	Reversal of Autism Youth Club	12	0
Total	Revisions / Reprofile of Approved Budget Reductions	3,162	(4,250)

TOTAL APPROVED ACROSS BOTH YEARS		(3,655)	(5,700)
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Appendix 4 - Current Budget Position 2023/24 & 2024/25

	2023/24	2024/25
	£000	£000
Prior Year Net Revenue Budget	250,517	274,064
Adjustments to the Base Budget	12,044	8,600
Revised Base Position for 2023/24	262,561	282,664
Expenditure Adjustments		
Pay Inflation	11,675	5,000
Contractual Inflation	1,713	1,000
Service Inflation	7,350	1,000
Energy Price Inflation	3,750	0
Unachieved / Reprofiled 2022/23 Budget Reductions	2,895	0
Children's Social Care - Demand Pressures - including COVID-19 Legacy	11,300	0
Children's Social Care - One Off Investment	2,900	0
Children's Social Care Pressures - Impact on Legal Services	150	0
Adult Social Care - Demand Pressures/ Demographics	16,478	4,108
Adult Social Care – Market Sustainability and Fair Cost of Care Fund (BCF)	(2,628)	(1,324)
Adult Social Care – Adult Social Care Discharge Fund	(1,568)	(1,046)
Reversal of the Health and Social Care Levy impact on National Insurance	(383)	0
Home to School Transport - Additional Costs	1,000	250
Dedicated Schools Grant - Inherited Liabilities	0	0
Investment Fund	1,115	3,478
Employer Pension Contribution Rate Reduction	(1,500)	0
Cessation of Pension Prepayment Flexibility	750	75
Markets Relocation	542	0
Elections Cost Pressures	100	0
External Audit Scale Fees	150	0
Pest Control	100	0
Cost of Living Support	1,790	(852)
Exceptional Hardship Payment Scheme	130	0
Information Technology - Research and Development Fund	100	0
Increased Expenditure Funded by the passporting of Public Health Grant	0	0
Development Fund / Political Priorities	0	3,000
COVID Legacy Costs	(12,000)	0
Revised Parish Precept Expenditure (offset by Parish Precept income)	4	8
Total Expenditure Adjustments	45,913	14,697
Impact of Levies, the Statutory Charge and Contributions		
Projected Change to GMCA Levy budgets	1,119	2,851
Environment Agency Levy	2	2
Total Impact of Levies, the Statutory Charge and Contributions	1,121	2,853
Total Expenditure	309,595	300,214
Funded By:		
Government Grant		
Business Rates Top Up Grant	(46,016)	(48,113)
Grant in Lieu of Business Rates	(25,694)	(27,596)
Improved Better Care Fund Grant	(11,188)	(11,188)
Social Care Support Grant	(21,454)	(24,783)
Adult Social Care Reform	0	0
Lower Tier Services Support Grant	0	0
Housing Benefit Administration Grant	(810)	(796)
Revenues and Benefits Service New Burdens Grant	(11)	(9)
Local Council Tax Administration Subsidy Grant	0	0
New Homes Bonus Grant	(252)	(125)
Services Grant	(2,517)	(1,056)
Total Government Grant Funding	(107,942)	(113,666)
Locally Generated Income		
Retained Business Rates	(52,679)	(50,164)
Council Tax Income - General Purposes	(94,121)	(97,113)
Adult Social Care Precept	(14,874)	(17,200)
Parish Precepts	(318)	(326)
Total Locally Generated Income	(161,992)	(164,803)
Collection Fund Surplus (2022/23) Council Share	(4,130)	0
Total Funding	(274,064)	(278,469)
Budget Reduction Requirement	35,531	21,745
2021/22 Approved Budget Reductions	(4,922)	(300)
2022/23 Approved Budget Reductions	(1,895)	(1,150)
Revisions / Reprofiled of Approved Budget Reductions	3,162	(4,250)
Flexible Use of Capital Receipts	(2,600)	(2,600)
Net Gap/Budget Reduction Requirement before Use of Reserves	29,276	13,445

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Summary of Budget Reductions by Cabinet Member Portfolio

Appendix 5

Reference	Proposal Name	Responsible Officer	2023/24		2024/25	2025/26	Total	EIA Required?	Appendix 6 Page Number
			Proposed Budget Reduction £000	Proposed FTE Reduction	Proposed Budget Reduction £000	Proposed Budget Reduction £000	Proposed Budget Reduction £000		
Leader of the Council and Cabinet Member for Regeneration & Housing - Cllr A Chadderton									
COR-BR1-610	Resource review of Research and Engagement	Jeni Harvey	(22)	0.0	(22)	0	(44)	No	3
COR-BR1-611	Realignment of Executive Assistants	Lewis Greenwood	(17)	0.0	(18)	0	(35)	No	7
PEG-BR1-606	Capitalisation of Transport officers	Paul Clifford	(80)	0.0	0	0	(80)	No	11
PEG-BR1-607	Increase Capitalisation of staff time on regeneration projects	Paul Clifford	(79)	0.0	(235)	0	(314)	No	15
Cllr A Chadderton Total			(198)	0.0	(275)	0	(473)		
Deputy Leader and Cabinet Member for Finance & Low Carbon - Cllr A Jabbar									
COR-BR1-629	Reprofiling of the Minimum Revenue Provision	Anne Ryans	(4,800)	0.0	0	0	(4,800)	No	20
COR-BR1-630	Service Inflation	Anne Ryans	(6,350)	0.0	0	0	(6,350)	No	24
COR-BR1-631	Finance Service Restructure	Anne Ryans	(182)	3.0	0	0	(182)	No	28
COR-BR1-632	Implementation auto processing/artificial intelligence	Anne Ryans	0	0.0	(80)	(165)	(245)	No	32
COR-BR1-633	PFI Insurance rebate/reduction in professional fees	Anne Ryans	(145)	0.0	0	0	(145)	No	36
COR-BR1-644	Improvement in the approach to Council Tax administration and Council Tax collection	Anne Ryans	0	0.0	(80)	0	(80)	No	40
COR-BR1-634	Procurement - Reduction in non-pay budgets	Steve Boyd	(25)	0.0	0	0	(25)	No	44
Cllr A Jabbar Total			(11,502)	3.0	(160)	(165)	(11,827)		
Deputy Leader and Cabinet Member for Culture & Leisure - Cllr E Taylor									
COM-BR1-618	School Swimming Service	Neil Consterdine	(10)	0.0	0	0	(10)	No	49
COM-BR1-619	OCL Sports Development School Coaching Service	Neil Consterdine	(14)	0.0	(57)	0	(71)	No	53
Cllr E Taylor Total			(24)	0.0	(57)	0	(81)		
Cabinet Member for Employment & Enterprise - Cllr S Akhtar									
PEG-BR1-608	Employment & Enterprise - Economic Growth (Get Oldham Working)	Paul Clifford	(36)	0.0	(36)	0	(72)	No	58
PEG-BR1-609	Employment & Enterprise - Economic Growth (Investment)	Paul Clifford	(37)	0.0	(38)	0	(75)	No	62
Cllr S Akhtar Total			(73)	0.0	(74)	0	(147)		
Cabinet Member for Education & Skills - Cllr M Ali									
CHS-BR1-603	Learning Services – School Improvement, School Support, Virtual School	Richard Lynch	(51)	0.0	(45)	0	(96)	No	67
CHS-BR1-604	Re-alignment of SEND Central Services & Support	Richard Lynch	(200)	0.0	(200)	0	(400)	No	72
CHS-BR1-605	School Support Services - Academisation	Richard Lynch	(60)	0.0	(20)	(20)	(100)	No	77
Cllr M Ali Total			(311)	0.0	(265)	(20)	(596)		
Cabinet Member for Health & Social Care - Cllr B Brownridge									
ASC-BR1-601	Adult Social Care - Direct Payments	Jayne Ratcliffe	(1,300)	0.0	(2,500)	(700)	(4,500)	Yes	82

Reference	Proposal Name	Responsible Officer	2023/24		2024/25	2025/26	Total	EIA Required?	Appendix 6 Page Number
			Proposed Budget Reduction £000	Proposed FTE Reduction	Proposed Budget Reduction £000	Proposed Budget Reduction £000	Proposed Budget Reduction £000		
ASC-BR1-602	Adult Social Care - Target Operating Model	Jayne Ratcliffe	(500)	0.0	(2,250)	(250)	(3,000)	Yes	88
PHT-BR1-612	Sexual Health	Katrina Stephens	(18)	0.0	0	0	(18)	No	94
PHT-BR1-613	NHS Health Checks	Katrina Stephens	(27)	0.0	0	0	(27)	No	99
PHT-BR1-614	Public Health Budget	Katrina Stephens	(400)	0.0	0	0	(400)	No	103
PHT-BR1-615	Young People's Substance Misuse & Sexual Health Service	Katrina Stephens	(75)	0.0	(75)	0	(150)	Yes	107
Cllr B Brownridge Total			(2,320)	0.0	(4,825)	(950)	(8,095)		
Cabinet Member for Corporate Services - Cllr S Mushtaq									
COR-BR1-620	Human Resources and Organisational Development Service Restructure	Vikki Morris	(100)	0.0	(125)	0	(225)	No	115
COR-BR1-621	MS Licenses migration to cheaper licenses for some staff	Dominic Whelan	(50)	0.0	(50)	0	(100)	No	120
COR-BR1-622	MS Licenses Improved Starter / Leaver Process	Dominic Whelan	(23)	0.0	0	0	(23)	No	124
COR-BR1-623	Reduced Call Handling in Contact Centre	Dominic Whelan	0	0.0	(54)	0	(54)	No	128
COR-BR1-624	Reduction in Customer and Digital Experience	Dominic Whelan	(43)	0.0	(17)	0	(60)	No	132
COR-BR1-625	Applications Portfolio Management	Dominic Whelan	0	0.0	(50)	0	(50)	No	136
COR-BR1-626	Review of CDTT Operating Model including ICT	Dominic Whelan	(80)	1.0	(80)	0	(160)	No	141
COR-BR1-627	CDTT operating model review and implementation of Transformation changes	Dominic Whelan	(145)	3.0	(145)	0	(290)	No	145
COR-BR1-617	Cease the Provision of a Meal prior to Council Meetings	Liz Drogan	(10)	0.0	0	0	(10)	No	149
COR-BR1-628	Democratic Services Review	Paul Entwistle	(85)	0.0	(33)	0	(118)	No	153
Cllr S Mushtaq Total			(536)	4.0	(554)	0	(1,090)		
Cabinet Member for Neighbourhoods - Cllr H Roberts									
COM-BR1-616	Reduction in Councillor Ward budgets	Neil Consterdine	(60)	0.0	0	0	(60)	No	158
PEG-BR1-635	Reshape Bonfire Event	Nasir Dad	(25)	0.0	0	0	(25)	No	162
PEG-BR1-636	Don't Trash Oldham Betterment Programme	Nasir Dad	(112)	0.0	(335)	0	(447)	No	166
PEG-BR1-637	Refocus fly-tipping enforcement activity – Don't Trash Oldham	Nasir Dad	0	0.0	(250)	0	(250)	No	170
PEG-BR1-638	Increase Fees in Cemeteries and Crematoria Service	Nasir Dad	(228)	0.0	0	0	(228)	Yes	174
PEG-BR1-639	Increase Fees for Community Pitch Hire	Nasir Dad	(4)	0.0	0	0	(4)	Yes	179
PEG-BR1-640	Develop Building Control shared response with other Local Authorities	Nasir Dad	0	0.0	(100)	0	(100)	No	184
PEG-BR1-641	Income Generation – Trade Waste	Nasir Dad	(120)	0.0	0	0	(120)	No	188
PEG-BR1-642	Variable Lighting Strategy	Nasir Dad	(800)	0.0	0	0	(800)	No	192
PEG-BR1-643	Review Options for Future of Remaining Glasshouse Provision	Nasir Dad	0	0.0	(74)	0	(74)	No	196
Cllr H Roberts Total			(1,349)	0.0	(759)	0	(2,108)		
Total			(16,313)	7.0	(6,969)	(1,135)	(24,417)		

Reference	Proposal Name	Responsible Officer	2023/24		2024/25	2025/26	Total	EIA Required?	Appendix 6 Page Number
			Proposed Budget Reduction £000	Proposed FTE Reduction	Proposed Budget Reduction £000	Proposed Budget Reduction £000	Proposed Budget Reduction £000		
Income Generation - Deputy Leader and Cabinet Member for Finance & Low Carbon - Cllr A Jabbar									
COR-BR1-645	Increased Council Tax Collection	Anne Ryans	0	0.0	(606)	0	(606)	No	201
Grand Total			(16,313)	7.0	(7,575)	(1,135)	(25,023)		

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Appendix 6

Budget Reduction Proposals and Draft EIAs

Budget reductions

Cllr Chadderton

**Leader of the Council and
Cabinet Member for
Regeneration and Housing**

Responsible Officer :	Jeni Harvey
Cabinet Member :	CLlr A Chadderton
Support Officer :	Jeni Harvey

BR1 - Section A

Service Area :	Communications and Research
Budget Reduction Title:	Resource review of Research and Engagement

Budget Reduction Proposal - Detail and Objectives :

This budget reduction will require the review the work of the Research, Engagement and Consultation team; with the aim of delivering fewer consultations throughout the year and focusing only on key priority areas.

2022/23 Service Budget and Establishment

	£000
Employees	914
Other Operational Expenses	54
Income	(4)
Total	964

Current Forecast (under) / overspend

	(20)
--	-------------

Number of posts (Full time equivalent)

	19
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(22)	(22)	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?

	Ongoing
--	---------

Section B

What impact does the proposal have on the following?

Property
Not applicable
Service Delivery
Implementing this proposal would mean carrying out less consultation, engagement and research activity with our residents, businesses and partners. This would limit our stated aims to engage with our residents and use their views to inform our decision-making.
Future expected outcomes
In the longer term this proposal would reduce the amount of intelligence and insight available to the Council, as fewer consultations and reduced research activity would be taking place.
Organisation
As above
Workforce
There will a full review of current research, engagement and consultation (REC) activity; which may or may not have implications for the staffing levels of the REC team. If the proposed efficiencies involve a restructure of the REC team, which has three members of staff, full consultation with affected colleagues would be carried out.
Communities and Service Users
This proposal would result in fewer opportunities for our communities and service users to take part in consultation activity and contribute towards decision-making; although all essential and statutory consultations would still take place.
Oldham Cares
Not applicable
Other Partner Organisations
Not applicable

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	Yes
Local business community	Yes
Schools	No
Trade Unions	Yes
External partners (if yes please specify below)	No
N/a	
Other Council departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

A reduction in Council expenditure by £44k phased over two financial years.

Section C**Key Risks and Mitigations**

Risk	Mitigation
Reduced capacity to carry out essential statutory consultations	Statutory consultations to be prioritised and safeguarded against any proposed efficiencies
N/A	N/A
N/A	N/A

Key Development and Delivery Milestones

Milestone	Timeline
Review of the REC team function	To take place in Q1 of 2023/24, with proposed efficiencies to be implemented with a half year impact in 2023/24
N/A	N/A
N/A	N/A
N/A	N/A

Section D

Consultation required?	Not at present
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	Start	Conclusion
Staff	N/A	N/A
Trade Union	N/A	N/A
Public	N/A	N/A
Service Users	N/A	N/A
Other	N/A	N/A

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
The review of the Research and Engagement function will realise a budgetary saving of £22k in 2023/24 and a further £22k in 2024/25.

Signed RO	J Harvey
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Signed Finance	N Harrop
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Cabinet Member Signature	
Name and Date	Cllr Chadderton 16 January 2023

Responsible Officer :	Lewis Greenwood
Cabinet Member :	Cllr A Chadderton
Support Officer :	Lewis Greenwood

BR1 - Section A

Service Area :	Executive Office
Budget Reduction Title:	Realignment of Executive Assistants

Budget Reduction Proposal - Detail and Objectives :

It is proposed that a review of the Executive Support Service be undertaken to realise savings equivalent to £35k over 2 financial years (£17k in 2023/24 and a further £18k in 2024/25). The review will consider the possible realignment of staff, with whom there will be full consultation if required. There is currently 1FTE vacant post within the service that will be reviewed as part of this exercise.

2022/23 Service Budget and Establishment

	£000
Employees	567
Other Operational Expenses	8
Income	(38)
Total	537

Current Forecast (under) / overspend

	(3)
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Number of posts (Full time equivalent)

	14.8
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(17)	(18)	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?

	On-going
--	----------

Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
None
Future expected outcomes
None
Organisation
None
Workforce
None
Communities and Service Users
None
Oldham Cares
None
Other Partner Organisations
None

Who are the key stakeholders?

Staff	Yes
Elected Members	No
Residents	No
Local business community	No
Schools	No
Trade Unions	Yes
External partners (if yes please specify below)	No
N/a	
Other Council departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

Reduction in the cost of the Executive Support service.

Section C

Key Risks and Mitigations

Risk	Mitigation
The service review fails to deliver the planned saving in full.	The review will be undertaken to ensure that the full saving, phased over 2 financial years can be delivered.
N/A	N/A
N/A	N/A

Key Development and Delivery Milestones

Milestone	Timeline
Review during early 2023/24.	Implementation of the service review no later than 1 October 2024.
N/A	N/A
N/A	N/A
N/a	N/a

Section D

Consultation required?	Yes
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	Start	Conclusion
Staff	June 2023	September 2023
Trade Union	June 2023	September 2023
Public	N/A	N/A
Service Users	N/A	N/A
Other	N/A	N/A

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
--	----

Section E

Finance comments
The budget reduction will be realised by reviewing all the operations within the Executive Support Service. The total saving generated will be £35k and this will be realised by £17k in 2023/24 and a further £18k from 2024/25.

Signed RO	Lewis Greenwood
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Signed Finance	N Harrop
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Cabinet Member Signature	
Name and Date	Cllr Chadderton 16 January 2023

Responsible Officer :	Paul Clifford
Cabinet Member :	Councillor Chadderton
Support Officer :	Peter Richards

BR1 - Section A

Service Area :	Planning & Transportation
Budget Reduction Title:	Capitalisation of Transport officers

Budget Reduction Proposal - Detail and Objectives :

The Transportation Team which sits within the Planning Service work on the delivery of strategic transport schemes which are predominately capital funded. This proposal will see eligible staffing costs funded from capital funding, when projects move from optioneering and planning to delivery.

2022/23 Service Budget and Establishment	£000
Employees	163
Other Operational Expenses	3
Income	(71)
Total	95

Current Forecast (under) / overspend	47
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Number of posts (Full time equivalent)	4
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(80)	0	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	Ongoing
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Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
None
Future expected outcomes
None
Organisation
None
Workforce
None
Communities and Service Users
None
Oldham Cares
None
Other Partner Organisations
None

Who are the key stakeholders?

Staff	X
Elected Members	
Residents	
Local business community	
Schools	
Trade Unions	
External partners (if yes please specify below)	
N/a	
Other Council departments (if yes please specify below)	
N/a	
Other (if yes please specify below)	
N/a	

Benefits to the organisation/staff/customers including performance improvements

There are no direct organisational benefits. This proposal relates to maximising the capitalisation of existing resource whilst seeking to continue to deliver key transportation priorities.

Section C**Key Risks and Mitigations**

Risk	Mitigation
Inability to achieve saving target due to funding constraints outside of the control of the Council which prevents capitalisation from taking place.	Proactive monitoring of funding regimes and budget reporting identifying any concerns over deliverability.
N/a	N/a
N/a	N/a

Key Development and Delivery Milestones

Milestone	Timeline
Implementation of capitalisation and monitoring framework.	April 23 Onwards
N/a	N/a

Section D

Consultation required?	N/a
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	Start	Conclusion
Staff	N/a	N/a
Trade Union	N/a	N/a
Public	N/a	N/a
Service Users	N/a	N/a
Other	N/a	N/a

Equality Impact Screening

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

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

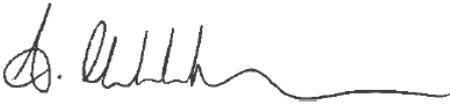
EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
It is currently anticipated that the savings target can be achieved, however, this will be dependent on the pipeline of capital transport schemes going forward and will need to be monitored and kept under review.

Signed RO	Paul Clifford
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Signed Finance	James Postle
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Cabinet Member Signature	
Name and Date	Cllr Chadderton 16 January 2023

Responsible Officer :	Paul Clifford
Cabinet Member :	Councillor Chadderton
Support Officer :	Katy Webster

BR1 - Section A

Service Area :	Property and Projects
Budget Reduction Title:	Increase Capitalisation of staff time on regeneration projects

Budget Reduction Proposal - Detail and Objectives :

The Projects Team which sits within the Property and Projects Service work on the delivery of regeneration schemes which are predominately capittally funded. This proposal will see eligible staffing costs funded through capital funding as projects move from optioneering and planning to delivery.

2022/23 Service Budget and Establishment	£000
Employees	934
Other Operational Expenses	623
Income	(913)
Total	644

Current Forecast (under) / overspend –	0
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Number of posts (Full time equivalent)	17
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(79)	(235)	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	Ongoing
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Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
None
Future expected outcomes
None
Organisation
None
Workforce
None
Communities and Service Users
None
Oldham Cares
None
Other Partner Organisations
None

Who are the key stakeholders?

Staff	X
Elected Members	
Residents	
Local business community	
Schools	
Trade Unions	
External partners (if yes please specify below)	
N/a	
Other Council departments (if yes please specify below)	
N/a	
Other (if yes please specify below)	
N/a	

Benefits to the organisation/staff/customers including performance improvements

There are no direct organisational benefits. This proposal relates to maximising the capitalisation of existing resource whilst seeking to continue to deliver key regeneration priorities.

Section C

Key Risks and Mitigations

Risk	Mitigation
Inability to achieve saving target due to funding constraints outside of the control of the Council which prevents capitalisation from taking place.	Proactive monitoring of funding regimes and budget reporting identifying any concerns over deliverability.
N/a	N/a
N/a	N/a

Key Development and Delivery Milestones

Milestone	Timeline
Implementation of capitalisation and monitoring framework.	April 23 Onwards
N/a	N/a
N/a	N/a

Section D

Consultation required?	N/a
------------------------	-----

	Start	Conclusion
Staff	N/a	N/a
Trade Union	N/a	N/a
Public	N/a	N/a
Service Users	N/a	N/a
Other	N/a	N/a

Equality Impact Screening

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

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

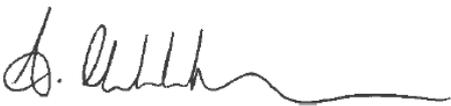
EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
It is currently anticipated that this proposal is achievable. However, the proposal is dependent on there being a sufficient quantum of capital projects with officers undertaking work that can be capitalised and will need to be monitored and kept under review.

Signed RO	Paul Clifford
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Signed Finance	James Postle
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Cabinet Member Signature	
Name and Date	Cllr Chadderton 16 January 2023

Cllr Jabbar MBE

**Deputy Leader of the
Council and Cabinet
Member for Finance and
Low Carbon**

Responsible Officer:	Anne Ryans
Cabinet Member:	Clr A Jabbar MBE
Support Officer:	Lee Walsh

BR1 - Section A

Service Area:	Finance
Budget Reduction Title:	Corporate – Reprofiting of the Minimum Revenue Provision

Budget Reduction Proposal - Detail and Objectives:

A £4.800m one-off budget reduction is proposed due to reprofiling of the Minimum Revenue Provision (MRP), the amount that the Council has to set aside from revenue resources to repay debt. The manner in which the Council provides for MRP is reviewed annually within the MRP policy detailed within the Council's Treasury Management Strategy. The proposed reprofiling is in alignment with the MRP policy.

2022/23 Service Budget and Establishment

	£000
Employees	N/A
Other Operational Expenses	4,800
Income	N/A
Total	4,800

Current Forecast (under) / overspend

	N/A
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Number of posts (Full time equivalent)

	N/A
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(4,800)	0	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?

	One off
--	---------

Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
None
Future expected outcomes
None
Organisation
None
Workforce
None
Communities and Service Users
None
Oldham Cares
None
Other Partner Organisations
None

Who are the key stakeholders?

Staff	No
Elected Members	No
Residents	No
Local business community	No
Schools	No
Trade Unions	No
External partners (if yes please specify below)	No
N/a	
Other Council departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

Delivery of a £4.800m one-off budget reduction in 2023/24.

Section C

Key Risks and Mitigations

Risk	Mitigation
There are no specific risks in the context of the 2023/24 budget, however it is a one-off saving which will have to be made good in 2024/25.	The budget estimates for 2024/25 have been prepared having regard to the one off nature of the budget reduction.
N/a	N/a
N/a	N/a

Key Development and Delivery Milestones

Milestone	Timeline
The approval of the budget reduction at the 1 March 2023 Council meeting	Implementation 1 April 2023.
N/a	N/a
N/a	N/a
N/a	N/a

Section D

Consultation required?	No
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	Start	Conclusion
Staff	N/A	N/A
Trade Union	N/A	N/A
Public	N/A	N/A
Service Users	N/A	N/A
Other	N/A	N/A

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
The budget reduction proposal will realise a one-off saving of £4.800m in 2023/24.

Signed RO	A Ryans
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Signed Finance	N Harrop
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Cabinet Member Signature		
Name and Date	Cllr Jabbar	16 January 2023

Responsible Officer:	Anne Ryans
Cabinet Member:	Cllr A Jabbar MBE
Support Officer:	Anne Ryans

BR1 - Section A

Service Area:	Finance
Budget Reduction Title:	Corporate – Service Inflation

Budget Reduction Proposal - Detail and Objectives:

When preparing the budget over the last few years, general service inflationary pressures have been low and have been absorbed by services through more efficient ways of working and careful management of the budget. However, during the preparation of updated estimates for 2023/24 budget setting and having regard to the prevailing inflationary pressures within the economy, a 5% increase to non-pay budgets of £7.350m was prepared as it was considered that such an uplift would be required. This was in addition to estimated increases to contractual and energy inflation.

It is now proposed that rather than apply full £7.350m increase, that services manage their non-pay budgets as far as possible within existing resources. The budget will therefore be increased by £1.000m which will be held as a corporate contingency and applied to services in accordance with demonstrated need. This will produce a budget reduction of £6.350m. As it is now expected that general inflation will reduce during 2023/24, this supports the introduction of this proposal.

2022/23 Service Budget and Establishment

	£000
Employees	N/A
Other Operational Expenses	7,350
Income	N/A
Total	7,350

Current Forecast (under) / overspend

	N/A
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Number of posts (Full time equivalent)

	N/A
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(6,350)	0	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?

	On-going
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Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
It is expected that services will have access to the corporate contingency of £1m if budget pressures are experienced.
Future expected outcomes
None
Organisation
None
Workforce
None
Communities and Service Users
None
Oldham Cares
None
Other Partner Organisations
None

Who are the key stakeholders?

Staff	No
Elected Members	No
Residents	No
Local business community	No
Schools	No
Trade Unions	No
External partners (if yes please specify below)	No
N/a	
Other Council departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

Delivery of a £6.350m budget reduction in 2023/24.

Section C**Key Risks and Mitigations**

Risk	Mitigation
Inflationary pressures during 2023/24 are at a level that cannot be absorbed by services.	<p>Services are used to managing within a tight resource envelope.</p> <p>A £1m corporate contingency will be held which can be applied to specific budgets if needed.</p> <p>The financial position will be subject to close monitoring throughout 2023/24 and remedial action can be introduced if required.</p>
N/a	N/a
N/a	N/a

Key Development and Delivery Milestones

Milestone	Timeline
The creation of the £1m corporate contingency at the start of 2023/24	1 April 2023
Monitoring of the financial position to review any calls on the corporate contingency	From months 3 to 9
N/a	N/a

Section D

Consultation required?	No
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	Start	Conclusion
Staff	N/A	N/A
Trade Union	N/A	N/A
Public	N/A	N/A
Service Users	N/A	N/A
Other	N/A	N/A

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
The budget reduction proposal will realise a saving of £6.350m in 2023/24.

Signed RO	A Ryans
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Signed Finance	N Harrop
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Cabinet Member Signature		
Name and Date	Cllr Jabbar	16 January 2023

Responsible Officer:	Anne Ryans
Cabinet Member:	Cllr A Jabbar MBE
Support Officer:	Chris Kelsall

BR1 - Section A

Service Area:	Finance
Budget Reduction Title:	Finance Service Restructure

Budget Reduction Proposal - Detail and Objectives:

Finance Restructure: A restructure is being implemented (for which consultation with staff and Trades Unions was concluded in October 2022) that will deliver £182k of savings from 2023-24. This restructure is in the process of being implemented and results in the deletion of vacant posts no longer required within the Service.

2022/23 Service Budget and Establishment	£000
Employees	3,172
Other Operational Expenses	306
Income	(848)
Total	2,630

Current Forecast (under) / overspend	(464)
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Number of posts (Full time equivalent)	85.2
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(182)	0	0
Proposed Staffing Reductions (FTE)	3	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	Ongoing
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Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
None
Future expected outcomes
None
Organisation
None
Workforce
None
Communities and Service Users
None
Oldham Cares
None
Other Partner Organisations
None

Who are the key stakeholders?

Staff	Yes
Elected Members	No
Residents	No
Local business community	No
Schools	No
Trade Unions	Yes
External partners (if yes please specify below)	No
N/a	
Other Council departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

Removal of vacant posts that are no longer required within the Finance Team.

Section C

Key Risks and Mitigations

Risk	Mitigation
Employees challenge the outcome	The Council's restructuring processes, including consultation, has been followed including input from HR officers.
N/a	N/a
N/a	N/a

Key Development and Delivery Milestones

Milestone	Timeline
Consultation complete	November 2022
Staff appointments completed	January 2023
N/a	N/a
N/a	N/a

Section D

Consultation required?	Yes
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	Start	Conclusion
Staff	September 2022	October 2022
Trade Union	September 2022	October 2022
Public	N/A	N/A
Service Users	N/A	N/A
Other	N/A	N/A

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
The budget reduction proposal will realise an ongoing saving of £182k from 2023/24.

Signed RO	A Ryans
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Signed Finance	N Harrop
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Cabinet Member Signature	
Name and Date	Cllr Jabbar 16 January 2023

Responsible Officer:	Anne Ryans
Cabinet Member:	Cllr A Jabbar MBE
Support Officer:	Julie Smethurst

BR1 - Section A

Service Area:	Revenues and Benefits
Budget Reduction Title:	Implementation auto processing/artificial intelligence

Budget Reduction Proposal - Detail and Objectives:

This budget reduction would be delivered by transformational programme of change as follows:

Implementing auto processing and Artificial Intelligence to repetitive processes.

This will generate efficiencies in respect of invoice processing and compliance checks for benefit processing. This savings will take up to 3 years to deliver the full benefit as there is a lead in time to implement the change. Savings are forecast at £50k (2024/25) & £120k (2025/26).

A review of the administration of the Council Tax Reduction scheme is also proposed which will lead to efficiencies in operating arrangements improving the service for CTR recipients. Again, it will take time to phase in new working practices so the proposed saving of £75k is to be phased over 2024/25 (£30k) and 2025/26 (£45k).

Total Saving £245k (£80k 2024/25 & £165k 2025/26)

2022/23 Service Budget and Establishment

	£000
Employees	3,620
Other Operational Expenses	5,557
Income	(6,524)
Total	2,653

Current Forecast (under) / overspend

(38)

Number of posts (Full time equivalent)

104

	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	0	(80)	(165)
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?

Phased
implementation

Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
None
Future expected outcomes
None
Organisation
None
Workforce
None
Communities and Service Users
None
Oldham Cares
None
Other Partner Organisations
None

Who are the key stakeholders?

Staff	Yes
Elected Members	No
Residents	No
Local business community	No
Schools	No
Trade Unions	Yes
External partners (if yes please specify below)	No
N/a	
Other Council departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	N/A
N/a	

Benefits to the organisation/staff/customers including performance improvements

Improvements in invoice processing and compliance checks for benefits processing improving speed and accuracy.

Section C**Key Risks and Mitigations**

Risk	Mitigation
Delays in the development of the programme of change including the implementation of changes to technology to support the changes.	Team members tasked with developing the programme of change and then delivering the programme
Implementation delayed due to business as usual pressures	The project will be prioritised with the digital transformational change programme
Implementation does not deliver the benefits anticipated	Tried and tested solutions will be adopted with appropriate testing undertaken before going live.

Key Development and Delivery Milestones

Milestone	Timeline
Automation processes introduced in respect of Universal Credit	July 2023
Completion of the preparation for the implementation of AI technology	March 2024
Implementation of AI technology and processing of CTR claims	Early 2024/25
Realisation of financial benefits/efficiencies in processes	October 2024

Section D

Consultation required?	Yes – timeline to be determined
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	Start	Conclusion
Staff	TBC	TBC
Trade Union	TBC	TBC
Public	TBC	TBC
Service Users	TBC	TBC
Other	TBC	TBC

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
The budget reduction proposal will generate a total saving of £245k from 2025/26 onwards.

Signed RO	A Ryans
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Signed Finance	N Harrop
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Cabinet Member Signature		
Name and Date	Cllr Jabbar	16 January 2023

Responsible Officer:	Anne Ryans
Cabinet Member:	Cllr A Jabbar MBE
Support Officer:	Mark Stenson

BR1 - Section A

Service Area:	Finance/ Internal Audit, Insurance & Information Governance
Budget Reduction Title:	PFI Insurance rebate/reduction in professional fees

Budget Reduction Proposal - Detail and Objectives:

This budget reduction proposal has two elements:

- Additional income from Private Finance Initiative (PFI) insurance rebates. Following a successful adjudication in 2022, it is believed that an additional £125k per annum can be generated from 2023/24 onwards through insurance rebates, which can be supported by the Insurance and Information Governance team. **Total saving £125k**
- Reduction in the professional fees budgets in the Information Governance Team. **Total saving £20k**

2022/23 Service Budget and Establishment	£000
Employees	3,172
Other Operational Expenses	306
Income	(848)
Total	2,630

Current Forecast (under) / overspend	(464)
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Number of posts (Full time equivalent)	85.2
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(145)	0	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	Ongoing
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Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
None
Future expected outcomes
None
Organisation
None
Workforce
None
Communities and Service Users
None
Oldham Cares
None
Other Partner Organisations
None

Who are the key stakeholders?

Staff	No
Elected Members	No
Residents	No
Local business community	No
Schools	No
Trade Unions	No
External partners (if yes please specify below)	Yes
PFI Providers	
Other Council departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

The delivery of a budget reduction of £145k at no detriment to the services provided under the PFI contract.

Section C**Key Risks and Mitigations**

Risk	Mitigation
Changes to the level of insurance rebates	Close monitoring of the insurance rebates position.
Contractor challenges the Council's position in the High Court.	The Council's position has been confirmed through an adjudication decided by a senior KC.
N/a	N/a

Key Development and Delivery Milestones

Milestone	Timeline
Implementation of the budget reduction can start from 1 April 2023	1 April 2023
N/a	N/a
N/a	N/a
N/a	N/a

Section D

Consultation required?	No
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	Start	Conclusion
Staff	N/A	N/A
Trade Union	N/A	N/A
Public	N/A	N/A
Service Users	N/A	N/A
Other	N/A	N/A

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
The budget reduction proposal will realise an ongoing saving of £145k from 2023/24.

Signed RO	A Ryans
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Signed Finance	N Harrop
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Cabinet Member Signature		
Name and Date	Cllr Jabbar	16 January 2023

Responsible Officer:	Anne Ryans
Cabinet Member:	CLlr A Jabbar MBE
Support Officer:	Julie Smethurst

BR1 - Section A

Service Area:	Revenues and Benefits
Budget Reduction Title:	Improvement in the approach to Council Tax administration and Council Tax collection

Budget Reduction Proposal - Detail and Objectives:

This proposal would require a change to the Councils approach to collecting Council Tax and would seek to optimise the balance between internal and external enforcement and take advantage of economies of scale and more flexible resourcing available to external organisations. The full cost reduction benefit of **£80k is expected from 2024/25**. The detailed saving will be finalised as the programme of work is progressed but is likely to require a realignment of staffing arrangements.

2022/23 Service Budget and Establishment	£000
Employees	3,620
Other Operational Expenses	5,557
Income	(6,524)
Total	2,653

Current Forecast (under) / overspend	(38)
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Number of posts (Full time equivalent)	104
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	0	(80)	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	On-going
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Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
None
Future expected outcomes
None
Organisation
None
Workforce
A requirement for new ways of working
Communities and Service Users
None
Oldham Cares
None
Other Partner Organisations
None

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	Yes
Local business community	No
Schools	No
Trade Unions	Yes
External partners (if yes please specify below)	Yes
External Enforcement Contractors	
Other Council departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

A £80k contribution to the achievement of the 2024/25 budget reduction target.

Section C**Key Risks and Mitigations**

Risk	Mitigation
The proposal does not deliver the anticipated increases in collection and/or results in enforcement action upon residents in financial hardship.	Increased contribution to the Exceptional Hardship Payment Scheme of £130k. Rigorous procurement undertaken to ensure that any new provider meets the appropriate criteria in respect of: <ul style="list-style-type: none"> • Minimising enforcement fees through timely, preventative action • Sensitive approach to vulnerable residents and those in financial hardship.
N/a	N/a
N/a	N/a

Key Development and Delivery Milestones

Milestone	Timeline
Option appraisal completed and approved by members	July 2023
Procurement of new enforcement contract completed	January 2024
N/a	N/a

Section D

Consultation required?	Yes Timeline to be determined
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	Start	Conclusion
Staff	TBC	TBC
Trade Union	TBC	TBC
Public	TBC	TBC
Service Users	TBC	TBC
Other	TBC	TBC

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
The budget reduction proposal will generate a total saving of £80k from 2024/25 onwards.

Signed RO	A Ryans
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Signed Finance	N Harrop
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Cabinet Member Signature		
Name and Date	Cllr Jabbar	16 January 2023

Responsible Officer :	Steve Boyd
Cabinet Member :	Clr Jabbar MBE
Support Officer :	Steve Boyd

BR1 - Section A

Service Area :	Commercial Procurement Unit
Budget Reduction Title:	Reduction in non-pay budgets

Budget Reduction Proposal - Detail and Objectives :

The Commercial Procurement Unit has non pay budgets of £424,000 and following a review a saving of £25,000 has been identified.

2022/23 Service Budget and Establishment

	£000
Employees	569
Other Operational Expenses	424
Income	(497)
Total	496

Current Forecast (under) / overspend

	47
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Number of posts (Full time equivalent)

	11
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(25)	0	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?

	On-going
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Section B

What impact does the proposal have on the following?

Property
N/A
Service Delivery
N/A
Future expected outcomes
N/A
Organisation
N/A
Workforce
N/A
Communities and Service Users
N/A
Oldham Cares
N/A
Other Partner Organisations
N/A

Who are the key stakeholders?

Staff	No
Elected Members	No
Residents	No
Local business community	No
Schools	No
Trade Unions	No
External partners (if yes please specify below)	Yes
Miocare	
Other Council departments (if yes please specify below)	Yes
Stakeholders are from every Department of The Council	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

Delivery of a budget reduction of £25k

Section C**Key Risks and Mitigations N/A**

Risk	Mitigation
None	None required
N/a	N/a
N/a	N/a

Key Development and Delivery Milestones N/A

Milestone	Timeline
Budget reduction can be delivered from 1 April 2023	1 April 2023
N/a	N/a
N/a	N/a
N/a	N/a

Section D

Consultation required?	No
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	Start	Conclusion
Staff	N/A	N/A
Trade Union	N/A	N/A
Public	N/A	N/A
Service Users	N/A	N/A
Other	N/A	N/A

Equality Impact Screening

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

Disabled people	N/A
Particular Ethnic Groups	N/A
Men or Women (including impacts due to pregnancy / maternity)	N/A
People who are married or in a civil partnership	N/A
People of particular sexual orientation	N/A
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	N/A
People on low incomes	N/A
People in particular age groups	N/A
Groups with particular faiths and beliefs	N/A

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
The budget reduction will be achieved from the reduction of various non pay budgets in the Procurement budget. The saving will be from 2023/24 onwards.

Signed RO	S Boyd
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Signed Finance	N Harrop
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Cabinet Member Signature		
Name and Date	Cllr Jabbar	16 January 2023

Cllr Taylor

**Deputy Leader of the
Council and Cabinet
Member for Culture and
Leisure**

Responsible Officer:	Neil Consterdine
Cabinet Member:	Cllr Elaine Taylor
Support Officer:	Pritesh Patel

BR1 - Section A

Service Area:	Leisure
Budget Reduction Title:	School Swimming Service

Budget Reduction Proposal - Detail and Objectives:

This proposal is to transfer the School Swimming Service to Oldham Community Leisure (OCL).

There have been previous discussions about such a transfer between the Council and OCL but the proposal has not yet been enacted.

Transferring the service would achieve a saving of £10k per annum.

OCL is in a strong position to deliver these services so the impact on residents should be minimal.

2022/23 Service Budget and Establishment	£000
Employees	175
Other Operational Expenses	312
Income	(476)
Total	10

Current Forecast (under) / overspend	11
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Number of posts (Full time equivalent)	5.01
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(10)	0	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	On-going
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Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
None as the School Swimming Service would still be able to be delivered. OCL is in a strong position to deliver these services so the impact on residents and schools should be minimal.
Future expected outcomes
None
Organisation
None
Workforce
Proposed TUPE of (3) staff over to OCL. Staff and Union consultation would need to be re-opened.
Communities and Service Users
None
Oldham Cares
None
Other Partner Organisations
OCL would take on the service

Who are the key stakeholders?

Staff	Yes
Elected Members	No
Residents	No
Local business community	No
Schools	Yes
Trade Unions	Yes
External partners (if yes please specify below)	Yes
Oldham Community Leisure, Transport Company (KMatt)	
Other Council departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

Delivery of a £10k budget reduction.

Section C

Key Risks and Mitigations

Risk	Mitigation
Changes to School Swimming may be opposed by staff (3) and Trades Unions	Work with the staff, unions and OCL to support a smooth transition
N/A	N/A
N/A	N/A

Key Development and Delivery Milestones

Milestone	Timeline
Staff and Trades Union Consultation to be reopened	January to March 2023
Communication to Schools	March 2023
Implementation – transfer to OCL agreed and staff TUPE completed	July 2023
N/A	N/A

Section D

Consultation required?	Yes
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	Start	Conclusion
Staff	End of Jan 23	March 23
Trade Union	End of Jan 23	March 23
Public	N/A	N/A
Service Users	N/A	N/A
Other	N/A	N/A

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
The proposed transfer of the Schools Swimming Services to OCL will realise a budgetary saving of £10k from 2023/24 onwards.

Signed RO	N Consterdine
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Signed Finance	N Harrop
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Cabinet Member Signature	
Name and Date	Cllr Taylor 16 January 2023

Responsible Officer:	Neil Consterdine
Cabinet Member:	Cllr Elaine Taylor
Support Officer:	Pritesh Patel

BR1 - Section A

Service Area:	Leisure
Budget Reduction Title:	OCL Sports Development School Coaching Service

Budget Reduction Proposal - Detail and Objectives:

£71,200 is currently paid to Oldham Community Leisure (OCL) as a subsidy towards the School Coaching team who TUPE transferred from the Council to OCL in 2021/22.

This proposal would reduce the subsidy by 20% reduction in 2023/2024 achieving a £14,240 budget reduction.

From 2024/25 that a further reduction of £56,960 would be introduced which would completely remove any subsidy.

OCL is in a strong position to deliver these services so the impact on residents should be minimal.

2022/23 Service Budget and Establishment

	£000
Employees	0
Other Operational Expenses	71
Income	0
Total	71

Current Forecast (under) / overspend	11
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Number of posts (Full time equivalent)	0
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(14)	(57)	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	On-going
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Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
The Sport Development School Coaching programme would still be able to be delivered
Future expected outcomes
None
Organisation
None
Workforce
None - if OCL are able to find alternative ways to increase income / decrease expenditure to ensure service and programme costs are met
Communities and Service Users
None
Oldham Cares
None
Other Partner Organisations
OCL would need to find alternative ways to increase income / decrease expenditure to ensure service and programme costs are met

Who are the key stakeholders?

Staff	No
Elected Members	No
Residents	No
Local business community	No
Schools	Yes
Trade Unions	No
External partners (if yes please specify below)	Yes
Oldham Community Leisure	
Other Council departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

Delivery of a budget reduction of £71k phased over 2 financial years

Section C**Key Risks and Mitigations**

Risk	Mitigation
The proposal would have no direct impact or risk to the Council. The impact would be to OCL and their ability to run the schools sport development coaching team as a business with less financial support. They may decide not to run the service which could impact on the Council if this resulted in redundancies.	<p>OCL are already working to increase income and improve efficiencies to secure service delivery.</p> <p>The service is a traded service so has potential and opportunity to increase income through schools and other ways such as HAF (Holiday Activity & Food) funds.</p>
N/A	N/A
N/A	N/A

Key Development and Delivery Milestones

Milestone	Timeline
Discuss the proposed reduction, and its implications, with OCL	January 2023
Include reduction in subsidy in OCL contract for April 2023 onwards	March 2023
N/A	N/A

Section D

Consultation required?	Yes
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	Start	Conclusion
Staff	N/A	N/A
Trade Union	N/A	N/A
Public	N/A	N/A
Service Users	N/A	N/A
Other	January 2023	March 2023

Equality Impact Screening

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

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

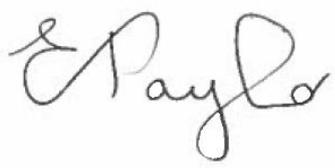
EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
The proposal is to reduce the current subsidy level paid to OCL for the Sports Development Service. The budget reduction of £14k is proposed for 2023/24 and a further £57k from 2024/25. The total on-going reduction to the budget would be £71k from 2024/25 onwards.

Signed RO	N Consterdine
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Signed Finance	N Harrop
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Cabinet Member Signature		
Name and Date	Cllr Taylor	16 January 2023

Clr Akhtar

**Cabinet Member for
Employment and
Enterprise**

Responsible Officer :	Paul Clifford
Cabinet Member :	Councillor Akhtar
Support Officer :	Jon Bloor

BR1 - Section A

Service Area :	Get Oldham Working
Budget Reduction Title:	Employment & Enterprise - Economic Growth Get Oldham Working

Budget Reduction Proposal - Detail and Objectives :

This proposal will be delivered through a minor service reconfiguration which will address current management capacity issues whilst sustaining contractual requirements within the Get Oldham Working service, and will maintain and enhance service delivery for residents

2022/23 Service Budget and Establishment	£000
Employees	348
Other Operational Expenses	30
Income	(47)
Total	331

Current Forecast (under) / overspend	(78)
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Number of posts (Full time equivalent)	31.4
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(36)	(36)	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	Ongoing
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Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
None
Future expected outcomes
None
Organisation
None
Workforce
None
Communities and Service Users
None
Oldham Cares
None
Other Partner Organisations
None

Who are the key stakeholders?

Staff	X
Elected Members	
Residents	
Local business community	
Schools	
Trade Unions	
External partners (if yes please specify below)	
N/a	
Other Council departments (if yes please specify below)	
N/a	
Other (if yes please specify below)	
N/a	

Benefits to the organisation/staff/customers including performance improvements

There are no direct organisational benefits. This proposal relates to sustaining existing service delivery offset with a slightly reduced resource base.

Section C

Key Risks and Mitigations

Risk	Mitigation
Inability to maintain existing contractual requirements against reduced resource base.	Service assessment shows that reduction is achievable and deliverable. This will be further supported through existing contract management and reporting arrangements.
N/a	N/a
N/a	N/a

Key Development and Delivery Milestones

Milestone	Timeline
Implementation of revised service structure.	April 23 Onwards
N/a	N/a
N/a	N/a

Section D

Consultation required?	X
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	Start	Conclusion
Staff	N/a	N/a
Trade Union	N/a	N/a
Public	N/a	N/a
Service Users	N/a	N/a
Other	N/a	N/a

Equality Impact Screening

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

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

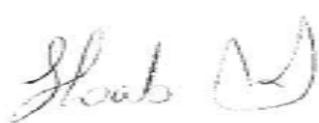
EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
It is currently anticipated that this proposal can be achieved.

Signed RO	Paul Clifford
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Signed Finance	James Postle
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Cabinet Member Signature		
Name and Date	Cllr Akhtar	16 January 2023

Responsible Officer :	Paul Clifford
Cabinet Member :	Councillor Akhtar
Support Officer :	Jon Bloor

BR1 - Section A

Service Area :	Investment Team
Budget Reduction Title:	Employment & Enterprise - Demand Management / Transformation - Economic Growth (Investment)

Budget Reduction Proposal - Detail and Objectives :

This proposal will be delivered through a service review within the Investment Team.

2022/23 Service Budget and Establishment	£000
Employees	314
Other Operational Expenses	72
Income	0
Total	386

Current Forecast (under) / overspend	1
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Number of posts (Full time equivalent)	6
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(37)	(38)	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	Ongoing
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Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
None
Future expected outcomes
None
Organisation
None
Workforce
None
Communities and Service Users
None
Oldham Cares
None
Other Partner Organisations
None

Who are the key stakeholders?

Staff	X
Elected Members	
Residents	
Local business community	
Schools	
Trade Unions	
External partners (if yes please specify below)	
N/a	
Other Council departments (if yes please specify below)	
N/a	
Other (if yes please specify below)	
N/a	

Benefits to the organisation/staff/customers including performance improvements

There are no direct organisational benefits. This proposal relates to reviewing existing service provision.

Section C

Key Risks and Mitigations

Risk	Mitigation
Inability to achieve saving target due to funding constraints outside of the control of the Council which prevents service review from taking place.	Proactive monitoring of funding regimes and budget reporting identifying any concerns over deliverability.
N/a	N/a
N/a	N/a

Key Development and Delivery Milestones

Milestone	Timeline
Implementation of funding strategy	April 23 Onwards
N/a	N/a
N/a	N/a

Section D

Consultation required?	X
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	Start	Conclusion
Staff	N/a	N/a
Trade Union	N/a	N/a
Public	N/a	N/a
Service Users	N/a	N/a
Other	N/a	N/a

Equality Impact Screening

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

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

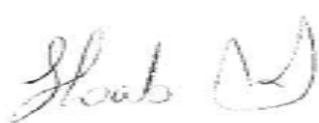
EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
It is currently anticipated that this proposal can be achieved.

Signed RO	Paul Clifford
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Signed Finance	James Postle
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Cabinet Member Signature		
Name and Date	Cllr Akhtar	16 January 2023

CLlr Ali

**Cabinet Member for
Education and Skills**

Responsible Officer:	Richard Lynch
Cabinet Member:	Cllr Ali
Support Officer:	Tony Shepherd

BR1 - Section A

Service Area:	Education Skills/ Early Years – School Support Services
Budget Reduction Title:	Learning Services – School Improvement, School Support, Virtual School

Budget Reduction Proposal - Detail and Objectives:

- Review Support Services professional fees, copying and office expenses**
In line with electronic working practices, reduce expenditure from 2023/24 £17k.
- Revise Virtual School staffing funding stream**
Maximise use of PP+ Grant through transfer of staffing costs from general fund from 2023/24 onwards saving £34k
- Review capacity in School Improvement (contracted partners and business support)**
In line with Department for Education expectations, review extent of council funding for school improvement and increase role of school leaders through Oldham Learning partnership. The expected saving from 2024/25 is £45k.

	£000
2022/23 Service Budget and Establishment	
Employees	2,709
Other Operational Expenses	2,604
Income	(5,049)
Total	264

Current Forecast (under) / overspend	(103)
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Number of posts (Full time equivalent)	19.75
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(51)	(45)	0
Proposed Staffing Reductions (FTE)	0	1	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	Ongoing
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Section B

What impact does the proposal have on the following?

Property
No
Service Delivery
No
Future expected outcomes
No
Organisation
No
Workforce
Yes
Communities and Service Users
No
Oldham Cares
No
Other Partner Organisations
Schools

Who are the key stakeholders?

Staff	Y
Elected Members	
Residents	
Local business community	
Schools	Y
Trade Unions	
External partners (if yes please specify below)	
N/a	
Other Council departments (if yes please specify below)	
N/a	
Other (if yes please specify below)	
N/a	

Benefits to the organisation/staff/customers including performance improvements

Budget Reduction

Section C**Key Risks and Mitigations**

Risk	Mitigation
1. Reduced involvement with schools	Oversight will occur through officer and desk-top monitoring. Consultation with sector-led Oldham Learning Partnership will provide assurance. This will reduce the current monitoring and administration burden.
2. Limited access to professional fees and copying and office expenses	Expectations of electronic / hybrid working, inc. reduced reliance on paper-based systems will maximise efficiency
3. Reliance on PP+ grant for staffing	In line with practice in other boroughs

Key Development and Delivery Milestones

Milestone	Timeline
1. Withdrawal of Government SI grant	April 2023
2. Review of SIP and business support requirements	April 2023
3. Review arrangements for council funding of back-office support to school improvement functions	July 2023

Section D

Consultation required?	Y
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	Start	Conclusion
Staff	TBC	TBC
Trade Union	TBC	TBC
Public	N/a	N/a
Service Users	N/a	N/a
Other	N/a	N/a

Equality Impact Screening

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

Disabled people	N
Particular Ethnic Groups	N
Men or Women (including impacts due to pregnancy / maternity)	N
People who are married or in a civil partnership	N
People of particular sexual orientation	N
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	N
People on low incomes	N
People in particular age groups	N
Groups with particular faiths and beliefs	N

EIA required? (choose YES if any of the above impacts are YES)	N
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Section E

Finance comments
<p>There are three elements to this proposal which will deliver a total saving of £0.096m, profiled as follows:</p> <p>2023-24 - £0.051m 2024-25 - £0.045m</p> <p>2023/24</p> <ul style="list-style-type: none"> • Review Support Services professional fees, copying and office expenses – this will deliver a saving of £0.017m • Revise Virtual School staffing funding stream – this proposal will deliver a saving of £0.034m by switching the funding source of a post within the Virtual School team from General fund to Pupil Premium plus. <p>2024/25</p> <ul style="list-style-type: none"> • Review capacity in School Improvement - this proposal will deliver a saving of £0.045m in 2024/25. <p>It is expected that all savings will be achievable from 1 April in the relevant financial year</p>

Signed RO	Richard Lynch
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Signed Finance	Liz Caygill
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Cabinet Member Signature	
Name and Date	Cllr Ali 16 January 2023

Reference:	CHS-BR1-604
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Responsible Officer:	Richard Lynch
Cabinet Member:	Cllr Ali
Support Officer:	Amber Burton

BR1 - Section A

Service Area:	Education Skills & Early Years: SEND & Inclusion Service
Budget Reduction Title:	Re-alignment of SEND Central Services & Support

Budget Reduction Proposal - Detail and Objectives:

SEND Central Services & Support: increase income from the high needs block (HNB)

EHC Team: SEND Officers, who carry out statutory functions but also provide advice and guidance to education settings and parents/carers, are currently 100% funded from the General Fund (GF).

The proposal is to establish a funding formula to 'recharge' up to 40% of this cost from the HNB as it relates to information, advice and support in the form of 'outreach'. This is fully compliant with ESFA funding arrangements for the HNB, which provides for outreach support to be funded via the HNB.

Educational Psychology (EP) and QEST Teams: these teams are currently part-traded and part-funded from GF. However, traded work is often:

- Not delivered as capacity doesn't allow due to statutory workload.
- Delivered by established EPs whose capacity then reduces for statutory work. This then results in the need for Associate EPs, which cost more per day than established EPs. The cost of this is an outgoing against any traded income from EPs and reduces the overall income significantly.

Considering the points above, traded targets are not achievable, nor do they contribute to the priorities of the council, under the Children & Families Act, 2014. However, a better funding structure, utilising the HNB is a solid option so that we can provide the right support without the need for GF for centrally based services.

An increased proportion of this cost should be charged to HNB to reduce reliance on GF and trading and increase the focus on early intervention and prevention, which would establish an invest to save approach as it would reduce the growth of EHCPs.

In summary: Investment of HNB funding would enable reconfiguring of the offer to schools/settings as part of the 'graduated response', to increase direct support and reduce reliance on statutory provision and requests for EHCPs.

Estimate saving to GF £200k 2023/24 £400k cumulative recurrent from 2024/25.

2022/23 Service Budget and Establishment

	£000
Employees	4,419
Other Operational Expenses	10,523
Income	(9,072)
Total	5,870

Current Forecast (under) / overspend	637
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Number of posts (Full time equivalent)	72.64
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(200)	(200)	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	Ongoing
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Section B

What impact does the proposal have on the following?

Property
No impact.
Service Delivery
Service delivery will be enhanced if the proposals are implemented. The traded model for EP and QEST teams, for example, will be able to focus more on early identification and intervention. Now they only work with schools for either: <ul style="list-style-type: none"> • Traded work, under the directive of schools, which may or may not be a priority for the Council. • Statutory work related to education, health and care needs assessments.
Future expected outcomes
If we move to a system that allows for more early identification and intervention, both points above will allow for the system to be strengthened, i.e., Council priorities can be more easily targeted and more can be done to avoid the need for education, health and care plans (EHCPs).
Organisation
There will be some requirement to change how the SEND & Inclusion Service operates and carries out functions. This will not, however, put posts at risk.
Workforce
The workforce will require some upskilling in different ways of working. There will be more opportunities for supporting and challenging practice in areas that are currently under-resourced, e.g., autism and social, emotional and mental health. These are the most prevalent areas of need, and the ones that result in higher costs related to specialist education provision, but currently have the least resource to address them.
Communities and Service Users
Schools, parents/carers and children and young people will have a better support offer because of the changes identified.
Oldham Cares
The proposal fit with the Oldham Cares agenda.

Other Partner Organisations

The SEND & Inclusion Service works across education, health and care, 0-25. There is a strong emphasis on the 'local area' SEND system and there are routine inspections of this. Whilst the Council and the GM Integrated Care Partnership are the key statutory organisations, it is the Council who acts as the lead organisation and must ensure that the system is working well for our residents.

Who are the key stakeholders?

Staff	Yes
Elected Members	
Residents	Yes
Local business community	
Schools	Yes
Trade Unions	
External partners (if yes please specify below)	Yes
<ul style="list-style-type: none"> • GM Integrated Care Partnership • Parents/carers • Children and young people (Barrier Breakers) 	
Other Council departments (if yes please specify below)	Yes
<ul style="list-style-type: none"> • Children's and Adults Social Care 	
Other (if yes please specify below)	
N/a	

Section C

Benefits to the organisation/staff/customers including performance improvements

There will be a better relationship with schools and educational settings due to the changes. This will also enable the key priorities and infrastructures, as identified in the SEND & Inclusion Strategy, to be progressed. Future Local Area SEND Inspections by Ofsted and the Care Quality Commission, will also be improved because of early identification being a priority across the system.

Key Risks and Mitigations

Risk	Mitigation
Reduced traded income from the EP service.	Off-set against reduction of the need for associate EPs to cover statutory work.
Some reduction in areas for specific areas of SEND.	Re-alignment of case-loads and support offer will easily mitigate this issue.
Creation of posts (out of existing establishment) will require management oversight and increased LM duties.	Using a similar approach to what we already have will mitigate the impact of new service areas.

Key Development and Delivery Milestones

Milestone	Timeline
Mapping out changes with finance and HR	End January 2023
Paper to DMT	End February 2023
Implementation	End August 2023

Section D

Consultation required?	No
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	Start	Conclusion
Staff	N/A	N/A
Trade Union	N/A	N/A
Public	N/A	N/A
Service Users	N/A	N/A
Other	N/A	N/A

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments

The proposal is to generate savings of **£0.200m** in 2023/24 with a further **£0.200m** anticipated in 2024/25. A total cumulative recurrent saving of **£0.400m**.

This will be achieved by charging up to 40% of SEND Officer posts who perform 'outreach advice and support' to the DSG High Needs block, therefore switching the funding source and releasing general fund budgets.

In addition, a higher proportion of the Educational Psychology and QEST Teams will also be charged to the DSG High Needs block to reduce the reliance on the General fund and increase the focus on early intervention and prevention which would establish an invest to save approach as it would reduce the growth of EHCPs.

Both proposals are fully compliant with ESFA funding arrangements for the High Needs Block and are therefore anticipated to be delivered in full.

Signed RO

Richard Lynch

Signed Finance

Liz Caygill

**Cabinet Member
Signature**



Name and Date

Cllr Ali

16 January 2023

Additional information (if required)

See all information above.

Responsible Officer:	Richard Lynch
Cabinet Member:	Cllr Ali
Support Officer:	Tony Shepherd

BR1 - Section A

Service Area:	Education Skills/ Early Years – School Support Services
Budget Reduction Title:	School Support Services - Academisation

Budget Reduction Proposal - Detail and Objectives:

Increase income to support academisation programme

A revised policy to be considered by Cabinet in January 2023 proposes increasing the charge from £4.5k to £10k per academisation project. The Schools Bill (2022) anticipated all schools transferring to MATs by 2030, and although the bill has been withdrawn, the Government still want all maintained schools to join a multi academy trust. There are 4 schools converting in the 22/23 academic year, the proposal will be implemented from the 2023/24 FY.

Academisation projects are complex and require multiple input from council services and external expertise, including legal, finance, HR and education professionals. Even this increased rate is unlikely to cover the full extent of council costs. Funding (for the schools) is expected to come from the £25k one off grant awarded to schools to help them meet the costs of academisation.

2022/23 Service Budget and Establishment	£000
Employees	571
Other Operational Expenses	45
Income	979
Total	(363)

Current Forecast (under) / overspend	(58)
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Number of posts (Full time equivalent)	13.18
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(60)	(20)	(20)
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	Ongoing
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Section B

What impact does the proposal have on the following?

Property
No
Service Delivery
Yes. Increased workload.
Future expected outcomes
No
Organisation
No
Workforce
No
Communities and Service Users
No
Oldham Cares
No
Other Partner Organisations
Schools and MAT's. The proposal is for schools to be charged when they choose to convert to an academy. This will be a cost to the school's budget.

Who are the key stakeholders?

Staff	
Elected Members	
Residents	
Local business community	
Schools	Y
Trade Unions	
External partners (if yes please specify below)	
N/a	
Other Council departments (if yes please specify below)	
N/a	
Other (if yes please specify below)	
N/a	

Benefits to the organisation/staff/customers including performance improvements

DfE remain committed to high quality multi academy trusts as the best mechanism for scaling improvement and building resilience in the school system. Academisation of Oldham maintained schools should therefore bring performance improvement.

Section C

Key Risks and Mitigations

Risk	Mitigation
Increasing the charge per academisation project may be resisted by school and academy leaders.	Justification of charging level.
Schools Bill (2022) has been withdrawn and school leaders may be reluctant to academise without legislation to force them.	Any shortfall in income will be managed within the service budgets each year.
N/A	N/A

Key Development and Delivery Milestones

Milestone	Timeline
Revised policy to be considered by Cabinet.	January 2023
Implement increased charge	April 2023
6 schools	March 2024

Section D

Consultation required?	No
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	Start	Conclusion
Staff	N/A	N/A
Trade Union	N/A	N/A
Public	N/A	N/A
Service Users	N/A	N/A
Other	N/A	N/A

Equality Impact Screening

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

Disabled people	N
Particular Ethnic Groups	N
Men or Women (including impacts due to pregnancy / maternity)	N
People who are married or in a civil partnership	N
People of particular sexual orientation	N
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	N
People on low incomes	N
People in particular age groups	N
Groups with particular faiths and beliefs	N

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
<p>The proposal is estimated to generate savings of £0.060m in 2023/24 with a further £0.020m in 2024/25 and 2025/26, £0.100m in total. This is expected to be achieved by the academisation of schools at a charge £0.010m per School.</p> <p>The risk associated with achieving the savings would be if there are not enough Schools converting to Academies to realise the income required, any shortfall would need to be met from within existing Service budgets.</p>

Signed RO	Richard Lynch
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Signed Finance	Liz Caygill
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Cabinet Member Signature	
Name and Date	Cllr Ali 16 January 2023

CLlr Brownridge

**Cabinet Member for
Health and Social Care**

Responsible Officer :	Jayne Ratcliffe
Cabinet Member :	CLlr Barbara Brownridge
Support Officer :	Sarah Southern

BR1 - Section A

Service Area :	Adult Social Care
Budget Reduction Title:	Direct Payments

Budget Reduction Proposal - Detail and Objectives :

This budget reduction proposal spans the following service areas and relates specifically to the direct payment budget offset by a proportion of the non -residential income.

- Learning Disability
- Mental Health
- Adult Social Care – Clusters & the Sensory service

£4.500m- Over the 3 years 2023/24 to 2025/26

Direct Payments

£3.500m - Review existing packages of care

£0.500m - Review policy for prescribing new packages of care

£0.500m - Review direct payment broker services

The proposal will look to minimise the use of new Direct Payments in the purchasing of care through robust commissioning arrangements where clear outcomes can be evidenced and analysed. The proposal will ensure enough support is provided to minimise risk of restrictions on people's liberty and integration into place-based services through a strengths-based approach.

A review of all existing packages purchased via a direct payment will take place, which will be aligned to meeting the individual's need in the most cost-effective and efficient way.

A review of the direct payment broker services will take place as the number of direct payments themselves reduces. A review of the use of the broker service is currently underway, to provide assurance that the service is efficient and effective with associated cost.

2022/23 Service Budget and Establishment	£000
Employees	0
Other Operational Expenses	18,121
Income	(1,870)
Total	16,251

Current Forecast (under) / overspend	(527,250)
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Number of posts (Full time equivalent)	0
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(1,300)	(2,500)	(700)
Proposed Staffing Reductions (FTE)	N/A	N/A	N/A

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	Ongoing
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Section B

What impact does the proposal have on the following?

Property	None
Service Delivery	For the service to be more efficient and effective in their service model of delivery. The service will implement strength-based ways of working and ensure residents utilise assets in the community to maintain independence, rather than relying on statutory social care support. The proposal will ensure that just enough support is provided to minimise risk of restrictions on people's liberty and integration into place-based services through a strengths-based approach.
Future expected outcomes	A reduction in the number of direct payments the service provides.
Organisation	Reputationally the council performs well in this area and is nationally known as a beacon of success.
Workforce	A culture shift in the workforce will be required.
Communities and Service Users	Increase independence of Oldham residents and reduced reliance on care and support.
Oldham Cares	In situations where there are joint funding arrangements in place, for example, continuing health care. A joint review with health colleagues will be required.
Other Partner Organisations	Alternative support may be required.

Who are the key stakeholders?

Staff	x
Elected Members	x
Residents	x
Local business community	
Schools	
Trade Unions	
External partners (if yes please specify below)	
N/a	
Other Council departments (if yes please specify below)	
N/a	
Other (if yes please specify below)	x
Providers of support to people through a direct payment	

Benefits to the organisation/staff/customers including performance improvements

The organisation will benefit as only sufficient funding to provide just enough support is paid to individuals via a direct payment. The proposal will also enhance the oversight and assurance of outcomes being achieved through the support provided via a direct payment.

There are no identified negative impacts on the protected groups or on quality of life. Any individual impacts will be assessed as part of individual care and support planning and risk assessments.

Section C

Key Risks and Mitigations

Risk	Mitigation
Care provider and broker market, including the risk to market stability	Monitoring of impact via the programme plan, and close work with Commissioning and Procurement to put alternative commissioning arrangements in place.
Legal challenge and reputational issues	Legal and Communications colleagues are engaged in process via project Group. Parent/carer groups are kept involved and updated on a regular basis.
Adverse media coverage	Communications colleagues are engaged in process via Steering Group.
Workforce capacity to respond to change	Undertake clear involvement, consultation and communication with workforce

Key Development and Delivery Milestones

Milestone	Timeline
Data analysis	Complete and ongoing
Audit review panel established	Complete and ongoing
Desk top audits completed of high cost direct payments paid via providers	April 23
Dedicated team established to work through direct payment package reviews	May 23
Work plan developed to undertake all reviews of direct payment arrangements and implement alternative options	May 23
Reviews undertaken, any identified policy changes made, and savings realised	May 23-March 25

Section D

Consultation required?	No
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	Start	Conclusion
Staff	N/a	N/a
Trade Union	N/a	N/a
Public	N/a	N/a
Service Users	N/a	N/a
Other	N/a	N/a

Equality Impact Screening

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

Disabled people	N
Particular Ethnic Groups	N
Men or Women (including impacts due to pregnancy / maternity)	N
People who are married or in a civil partnership	N
People of particular sexual orientation	N
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	N
People on low incomes	N
People in particular age groups	N
Groups with particular faiths and beliefs	N

EIA required? (choose YES if any of the above impacts are YES)	No, a full EIA is not required. However, an impact assessment will be completed.
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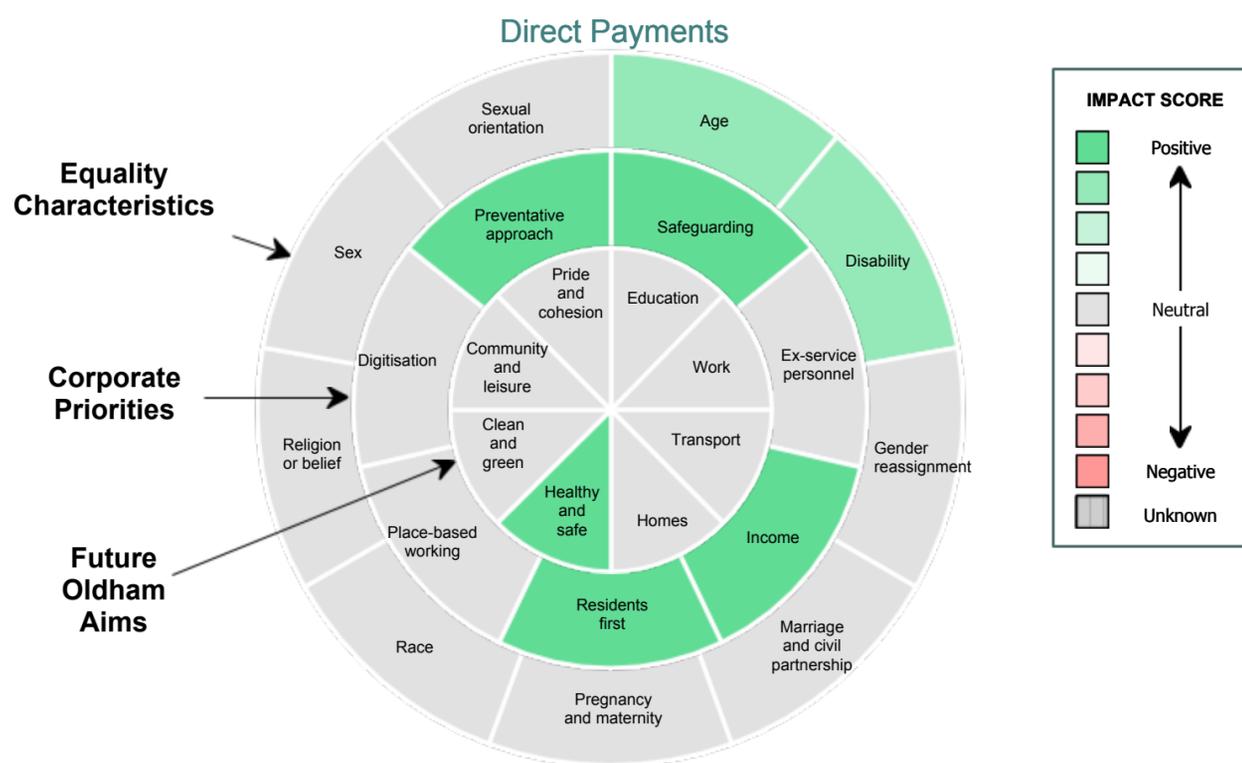
Section E

Finance comments
<p>To achieve the £1.3m target in 23/24, the service has established a fortnightly Direct Payment review panel to evaluate existing care packages that comply with pre agreed key criteria such as, but not limited to, high financial value, age of last assessment, packages that have had a cash value recovered through the audit process and overspent packages.</p> <p>In addition, existing processes will be revised and a change in policy will be made in terms of prescribing new packages of care for which greater accountability will be placed on officers when formalising care plans. This approach combined is expected to have a considerable favourable financial impact on reducing direct payments and delivering the required cost reduction, the proposal is therefore deemed to be achievable.</p> <p>For 24/25 and 25/26, ASC will review the role of the broker service and assess whether the provision is indeed necessary and whether it can be delivered in an alternative and more cost-effective way.</p>

Signed RO	Jayne Ratcliffe
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Signed Finance	Andy Cooper
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Cabinet Member Signature	
Name and Date	Cllr Brownridge 16 January 2023



Direct Payments				
	Impact	Likelihood	Duration	Comment
Equality Characteristics				
Age	Moderate Positive	Very Likely	Long Term	The proposal will ensure there is a consistent approach to the offering and management of direct payments across all age groups, and to the quality assurance and oversight of arrangements.
Disability	Moderate Positive	Very Likely	Long Term	The proposal will ensure there is a consistent approach to the offering and management of direct payments across all client groups, irrespective of the degree and nature of disability and to the quality assurance and oversight of arrangements.
Gender reassignment	Neutral	Very Likely	Long Term	
Marriage and civil partnership	Neutral	Very Likely	Long Term	
Pregnancy and maternity	Neutral	Very Likely	Long Term	
Race	Neutral	Very Likely	Long Term	
Religion or belief	Neutral	Very Likely	Long Term	
Sex	Neutral	Very Likely	Long Term	
Sexual orientation	Neutral	Very Likely	Long Term	
Corporate Priorities				
Safeguarding	Strong Positive	Very Likely	Long Term	The proposals will ensure there is consistent oversight and quality assurance of direct payment arrangements, including the identification and investigation of any emergent safeguarding concerns. Considerations in relation to directly commissioned services will also support people to be safeguarded.
Ex-service personnel	Neutral	Very Likely	Long Term	
Income	Strong Positive	Very Likely	Long Term	The proposal will have a positive impact on income as it will ensure that those people who wish to continue to receive a direct payment receive just enough funding to meet their eligible care needs, and will reduce the number of repayments required.
Residents first	Strong Positive	Very Likely	Long Term	The proposal will focus on the Care Act eligible needs of residents and ensure that these are being met in the most appropriate and cost effective way, either through direct payments or commissioned services, and that outcomes are being achieved.
Place-based working	Neutral	Very Likely	Long Term	
Digitisation	Neutral	Very Likely	Long Term	
Preventative approach	Strong Positive	Very Likely	Long Term	The proposal will encourage a preventative, strengths based approach by ensuring that eligible needs are met through universal and natural support as much as possible and that a direct payment or directly commissioned service is only put in place when alternative support is not available.
Future Oldham Aims				
Education	Neutral	Very Likely	Long Term	
Work	Neutral	Very Likely	Long Term	
Transport	Neutral	Very Likely	Long Term	
Homes	Neutral	Very Likely	Long Term	
Healthy and safe	Strong Positive	Very Likely	Long Term	The proposal will ensure that people receive the right level of direct payment or directly commissioned service to meet their eligible needs, in order for them to remain healthy and safe in their own home.
Clean and green	Neutral	Very Likely	Long Term	
Pride and cohesion	Neutral	Very Likely	Long Term	
Communities and leisure	Neutral	Very Likely	Long Term	

Responsible Officer :	Jayne Ratcliffe
Cabinet Member :	Cllr Barbara Brownridge
Support Officer :	Sarah Southern

BR1 - Section A

Service Area :	Adult Social Care
Budget Reduction Title:	Target Operating Model (TOM)

Budget Reduction Proposal - Detail and Objectives :

£3.000m over the three years 2023/24 to 2025/26- This proposal relates to cost reduction through delivery of new ways of working across adult social care through service redesign and culture shift to focus on strengths and prevention.

Target Operating Model

£2.500m - Reduce demand at the front door
 £0.500m - Increase reablement throughput

The new Target Operating Model will provide a shift in practice to a system that will enable people to do things for themselves, promote prevention, self-help and independence. It will involve having strength-based conversations, and aim to provide support, when it is needed in the home, wider family network or local community.

The new Targeting Operating Model consists of four core elements:

- Prevention and self-help
- Front door: assisted information, advice and guidance
- Initial assessment, recovery and enablement
- Specialist support services

The new system is designed to lead to a shift in demand over time resulting in more support being provided through prevention, self-help and an improved digital platform, which in turn will allow the specialist support services to focus on residents with the highest and most complex levels of need, with most people's needs being met much earlier in their engagement with adult social care.

The budget reduction proposal is based on reducing the current levels of contact from individuals to Adult Social Care by 10% in 2023/24. The latest SALT return (Short and Long Term Support), for 2021-22, reported 7,000 individuals contacting Adult Social Care in Oldham which would mean a reduction by 700 people.

Through the use of strength-based approaches and increased throughput to reablement services we are projecting a reduction in the number of people requiring long-term services. The use of Assistive Technology will be embedded at every stage of the TOM, minimising the reliance on formal services, and using technological solutions to focus on individual strengths. Based on current information we expect this will reduce demand for community-based services by approximately 8%. Using an average cost for services of £250 per week we expect a budget reduction of £0.500m to be achievable in 2023-24. This would require, based on current demand, a reduction in 38 commissioned packages of care.

This approach will also be used in the two subsequent years to achieve the remaining £2.500m budget reduction. The position during 2023-24 will be monitored on a monthly basis and further work will be carried out to identify if any amendments to the approach need to be made.

2022/23 Service Budget and Establishment	£000
Employees	6,606
Other Operational Expenses	66,740
Income	(25,779)
Total	47,567

Current Forecast (under) / overspend	(392)
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Number of posts (Full time equivalent)	134.40
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(500)	(2,250)	(250)
Proposed Staffing Reductions (FTE)	N/A	N/A	N/A

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	Ongoing
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Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
<p>Implementing this proposal may result in people not receiving the support that they need and potentially opens up the council to future risk. There is also the risk that not engaging with people directly at the right point will lead to additional needs and increased cost to the council at a later stage.</p> <p>The proposal is dependent on the implementation of an increased preventative offer including the full roll out of a strength-based approach including developing a community offer, an improved information, advice and guidance offer, and a fit for purpose digital platform.</p> <p>There are a number of interdependencies and overlap with other savings proposals, specifically direct payments and the review team. Implementing strengths-based approaches as part of the TOM will also contribute to the reduction in direct payment expenditure and existing care packages, alongside the deflection from the front door in terms of potential new demand that this proposal is predicated on.</p> <p>External support, resource and investment will likely be required to provide the necessary capacity to undertake the work required to achieve budget reductions, this is particularly relevant to the enhanced reablement budget options that form part of this proposal.</p> <p>A consultation may be required with existing staff to consider options of moving teams, the service will need to ensure it has the right skill mix and staffing capacity/resource may need to be shifted to other elements of the service.</p>

Future expected outcomes
A reduction in the number of people open to adult social care and a reduced dependency on statutory services. The approach will favour a strength-based way of working with people being supported to access their local community.
Organisation
A full impact assessment will need to be undertaken, along with focused consultation where there is the risk of disadvantage across protected groups, and consequential pressures in other parts of the Council/system.
Workforce
A culture shift in the workforce will be required.
Communities and Service Users
Increase independence of Oldham residents and reduced reliance on care and support.
Oldham Cares
The provider collaborative and system board should be able to support with the system changes required to delivery the new operating model for ASC.
Other Partner Organisations
Increased support may be required from VCSE.

Who are the key stakeholders?

Staff	x
Elected Members	x
Residents	x
Local business community	
Schools	
Trade Unions	x
External partners (if yes please specify below)	x
N/a	
Other Council departments (if yes please specify below)	x
Those services providing preventative services	
Other (if yes please specify below)	
N/a	

Benefits to the organisation/staff/customers including performance improvements
There are no identified negative impacts on the protected groups or on quality of life. Any individual impacts will be assessed as part of individual care and support planning and risk assessments.

Section C

Key Risks and Mitigations

Risk	Mitigation
Workforce: capacity to respond to change & BAU at same time, especially given the pace.	Undertake clear involvement, consultation and communication with workforce
Interdependencies across the strands of the project	Robust programme plan and oversight at ASC Change Board
Risk of partners not supporting	Ongoing engagement with partners via TOM Steering group, and relevant other forums
Legal challenge and reputational issues	Legal and Communications colleagues are engaged in process via Steering Group.
Adverse media coverage	Communications colleagues are engaged in process via Steering Group.
Care provider market- risk to market stability	Monitoring of impact via the programme plan, and close work with Commissioning
Risk relating to ability to flex to meet new demand in the market	Monitoring of impact via the programme plan, and close work with Commissioning

Key Development and Delivery Milestones

Milestone	Timeline
Consultation and engagement & model sign off	Complete
Workforce modelling, sign off for new structure and HR consultation timeline and delivered	Spring '23
Implementation of the model	Spring '23

Section D

Consultation required?	Yes
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	Start	Conclusion
Staff	TBC	TBC
Trade Union	TBC	TBC
Public	TBC	TBC
Service Users	TBC	TBC
Other	TBC	TBC

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	A full EIA is not required, however a impact assessment will be completed.
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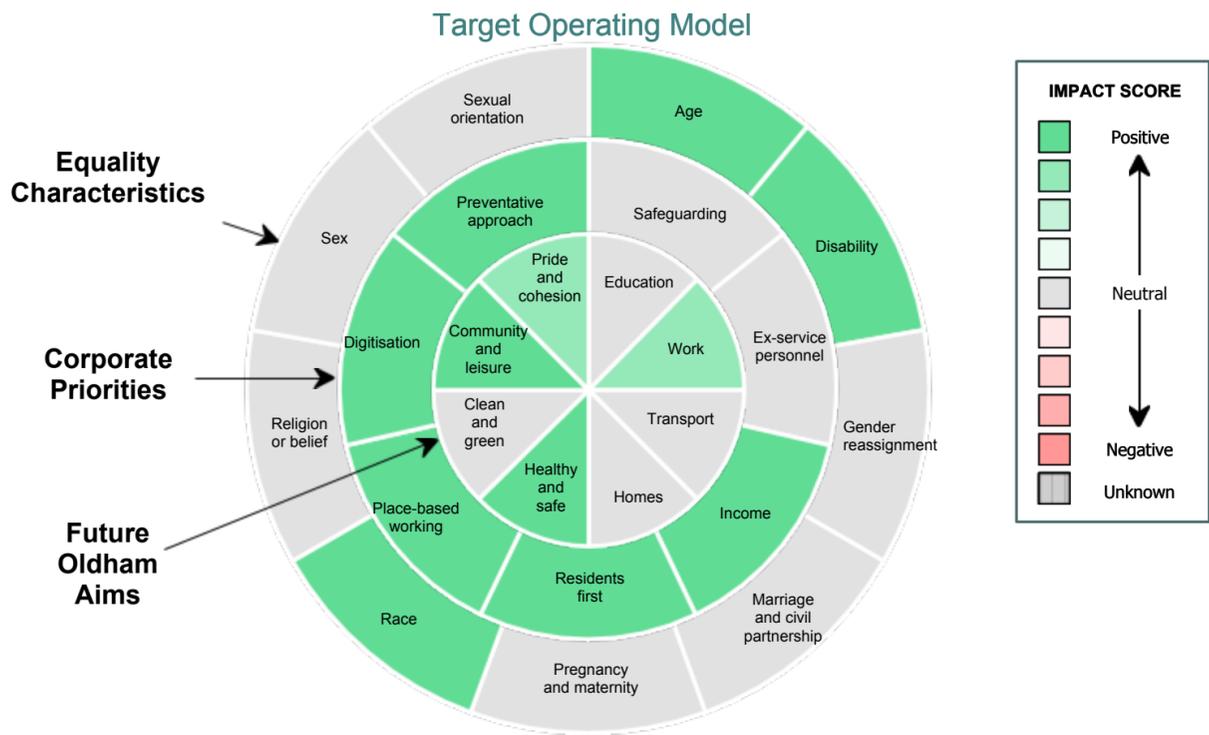
Section E

Finance comments
<p>The proposal to reduce community-based demand by 8% in general, equates to a reduction of 38 commissioned packages of care in 2023/24 based on an average Care at Home cost of £250 per week, a target that is assessed as challenging but deliverable.</p> <p>In order to achieve the target, the service will need to ensure an effective 'front door' into Adult Social Care is in place with staff well trained to assist and signpost people to services available in the community rather than commissioned by the Council. The expectation is that this preventative measure will be reinforced by enhanced recovery and enablement including access to Assistive Technology.</p> <p>The Council doesn't currently actively promote Assistive Technology within care plans and whilst there is a real opportunity to do so and therefore reduce packages of care, there will likely be a cost implication in procuring specialist equipment, this will be managed within the additional resources that are being made available to the Portfolio in the 2023/24 budget.</p> <p>Additionally, to increase the throughput of service users accessing the enablement pathway, which is something proven to reduce long term cost, extra provision may be required both within the community and residential offer that MioCare (for which reserves are available) and health partners provide.</p>

Signed RO	Jayne Ratcliffe
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Signed Finance	Andy Cooper
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Cabinet Member Signature	
Name and Date	Cllr Brownridge 16 January 2023



Target Operating Model				
	Impact	Likelihood	Duration	Comment
Equality Characteristics				
Age	Strong Positive	Very Likely	Long Term	The proposals will ensure that irrespective of age, people with care and support needs are able to access preventative services to support them to live at home (wherever that is) in their own community, as independently as possible for as long as possible.
Disability	Strong Positive	Very Likely	Long Term	The proposals will ensure that irrespective of the degree and nature of disability, people with care and support needs are assessed in a strengths based way and are able to access preventative services to remain as independent as possible.
Gender reassignment	Neutral	Very Likely	Long Term	
Marriage and civil partnership	Neutral	Very Likely	Long Term	
Pregnancy and maternity	Neutral	Very Likely	Long Term	
Race	Strong Positive	Very Likely	Long Term	The proposals will ensure that irrespective of ethnicity, people with care and support needs are assessed in a strengths based way and are able to access preventative services that are meaningful to them and enable them to remain as independent as possible.
Religion or belief	Neutral	Very Likely	Long Term	
Sex	Neutral	Very Likely	Long Term	
Sexual orientation	Neutral	Very Likely	Long Term	
Corporate Priorities				
Safeguarding	Neutral	Very Likely	Long Term	
Ex-service personnel	Neutral	Very Likely	Long Term	
Income	Strong Positive	Very Likely	Long Term	The proposal aims to ensure that by embedding a strengths based and preventative approach, only those care and support needs that cannot be met by any other means, will require a funded solution.
Residents first	Strong Positive	Very Likely	Long Term	The proposal focusses on the implementation of a Target Operating Model that puts the resident at the heart of everything we do, through a strengths based preventative approach to support people to remain as independent as possible, living in their local community, with people who know them best.
Place-based working	Strong Positive	Very Likely	Long Term	Working in a strengths based, preventative way, with a focus on the community within which people live, will engender more place based ways of working that consider the assets within a persons' local community.
Digitisation	Strong Positive	Very Likely	Long Term	The proposal embeds digitisation as a core part of the adult social care preventative offer and will enable people to find their own solutions to lower level care needs, with or without support. It also seeks to incorporate assistive technology at all levels of intervention.
Preventative approach	Strong Positive	Very Likely	Long Term	The proposal has a preventative approach at its core, ensuring that people's strengths form the platform from which to consider how care and support needs are best met, at the lowest possible level of intervention, whilst ensuring safety.
Future Oldham Aims				
Education	Neutral	Very Likely	Long Term	
Work	Moderate Positive	Very Likely	Long Term	The implementation of the target operating model, with prevention at its core may identify opportunities for more people with care and support needs to undertake paid or unpaid work, or return to work following a period of reablement.
Transport	Neutral	Very Likely	Long Term	
Homes	Neutral	Very Likely	Long Term	
Healthy and safe	Strong Positive	Very Likely	Long Term	The proposal will support people to remain healthy, safe and well in their own community for as long as possible, by adopting a strengths based, preventative approach to care and support.
Clean and green	Neutral	Very Likely	Long Term	
Pride and cohesion	Strong Positive	Very Likely	Long Term	The development of the target operating model and the implementation of a more strength based, preventative, placed based approach will help to build self-pride and the development of community solutions, aiding cohesion.
Communities and leisure	Moderate Positive	Very Likely	Long Term	

Responsible Officer:	Katrina Stephens
Cabinet Member:	Cllr B Brownridge
Support Officer:	Rebecca Fletcher/Andrea Entwistle

BR1 - Section A

Service Area:	Public Health
Budget Reduction Title:	Sexual Health

Budget Reduction Proposal - Detail and Objectives:

Sexual health: primary care contraception provision

This proposal is a 20% reduction in the budget for locally commissioned sexual health services via Primary Care, notably Emergency Hormonal Contraception (EHC) via Community Pharmacy and Long Acting Reversible Contraception (LARC) via GP Practices. The total allocated budget for these services is £90k, therefore the proposed saving is £18k.

The Council currently has contracts in place with a number of individual community pharmacies to provide EHC and GP Practices to provide LARC on a payment by activity basis.

EHC – Community Pharmacy

Emergency Hormone Contraception (EHC) can be used if a woman has had sexual intercourse without using a regular method of contraception or if her regular method has failed to reduce her risk of having an unintended conception.

Community pharmacies offer an accessible route for provision of sexual health services due to long opening hours and ease of access. Whilst many community pharmacies can sell emergency hormonal contraception over the counter, the commissioning of a free EHC service ensures that all residents are able to access this provision, regardless of their financial status.

There is budgetary provision of £45k per annum allocated to the supply of EHC via community pharmacy (where the pharmacy has signed up to a contract via the Dynamic Purchasing System and meets the necessary accreditation requirements). The budget for community pharmacy commissioned sexual health services is allocated to intervention rather than provider. Pharmacies receive payment by results, with a defined unit price per activity. Projected spend against this budget for 2022/23 is £23k.

As this budget is currently underspent there is scope to reduce the allocated budget without reducing provision.

GP LARC

Long acting reversible contraception (LARCs) are the most cost-effective method of contraception according to NICE, and they are also clinically effective as they are not reliant on daily compliance. Local Authorities are mandated to commission LARCs which are provided through GPs and GUM clinics, this encompasses implants and IUDs.

The Council currently commissions a number of General Practices to deliver Primary Care LARC.

The budget for Primary Care LARC provision is allocated to intervention rather than provider. Medical Practices receive payment by results, with a defined unit price per activity. There is budgetary provision of £45k per annum. Prior to COVID, when provision of LARC was paused due to restrictions and faculty guidance, the average cost of LARC provision via Oldham LA commissioned GP Practices was £42,500p.a. However, activity has significantly reduced following COVID due to a number of reasons, including practice

closures and practitioners needing to re-establish confidence and competency, which lapsed during the pandemic.

As agreed by Cabinet in March 2021, the specification for the Integrated Sexual Health Service (ISHS) includes an expectation that the provider will work developmentally with Primary Care to support the provision of Long Acting Reversible Contraception, and other SRH provision in Primary Care Networks. It has been agreed that a set amount is included in the block contract for the ISHS from 1 April 2023 for the commissioning and delivery of Primary Care LARC and the provider will be monitored against agreed performance measures. Once the funding is transferred, following baselining and performance monitoring, payments will then either be topped up or clawed back subject to activity levels. This will give the Council some level of control over the financial implications whilst also incentivising the provider to contribute towards the outcome of increasing LARC uptake in the borough.

Given these changes and the underspend on the budget for LARC in recent years, it is possible to make this saving without reducing provision for residents.

2022/23 Service Budget and Establishment	£000
Employees	845
Other Operational Expenses	16,486
Income	(2,639)
Total	14,692

Current Forecast (under) / overspend	(399)
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Number of posts (Full time equivalent)	16
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(18)	0	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	Ongoing
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Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
None – budgets for these services have been underspent in recent years.
Future expected outcomes
None – provision of LARC and EHC will still be available for residents.
Organisation
None

Workforce
None
Communities and Service Users
None – provision of LARC and EHC will still be available for residents.
Oldham Cares
Limited – current levels of provision through pharmacies and GP Practices can be maintained.
Other Partner Organisations
HCRG Care Group – the current provider of the integrated sexual health service will be responsible for managing the LARC budget from 2023/24 and will therefore need to work within the reduced financial envelope.

Who are the key stakeholders?

Staff	
Elected Members	
Residents	X
Local business community	
Schools	
Trade Unions	
External partners (if yes please specify below)	X
Pharmacies, GP Practices, HCRG Care Group	
Other Council departments (if yes please specify below)	
N/a	
Other (if yes please specify below)	
N/a	

Benefits to the organisation/staff/customers including performance improvements
Budget reduction achieved.

Section C

Key Risks and Mitigations

Risk	Mitigation
Whilst these budgets have been underspent in the last year, as service access begins to return to pre-COVID levels, activity levels in the LARC and EHC contracts is expected to increase. As this is a statutory service there would be limited scope to reduce spend should demand exceed the available budget.	Budgets are monitored on a monthly basis so any potential overspend should be identified at an early stage. If an overspend is identified consideration will need to be given to reprioritising other elements of the public health budget.

Opportunities to increase uptake of EHC and LARC are not maximised due to risk of budget overspending.	There is still significant scope to increase uptake within the available budget, and provision is also available through other routes including the integrated sexual health service. There is now also an online offer for EHC via the Integrated Sexual Health Service, as well as EHC being available via appointments and 'click and collect' following online/telephone consultation, which has meant some demand for EHC has been redirected away from community pharmacy.
N/A	N/A

Key Development and Delivery Milestones

Milestone	Timeline
Transfer of responsibility for GP LARC and revised budget to ISHS provider via contract variation of core contract.	By 1 April 2023
Performance/provision of LARC via GP Practices to be monitored by commissioners as part of regular contract monitoring and quality assurance arrangements for ISHS.	Quarterly basis – up until 31 March 2027
Monitoring of spend against Pharmacy EHC budget to take place on a quarterly basis.	Quarterly basis – up until 31 March 2027
N/A	N/A

Section D

Consultation required?	No
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	Start	Conclusion
Staff	N/A	N/A
Trade Union	N/A	N/A
Public	N/A	N/A
Service Users	N/A	N/A
Other	N/A	N/A

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
The reduction in commissioned Sexual Health services will realise an ongoing budget reduction from 2023/24 onwards.

Signed RO	K Stephens
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Signed Finance	N Harrop
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Cabinet Member Signature	
Name and Date	Cllr Brownridge 16 January 2023

Responsible Officer:	Katrina Stephens
Cabinet Member:	Clr B Brownridge
Support Officer:	Charlotte Stevenson/Andrea Entwistle

BR1 - Section A

Service Area:	Public Health
Budget Reduction Title:	NHS Health Checks

Budget Reduction Proposal - Detail and Objectives:

The NHS Health Check (NHS HC) is a health check-up for adults in England aged 40 to 74, primarily delivered through primary care. It's designed to spot early signs of stroke, kidney disease, heart disease, type 2 diabetes or dementia. Patients are then given advice to help them lower their risk of a stroke, kidney disease, heart disease, diabetes or dementia, and maintain or improve their health.

Delivery of NHS HCs is a statutory requirement under Health & Social Care Act 2013.

A new NHS HC model was rolled out in Oldham in 2022 with a focus on quality and reducing health inequalities through targeting health checks at higher risk populations and making repeated efforts to engage with residents who are high risk. GPs are paid per NHS Health Check delivered, with additional payments based on inequalities targets

The current budget is £138,000, however as we pay per Health Check delivered expenditure has been lower than this. In 2019/20 total annual expenditure was £120k; since the pandemic activity levels have been lower with expenditure for 2022/23 anticipated to be £100k.

Given the underspend on the budget in previous years, a saving of 20% (£27k) could be made on the allocated budget for NHS Health Checks, without reducing provision.

2022/23 Service Budget and Establishment

	£000
Employees	845
Other Operational Expenses	16,486
Income	(2,639)
Total	14,692

Current Forecast (under) / overspend

	(399)
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Number of posts (Full time equivalent)

	16
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(27)	0	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?

	Ongoing
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Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
As this budget is underspent service delivery is not expected to be impacted.
Future expected outcomes
With a reduced budget there will be a limit on the extent to which increasing uptake of NHS Health Checks can be promoted due to the increased risk of the budget being overspent. This could increase the risk that risk factors for cardiovascular disease are not identified.
Organisation
None
Workforce
None
Communities and Service Users
As this budget is underspent service delivery to residents is not expected to be impacted.
Oldham Cares
As this budget is underspent service delivery through GP practices is not expected to be impacted.
Other Partner Organisations
None

Who are the key stakeholders?

Staff	
Elected Members	
Residents	Yes
Local business community	
Schools	
Trade Unions	
External partners (if yes please specify below)	Yes
General Practices	
Other Council departments (if yes please specify below)	
N/a	
Other (if yes please specify below)	
N/a	

Benefits to the organisation/staff/customers including performance improvements

Budget reduction achieved.

Section C**Key Risks and Mitigations**

Risk	Mitigation
Risk that the budget will overspend if performance improves to desired levels. As this is a statutory service, stopping provision to control the budget may leave us open to legal challenge.	Budget is monitored monthly therefore any potential overspend should be identified at an early stage. If an overspend is identified consideration will need to be given to reprioritising other elements of the public health budget.
Opportunities to increase uptake of NHS Health Checks are not maximised due to risk of budget overspending.	There is still significant scope to increase uptake within the available budget. In addition, Health MOTs, are offered through the Health Improvement and Weight Management Service, to supplement NHS Health Check provision.
N/A	N/A

Key Development and Delivery Milestones

Milestone	Timeline
Review total spend for 2022-23	End March 2023
Continue monthly monitoring of NHS Health Check budget spend	1 April 2023 – 31 March 2024
N/A	N/A
N/A	N/A

Section D

Consultation required?	No
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	Start	Conclusion
Staff	N/A	N/A
Trade Union	N/A	N/A
Public	N/A	N/A
Service Users	N/A	N/A
Other	N/A	N/A

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
The reduction in the Health Checks budget will realise an ongoing budget reduction of £27k from 2023/24 onwards.

Signed RO	K Stephens
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Signed Finance	N Harrop
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Cabinet Member Signature		
Name and Date	Cllr Brownridge	16 January 2023

Responsible Officer:	Katrina Stephens
Cabinet Member:	CLlr B Brownridge
Support Officer:	Andrea Entwistle

BR1 - Section A

Service Area:	Public Health
Budget Reduction Title:	Public Health Budget

Budget Reduction Proposal - Detail and Objectives:

Government announcements about public health funding are usually made very late in the financial year; funding for the 2022/23 financial year was announced on 7 February 2022. As this was after Council budget setting, plans had not been made for the growth in the new budget allocation.

The primary risk in the public health budget for 2022/23 was an overspend on the 0-19 contract, which transferred to the Council and Northern Care Alliance from NHS Bridgewater on 1 April 2022. TUPE information suggested that service operating costs may be higher than the allocated budget.

A secondary risk emerged on 2 April 2022, when Government announced that additional grant funding for adult weight management would no longer be given to Local Authorities, with immediate effect.

The 2022/23 growth in the public health budget was therefore profiled to be used to offset the shortfall in the adult weight management grant and as a contingency for overspend in the 0-19 service budget.

As the majority growth in the 2022/23 budget has not been committed beyond the end of the current financial year, this budget proposal is that £400K can be released from the public health budget as a recurrent saving.

2022/23 Service Budget and Establishment

	£000
Employees	845
Other Operational Expenses	16,486
Income	(2,639)
Total	14,692

Current Forecast (under) / overspend

	(399)
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Number of posts (Full time equivalent)

	16
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(400)	0	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?

	Ongoing
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Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
The adult weight management grant had only been committed by Government up until the end of March 2023, and it is not known whether the further grant would have been made available beyond this date. As such, the increase in capacity in the weight management service has only been made on a temporary basis. As a result of this budget reduction there will be less capacity available for residents to access weight management support when compared with the 2022/23 financial year, however, the additional investment being discontinued will not impact on delivery of the core weight management offer for the borough.
Future expected outcomes
Obesity is one of the leading contributors to disease and premature death in the borough, however, the additional investment being discontinued will not impact on delivery of the core weight management offer for the borough.
Organisation
None
Workforce
A redesign of the staffing structure for the 0-19 service is being undertaken, to produce a model which aligns with the available budget from the public health grant. The restructure is aiming to achieve a structure which supports effective service delivery within budget.
Communities and Service Users
The additional investment has enabled an additional 650 people to access weight management support in the last year, of whom over 50% will have achieved meaningful weight loss, reducing their risk of developing long term and acute health conditions, or requiring social care support. However, the additional investment being discontinued will not impact on delivery of the core weight management offer for the borough.
Oldham Cares
The 0-19 service is delivered through a partnership arrangement between Oldham Council and Northern Care Alliance. The two organisations are working together through a joint governance board to redesign the service to ensure it can be delivered within the available budget.
Other Partner Organisations
The weight management service is delivered by ABL Health Ltd. ABL Health Ltd are aware that the additional investment was time limited and therefore will not be expecting this additional provision to continue.

Who are the key stakeholders?

Staff	
Elected Members	
Residents	
Local business community	
Schools	
Trade Unions	
External partners (if yes please specify below)	Yes

ABL Health Ltd, Northern Care Alliance	
Other Council departments (if yes please specify below)	Yes
Children's Services	
Other (if yes please specify below)	
N/a	

Benefits to the organisation/staff/customers including performance improvements
Budget reduction achieved. Redesign of 0-19 service aims to maximise outcomes which can be achieved within the available budget.

Section C

Key Risks and Mitigations

Risk	Mitigation
Redesign of 0-19 service is not completed in time to reduce costs for 2023-24 financial year, or costs cannot be sufficiently reduced to match available budget.	Service redesign has already commenced and is being overseen by 0-19 governance group. There is a project plan in place.
N/A	N/A
N/A	N/A

Key Development and Delivery Milestones

Milestone	Timeline
Confirm with ABL Health Ltd that additional investment will not be continued in 2023/24 financial year.	By March 2023 – current direct award contract for additional investment ends on 31 March 2023.
Agree new model of delivery for the 0-19 service and implementation in partnership with the NCA.	Agreed model by April 2023, and implementation over the first six months of the financial year.

Section D

Consultation required?	No
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	Start	Conclusion
Staff	N/A	N/A
Trade Union	N/A	N/A
Public	N/A	N/A
Service Users	N/A	N/A
Other	N/A	N/A

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
The proposed budget reduction from the Public Health budget of £400k is achievable on an ongoing basis from 2023/24 onwards.

Signed RO	K Stephens
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Signed Finance	N Harrop
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Cabinet Member Signature		
Name and Date	Cllr Brownridge	16 January 2023

Responsible Officer:	Katrina Stephens
Cabinet Member:	Cllr B Brownridge
Support Officer:	Rebecca Fletcher/Andrea Entwistle

BR1 - Section A

Service Area:	Public Health
Budget Reduction Title:	Young People’s Substance Misuse & Sexual Health Service

Budget Reduction Proposal - Detail and Objectives:

This proposal would reduce the contract value for the integrated young people’s substance misuse and sexual health service by £150k from 2023/24. The current total contract value is £600k per year.

The current service offers specialist support for sexual health, contraception, and the prevention and treatment of substance misuse for young people. This enables young people to access high-quality information, advice and treatment for both their sexual health and substance use in a single location and transaction.

The service is provided by Early Break in partnership with HCRG Care Group and The Proud Trust under a 3 (+4) year contract which commenced on 1 April 2021.

They provide an integrated service for young people aged under 19 (or aged 19-25 if they are a child looked after by the Local Authority or care leaver, or SEND), providing a holistic service addressing young people’s health and wellbeing, specifically providing advice, information and treatment for both sexual health and substance misuse. The service:

- Provides support to the wider Oldham system (including schools, youth services, and children’s social care) to deliver Tier 1 substance misuse interventions, information and advice, and relationship and sex education.
- Provides information, advice and guidance for young people attending the service, through outreach activities, and to a wider audience through digital channels, including a website which aims to improve knowledge and understanding of sexual and reproductive health and drugs and alcohol among young people living in Oldham.
- Supports young people in contact with the service to develop their knowledge and understanding of sex and relationships, skills and confidence to protect or improve their sexual health.
- Provides Tier 2 and Tier 3 substance misuse services for young people who misuse substances (including psychoactive substances, illicit or prescribed drugs and/or alcohol).
- Provides support for young people who misuse substances to access Tier 4 services, where their needs cannot be met in the community (provision of tier 4 services is out of scope for this contract)
- Provides support to young people whose parents misuse substances, including young people who act as carers for parents with substance misuse issues.
- Provides clinical contraception and sexual health services through clinic-based and outreach (community based) activities.
- Helps address offending and anti-social behaviour in young people linked to substance misuse in young people through effective interventions;
- Supports and work with other agencies to provide intensive interventions to families where parental and/or young people’s substance misuse is identified as problematic.
- Works with adult services, specialist drug and alcohol, and sexual health services and universal services such as primary care, to ensure a seamless transition for young people who are approaching the age limit for the service

As per Public Health funding conditions and mandated responsibilities, we would still be required to deliver drug and alcohol services and ensure access to sexual health services for young people so would need to alter the specification and budget of our commissioned adult/all age sexual health and substance misuse services to ensure provision and not risk poorer health outcomes.

2022/23 Service Budget and Establishment

	£000
Employees	845
Other Operational Expenses	16,486
Income	(2,639)
Total	14,692

Current Forecast (under) / overspend	(399)
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Number of posts (Full time equivalent)	16
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(75)	(75)	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	ongoing
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Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
Reducing the contract value would mean we have to renegotiate the contract with the service provider and reduce the level of activity and outcomes they are expected to deliver.
If the contract value is reduced by £75k as proposed for both 2023/24 and 2024/25, there is likely to be a reduction in the number of specialist clinics and outreach provision available for young people to access.
Renegotiations may include taking learning from the pandemic and making better use of digital and remote provision, whilst ensuring appropriate safeguards are in place, which may reduce the impact of the proposed reductions. There are also opportunities to build on and further explore more community-based provision which may create efficiencies.
However, commissioners will work with the provider to ensure that service disruption for existing service users is minimal and that there are effective communications with service users, staff and stakeholders regarding any changes to the delivery model and service offer as a result of the budget reduction.
Future expected outcomes
Adolescence is a crucial time for physical, emotional and social development, and good quality advice, information and support for young people on sexual health and substance misuse has an important contribution to make to health, wellbeing, education and wider social outcomes.

Organisation
If young people seek sexual health services outside of the borough, we will be charged for these, and this will be at a higher costs per intervention than the cost of delivering these services as part of the current local contract.
Workforce
The service currently employs 17.1FTE across the three partner organisations plus a number of volunteers, including Voice 2 Voice workers (young people who are peer mentors), many of whom are local Oldham residents. Full staffing implications of the budget proposal would be known once renegotiations have taken place.
Communities and Service Users
This budget reduction will result in changes in access to this specialist service for young people.
Oldham Cares
Reduced provision in the specialist service may mean young people seek to access services via other routes e.g. primary care.
Other Partner Organisations
The contract for this service will need to be renegotiated with Early Break, HCRG Care Group and The Proud Trust.

Who are the key stakeholders?

Staff	
Elected Members	
Residents	Yes
Local business community	
Schools	Yes
Trade Unions	
External partners (if yes please specify below)	Yes
Early Break, HCRG Care Group, The Proud Trust	
Other Council departments (if yes please specify below)	Yes
Children's Services	
Other (if yes please specify below)	Yes
Other learning and education settings (including further education), Youth Offending Service, School Nursing, Family Nurse Partnership, Hospital Alcohol Liaison Team	

Benefits to the organisation/staff/customers including performance improvements
Budget reduction achieved. Contract reviewed to ensure service model is meeting the needs of residents and maximising the outcomes achievable with the budget available.

Section C

Key Risks and Mitigations

Risk	Mitigation
Outcomes around unintended conceptions (teenage pregnancy), abortions (including repeat abortions) and substance use related hospital admissions for young people will get worse for Oldham.	<p>Commissioners will work with the service to ensure that the revised delivery model appropriately supports those most at risk of sexual ill health and substance misuse related harm to minimise deepening any health inequalities.</p> <p>The specification and budget of our commissioned adult/all age sexual health and substance misuse services will be revised to ensure provision and not risk poorer health outcomes.</p> <p>Work will take place across the system to improve the strategic response to improving sexual health and addressing substance misuse via improved joint working via alliance/partnership working and local strategic action plans.</p>
More young people will seek sexual health support from outside the borough and our incurred cross-charging will increase which will create a budget pressure.	Commissioners will work with the service to ensure that the offer for young people in Oldham is accessible, attractive and well communicated so that young people access the commissioned service.
The service will no longer be deliverable within the new budget.	<p>Commissioners will work with the provider to renegotiate the specification, delivery model and key performance indicators.</p> <p>All options for alternative delivery models to ensure that we meet our mandated responsibilities and are able to provide drug and alcohol services and ensure access to sexual health services for young people, as per the Public Health funding conditions will be explored.</p>

Key Development and Delivery Milestones

Milestone	Timeline
Renegotiation of service specification and contract with service provider	Before April 2023
Communication and engagement with service users and stakeholders around the revised service offer	April – May 2023

Confirmation of contract changes and implementation of revised service offer	By 30 September 2023
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Section D

Consultation required?	Yes
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	Start	Conclusion
Staff	TBC	TBC
Trade Union	TBC	TBC
Public	TBC	TBC
Service Users	TBC	TBC
Other	TBC	TBC

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	Yes
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Section E

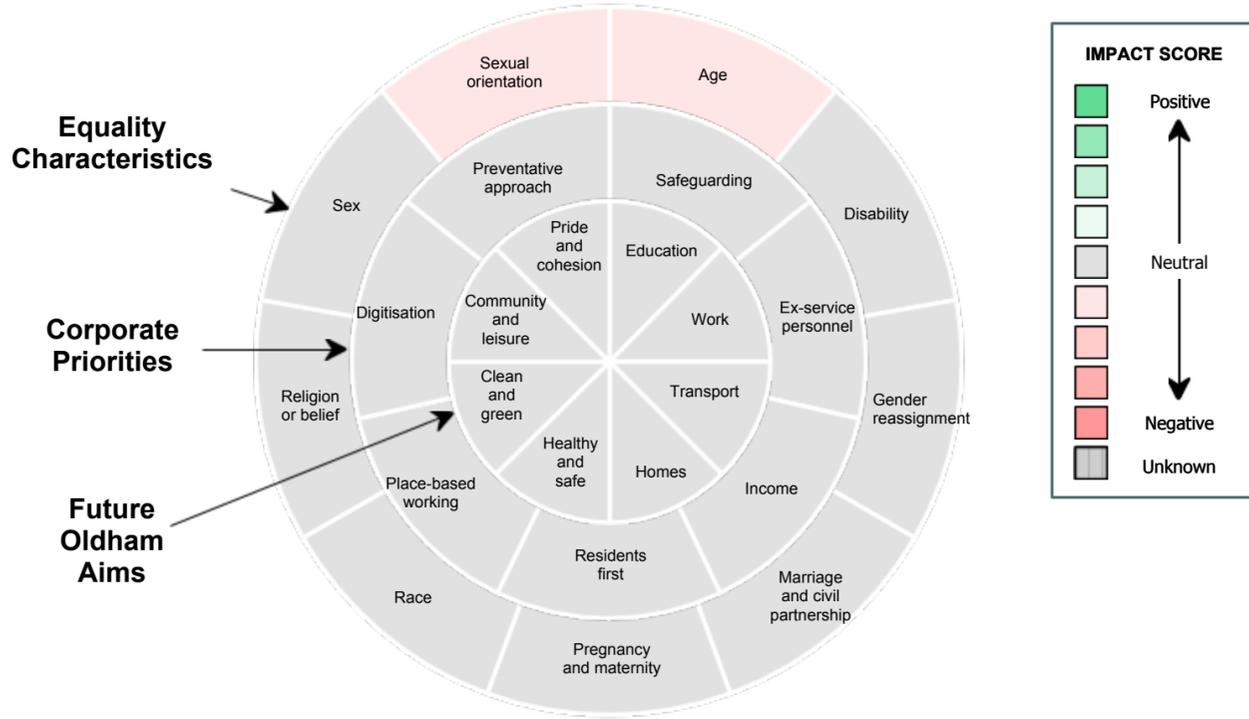
Finance comments
The contract reduction for Integrated Young People's Substance Misuse and Sexual Health Service will realise a budget reduction of £75k in 2023/24 and a further £75k in 2024/25.

Signed RO	K Stephens
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Signed Finance	N Harrop
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Cabinet Member Signature	
Name and Date	Cllr Brownridge 16 January 2023

YP's Substance Misuse and Sexual Health



YP's Substance Misuse and Sexual Health				
	Impact	Likelihood	Duration	Comment
Equality Characteristics				
Age	Moderate Negative	Possible	Short Term	The service specialises in support for young people and so reduction will impact upon this group. Mitigations will include ensuring that the all-age sexual health service can respond effectively to this group.
Disability	Neutral	Possible	Long Term	No impact identified
Gender reassignment	Neutral	Possible	Short Term	Staff have been trained in gender identity and supporting trans young people and young people with questions about their gender identity. This will continue to be embedded.
Marriage and civil partnership	Neutral	Very Likely	Long Term	No Impact identified
Pregnancy and maternity	Neutral	Very Likely	Long Term	No impact identified
Race	Neutral	Very Likely	Long Term	No Impact identified
Religion or belief	Neutral	Very Likely	Long Term	No impact identified
Sex	Neutral	Very Likely	Long Term	The service will continue to work to ensure that they meet the needs of people regardless of sex
Sexual orientation	Moderate Negative	Possible	Short Term	LGBT+ young people are more at risk of poor sexual health and the service ensures that the needs of this group are met. A reduction in the service may result in a reduction in provision for this group. Mitigations will focus on ensuring that the service continues to meet the needs of this group
Corporate Priorities				
Safeguarding	Neutral	Very Likely	Long Term	The service has a robust safeguarding approach that prioritises keeping young people safe. This will continue to be at the heart of the future model and is a core element of the service specification.
Ex-service personnel	Neutral	Very Likely	Long Term	No impact as the service works with under 18s.
Income	Neutral	Very Likely	Long Term	No impact identified
Residents first	Neutral	Very Likely	Long Term	The service has recruited young people to ensure that the service has the youth voice at the heart of provision. This will continue in the new model.
Place-based working	Neutral	Very Likely	Long Term	The service will continue to work with our place based teams to maximise the impact of the provision. This includes updates to the teams on substance misuse emerging trends
Digitisation	Neutral	Very Likely	Long Term	Better use of digital and remote provision, whilst ensuring appropriate safeguards are in place, may reduce the impact of the proposed reductions.
Preventative approach	Neutral	Possible	Long Term	There are opportunities to build on and further explore more community-based provision which may create efficiencies. These include maximising our preventative approach from schools and place based teams.
Future Oldham Aims				
Education	Neutral	Possible	Long Term	Substance misuse can impact upon a young person ability to engage productively with education. The service will continue to support young people to understand and address their substance misuse and engage with education
Work	Neutral	Very Likely	Long Term	No impact identified
Transport	Neutral	Very Likely	Long Term	No impact on transport across the borough
Homes	Neutral	Very Likely	Long Term	No Impact on Homes
Healthy and safe	Neutral	Possible	Long Term	We will work with the provider to ensure that young people continue to have access to services for their health and safety including referrals for stop smoking, signposting to GPs, and work with the all age sexual health service
Clean and green	Neutral	Very Likely	Long Term	No impact identified
Community and leisure	Neutral	Very Likely	Long Term	No impact identified
Pride and cohesion	Neutral	Very Likely	Long Term	No impact identified

CLlr Mushtaq

Cabinet Member for Corporate Services

Responsible Officer:	Vikki Morris
Cabinet Member:	CLlr Mushtaq
Support Officer:	Vikki Morris

BR1 - Section A

Service Area:	Human Resources and Organisational Development
Budget Reduction Title:	Human Resources and Organisational Development Service Restructure

Budget Reduction Proposal - Detail and Objectives:

The HR&OD Service consists of the following function areas:

- HR Advisory & HR Policy
- Job Evaluation
- Recruitment
- Workforce system, workforce data & statutory workforce reporting
- Organisational Development
- Learning & Development
- Apprenticeships & T levels
- Workforce Wellbeing
- Payroll, Pensions & HR Transactional

There are currently 70 posts within the structure, 11 of these are part-time and there are currently 10 vacancies. In April 2022, 30 posts transferred in from Unity Partnership Ltd. As well as services provided directly to the Council, there are also paid for services/SLAs provided to Miocare CIC, Schools and Academies, with a payroll run of approx. 9,000 staff.

It is proposed that the service be reviewed – looking at streamlining processes, improving systems to support self-serve for staff and managers and reviewing team structures to support this new approach. We will also review our use of current delivery budgets including for training to drive further efficiencies and better use of resources.

This review will involve and engage staff in HR in developing new ways of working and would enable a more efficient structure and an appropriate Directorate facing approach, ensuring resource is focused on the transformation programmes that have been identified for the forward priorities.

- **Saving: £125,000 2023/24**

2022/23 Service Budget and Establishment	£000
Employees	3,283
Other Operational Expenses	228
Income	(1,318)
Total	2,193

Current Forecast (under) / overspend	(38)
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Number of posts (Full time equivalent)	70
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(100)	(125)	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	On going
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Section B

What impact does the proposal have on the following?

Property
N/A
Service Delivery
N/A
Future expected outcomes
N/A
Organisation
N/A
Workforce
Impact on HR&OD service workforce only
Communities and Service Users
N/A
Oldham Cares
N/A
Other Partner Organisations
N/A

Who are the key stakeholders?

Staff	Y
Elected Members	N
Residents	N
Local business community	N
Schools	Y
Trade Unions	Y
External partners (if yes please specify below)	N
N/a	
Other Council departments (if yes please specify below)	Y
HR&OD provide services to all Council departments	
Other (if yes please specify below)	N
N/a	

Benefits to the organisation/staff/customers including performance improvements

Improved service to Council departments.

Section C

Key Risks and Mitigations

Risk	Mitigation
Continue to support BAU whilst improving the service.	A detailed programme plan phasing in changes, ensuring staff are fully engaged in the process and stakeholders are fully informed.
Ensuring there is appropriate skill mix to support the required changes. There are some key skills gaps within the team, and these are reflected across the employment market nationally.	Continue to provide an attractive employment offer to staff of both financial and non-financial benefits, in order to remain competitive within the employment market.
N/a	N/a

Key Development and Delivery Milestones

Milestone	Timeline
Meet with HR&OD teams and stakeholders to agree areas for improvement and ideas for improved alignment to Directorates	March 2023
Engagement and consultation with HR&OD teams and stakeholders to discuss proposed service review and any structure implications.	April & mid-May 2023
Review of consultation feedback and incorporate as appropriate.	Mid-May to June 2023
Implementation of changes required	June 2023

Section D

Consultation required?	Yes
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	Start	Conclusion
Staff	April 23	Sept 23
Trade Union	April 23	Sept 23
Public	N/A	N/A
Service Users	N/A	N/A
Other	N/A	N/A

Equality Impact Screening

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

Disabled people	N
Particular Ethnic Groups	N
Men or Women (including impacts due to pregnancy / maternity)	N
People who are married or in a civil partnership	N
People of particular sexual orientation	N
People who are proposing to undergo, undergoing or have undergone a process or part of a process of gender reassignment	N
People on low incomes	N
People in particular age groups	N
Groups with particular faiths and beliefs	N

EIA required? (choose YES if any of the above impacts are YES)	N
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Section E

Finance comments
The service redesign will generate a saving of £100k from 2023/24 and a further £125k from 2024/25. The budget reduction will generate an ongoing saving of £225k from 2024/25 onwards.

Signed RO	Vikki Morris
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Signed Finance	N Harrop
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Cabinet Member Signature		
Name and Date	Cllr Mushtaq	16 January 2023

Responsible Officer:	Dominic Whelan
Cabinet Member:	Clr Mushtaq
Support Officer:	Dominic Whelan

BR1 - Section A

Service Area:	ICT
Budget Reduction Title:	MS Licenses migration to cheaper licenses for some staff

Budget Reduction Proposal - Detail and Objectives :

All Oldham Council staff are currently aligned to the Microsoft 365 E3 licence that costs £188 per user annually (circa £640k). Proposal is to undertake a migration to the lower cost Microsoft O365 F3 licence for most of the Council's front-line service staff. This should reduce the individual licence cost across potentially 25% + of the workforce. The key difference between the two plans is that the Microsoft 365 F3 licence limits users to WebApps for MS Office production tools including Word, Excel, Outlook, PowerPoint, and OneNote. It reduces the storage available and has a number of other limitations such as recording and video uploads.

This will require investment in resources to source expert licencing assessment to undertake significant work to audit and role profile the existing users and ascertain their requirements to fully confirm the suitability of the F3 licence within the workplace.

It is expected at this early stage that one or more 'bolt-on' products, such as Outlook Archiving, will be required. Other Local Authorities up and down the country are actively looking at delivering this same change.

2022/23 Service Budget and Establishment	£000
Employees	4,336
Other Operational Expenses	1,998
Income	(2,282)
Total	4,052

Current Forecast (under) / overspend	673
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Number of posts (Full time equivalent)	81.03
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(50)	(50)	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	Ongoing
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Section B

What impact does the proposal have on the following?

Property
Nil
Service Delivery
Nil
Future expected outcomes
Nil
Organisation
Nil
Workforce
The move to a different licence for a proportion of staff will mean that those staff who are moved to the new licence will not have access to the full range of the existing Microsoft Productivity Suite and this may have very minor impact on their work.
Communities and Service Users
Nil
Oldham Cares
Nil
Other Partner Organisations
Nil

Who are the key stakeholders?

Staff	X
Elected Members	
Residents	
Local business community	
Schools	
Trade Unions	
External partners (if yes please specify below)	
N/a	
Other Council departments (if yes please specify below)	
N/a	
Other (if yes please specify below)	
N/a	

Benefits to the organisation/staff/customers including performance improvements

Cashable savings from reduction in existing Microsoft budget

Section C**Key Risks and Mitigations**

Risk	Mitigation
Reducing licence for staff who it later becomes apparent needed the existing licence to ensure their work and productivity is not impacted	A detailed role profiling audit to be conducted to ensure correct targeting of posts that could be moved to new licencing
N/A	N/A
N/A	N/A

Key Development and Delivery Milestones

Milestone	Timeline
Confirm existing Users of current MS licences and initiate role profile audit	January 2023 to March 2023
Finish role profile audit and confirm list of users for migration to new licences and communicate with Directors, Managers for final check and challenge	August 2023
Move to new licence base to capture part year reduction in costs for 2023/24	October 2023
N/A	N/A

Section D

Consultation required?	No
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	Start	Conclusion
Staff	N/A	N/A
Trade Union	N/A	N/A
Public	N/A	N/A
Service Users	N/A	N/A
Other	N/A	N/A

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
The change of Microsoft licences to a lower cost license will realise a budget reduction of £50k from 2023/24 with an additional £50k in 2024/25. The total ongoing budget reduction from 2024/25 will be £100k per annum and the license budget held in IT will be reduced accordingly.

Signed RO	D Whelan
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Signed Finance	N Harrop
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Cabinet Member Signature	
Name and Date	Cllr Mushtaq 16 January 2023

Responsible Officer:	Dominic Whelan
Cabinet Member:	CLlr Mushtaq
Support Officer:	Dominic Whelan

BR1 - Section A

Service Area:	ICT
Budget Reduction Title:	MS Licenses Improved Starter / Leaver Process

Budget Reduction Proposal - Detail and Objectives:

This proposal is an initiative linked to further licence cost reduction for existing Microsoft Licences, to review and improve the starter / leaver process to better enforce and manage licences

Over the last few years, the Council has maintained licenced network accounts for around 120 staff who, following a recent review by ICT, have left the authority. The IT service has worked through this list manually, tracing staff and contacting the previous employee's line manager to obtain confirmation of the leaver status. Most of these 120 have been employees/contractors within the social care teams. The cost of a licence is currently £188 per licence so this work alone has identified a possible saving of £23k.

Improving and implementing better controls over leaver processing, including contractors who are not currently listed in iTrent, including employment tracking, leaver form simplification/automation and better management will help prevent this expenditure. It will enable some initial savings and cost avoidance in future. It will also reduce security risks.

2022/23 Service Budget and Establishment	£000
Employees	4,336
Other Operational Expenses	1,998
Income	(2,282)
Total	4,052

Current Forecast (under) / overspend	673
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Number of posts (Full time equivalent)	81.03
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(23)	0	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	Ongoing
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Section B

What impact does the proposal have on the following?

Property
Nil
Service Delivery
Nil
Future expected outcomes
Nil
Organisation
Nil
Workforce
Nil
Communities and Service Users
Nil
Oldham Cares
Nil
Other Partner Organisations
Nil

Who are the key stakeholders?

Staff	X
Elected Members	
Residents	
Local business community	
Schools	
Trade Unions	
External partners (if yes please specify below)	
N/a	
Other Council departments (if yes please specify below)	
N/a	
Other (if yes please specify below)	
N/a	

Benefits to the organisation/staff/customers including performance improvements

Cashable savings from reduction in existing Microsoft budget

Section C**Key Risks and Mitigations**

Risk	Mitigation
Removal of an account for a staff member or contractor who is actually still employed or working within the Council and deletes their work data on emails in error	A rigorous check of the leavers and final sign off from appropriate Manager to confirm that individual accounts can be deleted.
N/A	N/A
N/A	N/A

Key Development and Delivery Milestones

Milestone	Timeline
To work with HR to ensure the current Starter / leaver process incorporates ICT elements	January to March 2023
Assess options to automate process and implement new processes	April – June 23
N/A	N/A
N/A	N/A

Section D

Consultation required?	No
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	Start	Conclusion
Staff	N/A	N/A
Trade Union	N/A	N/A
Public	N/A	N/A
Service Users	N/A	N/A
Other	N/A	N/A

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
The budget reduction proposal to improve the leavers and starters process in relation to Microsoft licenses is anticipated to achieve an ongoing budget reduction of £23k from 2023/24. The IT licence budget will be reduced accordingly.

Signed RO	D Whelan
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Signed Finance	N Harrop
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Cabinet Member Signature		
Name and Date	Cllr Mushtaq	16 January 2023

Responsible Officer:	Dominic Whelan
Cabinet Member:	Clr Mushtaq
Support Officer:	Dominic Whelan

BR1 - Section A

Service Area:	Customer Contact Centre
Budget Reduction Title:	Reduced Call Handling in Contact Centre

Budget Reduction Proposal - Detail and Objectives:

Reduced contact centre handling using Digital improvement resulting in reduced calls to Contact Centre

This proposal requires the completion of digitisation of various service areas as part of end to end digital work. Services where calls or work on emails (e-forms) would stop or reduce significantly are likely to include waste, environmental health, highways, street lighting, registrars, environment and pest control.

This is part of the Digital programme which will need to ensure that digital solutions are working at an optimum including integration of web forms and electronic feedback / updates for customers are fully operational and in place. On this basis, including time due to consultation of redundancy, savings are profiled for delivery in 2024/25, giving time for the digital work to be confirmed.

2022/23 Service Budget and Establishment	£000
Employees	1,684
Other Operational Expenses	115
Income	(50)
Total	1,749

Current Forecast (under) / overspend	(339)
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Number of posts (Full time equivalent)	48.59
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	0	(54)	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	Ongoing
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Section B

What impact does the proposal have on the following?

Property
Nil
Service Delivery
The Customer Support Centre would reduce, i.e., staff that would be freed up by no longer dealing with a number of service requests that would be handled by new integrated forms as described. This would be by a combination of calls no longer being required, and emails no longer being manually transferred into back-office systems as work items to be actioned. Relevant signposting and advice would be provided to residents contacting the service to enable this approach with supporting training and systems team support.
Future expected outcomes
Nil
Organisation
Nil
Workforce
The reduction in volume of contact from calls and emails will result in a need for less staff in the contact centre which will mean a potential consultation in due course. However, it is possible that any staff would be able to be redeployed and savings could be achieved by reduction in FTC or vacancies from natural staff churn.
Communities and Service Users
Residents and businesses will need to use the digital options provided in order for sufficient reduction in activity to take place for savings to be made. Support by the team will continue to be provided by staff to those residents who are not digitally enabled either by directing them to libraries / Access Oldham to use public access PCs with on site support, or over the phone if they are unable to travel.
Oldham Cares
Nil
Other Partner Organisations
Nil

Who are the key stakeholders?

Staff	x
Elected Members	
Residents	x
Local business community	x
Schools	
Trade Unions	
External partners (if yes please specify below)	
N/a	
Other Council departments (if yes please specify below)	
N/a	
Other (if yes please specify below)	
N/a	

Benefits to the organisation/staff/customers including performance improvements

Cashable savings from reduction in staff needed to handle the current volume of telephone contact and emails.
 Links to digital programme and improved customer experience through channel shift of those residents who wish to use more convenient digital access and thus free up of staff to handle calls more quickly

Section C**Key Risks and Mitigations**

Risk	Mitigation
There is a risk that this reduces customer contacts for those residents who wish to report issues which could result in adverse impact on the environment of the borough.	<p>A comprehensive comms plan will be produced as part of the programme to ensure residents are thoroughly briefed and that they are made aware that contact centre remains available.</p> <p>Ensure that the digital experience is good enough to encourage people to use this means of contact, particularly for the large amount of people who already enjoy such access for their own activity such as digital banking, Gov.Uk services etc</p>
Switchboard calls could increase due to customers still trying to access the services concerned, negating the saving or impacting on service performance in switchboard	Development of digital access to be developed and tested and rolled out on a rolling programme so if early adoption indicates that the contact centre volumes are not decreasing then there will be time to review and re-assess.
N/A	N/A

Key Development and Delivery Milestones

Milestone	Timeline
See separate Digital Roadmap for Services aligned to delivery of a range of associated transformation activity including Data platform, CRM, AI and Robotics and end to end digital solutions for service areas	Ongoing over next two / three years. These services aligned to this proposal will be implemented as part of the initial work over 2023
N/A	N/A

Section D

Consultation required?	Yes
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	Start	Conclusion
Staff	TBC – Not before Dec 2023	
Trade Union	As above	
Public	N/A	N/A
Service Users	Yes – as part of a comms campaign tbc	
Other	N/A	N/A

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
The reduction in calls to the Contact Centre is expected to achieve a budget reduction of £54k from 2024/25 onwards

Signed RO	D Whelan
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Signed Finance	N Harrop
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Cabinet Member Signature	
Name and Date	Cllr Mushtaq 16 January 2023

Responsible Officer:	Dominic Whelan
Cabinet Member:	Clr Mushtaq
Support Officer:	Dominic Whelan

BR1 - Section A

Service Area:	CDTT
Budget Reduction Title:	Reduction in Customer and Digital Experience

Budget Reduction Proposal - Detail and Objectives:

During previous arrangements when Unity Partnership Ltd was providing customer services activity, there was a client function established in the Council along with a small budget for staffing and operational costs. Some of this budget remains committed and funds the current existing post of Head of Digital & Customer Experience and some of the operational costs are committed on funding for customer services related activity.

However, an element of this old legacy budget can be offered as a saving; to include a reduction in the amount allocated for computer maintenance agreements (reduction of 50%) creates a saving of £25k. Also, there is potential for a further saving of £35k if an existing vacancy is deleted. The latter will require a formal review and consultation and therefore cannot be offered in full for 2023/24.

2022/23 Service Budget and Establishment	£000
Employees	1,684
Other Operational Expenses	115
Income	(50)
Total	1,749

Current Forecast (under) / overspend	(339)
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Number of posts (Full time equivalent)	1
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(43)	(17)	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	Ongoing
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Section B

What impact does the proposal have on the following?

Property
Nil
Service Delivery
Removes some of the budget that has been used on resident focus / customer facing technology solutions and will rely on funding from capital instead where appropriate. The funding from the vacant post was potentially being earmarked to help fund gaps in Digital / UX / Web team which currently has no operating budget and therefore this will need consideration as part of a wider review of service delivery model.
Future expected outcomes
Nil
Organisation
Nil
Workforce
The proposal will require a staff consultation as this may result in reduction of 1 FTE (vacant post)
Communities and Service Users
Nil
Oldham Cares
Nil
Other Partner Organisations
Nil

Who are the key stakeholders?

Staff	x
Elected Members	
Residents	
Local business community	
Schools	
Trade Unions	
External partners (if yes please specify below)	
N/a	
Other Council departments (if yes please specify below)	x
Comms – currently utilise some the funding in this are to help cover additional costs of web team and web operational costs	
Other (if yes please specify below)	
N/a	

Benefits to the organisation/staff/customers including performance improvements

Cashable savings from reduction in base revenue budget

Section C**Key Risks and Mitigations**

Risk	Mitigation
Removal of funding increases pressure on capital budgets to be used to fund some of the expected work	Early planning and ensure alignment with ICT Capital programme to ensure that items required for Customer Services, Web and User Experience are accounted for elsewhere in CDTT or in the capital budgets
Current web team are due to undertake a review of their grading to ensure the correct salary grade aligns with their work. The current additional amounts paid to them from this Client budget will mean this work for regrading must be completed otherwise the existing staff impacted will have their additional payments stopped or funding will shift to another budget	Monitor and ensure the posts are reviewed, regraded and correct budget allocation made from within the Comms Budgets or re-align staff to CDTT
N/A	N/A

Key Development and Delivery Milestones

Milestone	Timeline
CDTT Operating Model review completes Review outcomes and produce decision report for any changes and take through governance	February 2023 March / April 23
Staff Consultation on any outcome of the review that results in proposals to reduce one FTE in legacy client budget	June to August 2023
Deletion of Post	October 2023

Section D

Consultation required?	Yes
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	Start	Conclusion
Staff	TBC – Not before Jun 23	
Trade Union	as above	
Public	N/A	N/A
Service Users	N/A	N/A
Other	N/A	N/A

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
The budget reduction will be achieved; £43k in 2023/24 and a further £17k in 2024/25. The total budget reduction will be an ongoing saving of £60k from 2024/25.

Signed RO	D Whelan
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Signed Finance	N Harrop
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Cabinet Member Signature	
Name and Date	Cllr Mushtaq 16 January 2023

Responsible Officer:	Dominic Whelan
Cabinet Member:	CIlr Mushtaq
Support Officer:	Dominic Whelan

BR1 - Section A

Service Area:	ICT
Budget Reduction Title:	Applications Portfolio Management

Budget Reduction Proposal - Detail and Objectives:

This proposal seeks to improve the current approach to ICT Applications Portfolio Management and reduce number of licenced applications that exist on the ICT estate

It will require a small ICT led project with minor capital investment and support from Service areas to deliver reduction in applications through more central and coordinated management. It will provide ICT with greater visibility and control over the applications/IT systems to deliver:

- Application rationalisation, IT costs reduction and IT agility
- Improved IT transformation roadmap
- Release management
- Improved security and compliance standards
- Eliminates duplicate applications

By investing in this piece of work there should be savings made in the excess of £50,000 from 2023. This piece of work would also allow us the capability to renegotiate upcoming contracts and cut back on licence costs and applications which are no longer being utilised. The analysis from this project would allow ICT to determine whether to keep, migrate, discard or further invest in an application. Having an up-to-date application inventory prevents unnecessary purchases that happen because of miscommunication among Oldham Council services. When new applications are requested by stakeholders the APM will act as a single source of truth, meaning purchasing decisions will rely on real-time, reliable data.

2022/23 Service Budget and Establishment

	£000
Employees	4,336
Other Operational Expenses	1,998
Income	(2,282)
Total	4,052

Current Forecast (under) / overspend

	673
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Number of posts (Full time equivalent)

	81.03
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	0	(50)	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?

	Ongoing
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Section B

What impact does the proposal have on the following?

Property
Nil
Service Delivery
ICT currently support over 300 applications on the estate and new applications are continually requested by new services. Applications are deployed in several ways and although there are a few tools available to understand what is on the estate, we have nothing which is a complete source of truth. In implementing an APM ICT would perform more efficiently and provide better service and support. APM supports improved decision making, helps understand and manage total cost of ownership and will guide any strategic investment decisions for Oldham Council. It is an effective decision support tool around technology and business investments. This process would ensure that there are the right number, and the right mix, of applications to support the council now and in the future. APM will enable rationalisation of applications on our estate and optimise technology in the major metrics – functionality, value, and future road mapping. This project will also allow ICT to manage security compliance, providing the ability to identify, assess and manage risks across business applications while formally tracking and demonstrating compliance to all stakeholders.
Future expected outcomes
Nil
Organisation
One of the most important benefits of APM is that it will help Oldham Council to identify exactly what they need before making any new software purchases. All stakeholders could ensure that they were making mindful decisions when selecting tools and platforms that suit the organisations strategic goals. This will also feed into the wider programme to better connect and use data whilst adhering to security standards by confirming to compliance and mitigating rogue systems and removing end of life systems.
Workforce
Nil
Communities and Service Users
Nil
Oldham Cares
Nil
Other Partner Organisations
Nil

Who are the key stakeholders?

Staff	X
Elected Members	
Residents	
Local business community	
Schools	
Trade Unions	
External partners (if yes please specify below)	
N/a	
Other Council departments (if yes please specify below)	x
All Council departments will Key line of business systems and applications that are currently in place	
Other (if yes please specify below)	
N/a	

Benefits to the organisation/staff/customers including performance improvements
<p>Cashable savings from reduction in ICT support costs</p> <ul style="list-style-type: none"> • Savings from license costs (reduce licences where not needed, contract management and effective negotiations with 3rd Party suppliers) • Identification of duplicate applications (rationalise and retire applications) • Rationalisation of applications leads to reduced support costs • Introducing update revised RACI will provide better resilience, support and improve performance

Section C

Key Risks and Mitigations

Risk	Mitigation
More validation in choosing new software could lead to delayed responses and service pressures to proceed	This is a risk to some but a benefit to the organisation as it will stop rogue purchases and reduce security risks and support overheads. For urgent request we can fast track through TDA (Technical Design Authority) if deemed necessary by the corporate change function.
Bypass the APM and agreed principals	Superseding of any principals be it interim, for legislation, time based or otherwise must be governed by the Corporate Change Board. Any failures to adhere must be managed under this board otherwise will fail.
More resources are required to review and challenge renewals.	Training on dealing with suppliers can be provided. If the savings targeted are exceeded and can be justified, then this may fund a role to do this full time to support the team.

Key Development and Delivery Milestones

Milestone	Timeline
Create the APM process, document and release for approval	12 Weeks (Completion estimate March 2023)
Gain approval and sign off	April 2023
Put in place the TDA governance	April 2023
Embed process into BAU for apps staff (only delay will be any challenges that may result in contract terms requiring update in JD's)	April 2023
Monthly contract review to capture savings and review compliance of APM across Oldham	Starting May (Monthly)

Section D

Consultation required?	No
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	Start	Conclusion
Staff	N/A	N/A
Trade Union	N/A	N/A
Public	N/A	N/A
Service Users	N/A	N/A
Other	N/A	N/A

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments

The review of applications across the IT estate is estimated to realise a budget reduction of £50k from 2024/25.

Signed RO

D Whelan

Signed Finance

N Harrop

Cabinet Member
Signature



Name and Date

Cllr Mushtaq

16 January 2023

Responsible Officer:	Dominic Whelan
Cabinet Member:	Clr Mushtaq
Support Officer:	Dominic Whelan

BR1 - Section A

Service Area:	CDTT
Budget Reduction Title:	Review of CDTT Operating Model including ICT

Budget Reduction Proposal - Detail and Objectives:

A review of the CDTT operating model is underway over the past couple of months.

This follows the move of the Unity ICT and Customer Services into the Council and the merger of the Unity Business Change function with the Council Transformation team and the creation of the new Directorate (Customer, Digital, Technology and Transformation).

This review is assessing the optimum approach to the model and structure of the new Directorate. However, initial indications show that some of the existing vacancies are likely to be re-purposed either for new roles or deletion. At this stage we are confident that the outcome of any new model will be able to deliver some savings and therefore this proposal declares a level of saving for 2024 and a further saving for 2025.

The review will lead to a formal proposal for change which is likely to require a Consultation with Trades Union and staff. Final outcomes of any financial impact will not be known until this work is complete, however at this stage we are confident that the proposed budget reduction should be achievable.

2022/23 Service Budget and Establishment	£000
Employees	4,336
Other Operational Expenses	1,998
Income	(2,282)
Total	4,052

Current Forecast (under) / overspend	673
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Number of posts (Full time equivalent)	81.03
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(80)	(80)	0
Proposed Staffing Reductions (FTE)	1	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	ongoing
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Section B

What impact does the proposal have on the following?

Property
Nil
Service Delivery
The aim of the work to assess a review of the operating model for the new CDTT Directorate is seeking to improve the alignment and delivery of the Directorate Services as well as ensuring that functions are right sized for the future expected demand.
Future expected outcomes
Nil
Organisation
The new operating model is considering how best to provide technology and change services internally to Council departments and services; it is intended that any impact to the Council is improved service delivery
Workforce
The proposal will require a staff consultation as this is part of a broader review of the CDTT operating model.
Communities and Service Users
Nil
Oldham Cares
Nil
Other Partner Organisations
Nil

Who are the key stakeholders?

Staff	x
Elected Members	
Residents	
Local business community	
Schools	x
Trade Unions	x
External partners (if yes please specify below)	
Oldham ICS (currently receive ICT Managed Services from the Council)	
Other Council departments (if yes please specify below)	
All Council departments will need to understand the new model for CDTT and consideration will be taken to ensuring internal service provision to Council departments is not impacted during the review and any subsequent implementation.	
Other (if yes please specify below)	
N/a	

Benefits to the organisation/staff/customers including performance improvements

Cashable savings from reduction in ICT support costs
 Better alignment and improved efficiency / improved productivity within CDTT services
 Improved customer experience

Section C**Key Risks and Mitigations**

Risk	Mitigation
Implementation of the CDTT new operating model is still subject to final outcomes and agreement to the ongoing review. Decision to take forward this proposal ahead of the review being finished, considered and agreed creates a risk that we may take a saving which then would have potentially been used for alternative options	The review is well advanced and there are a number of existing vacancies that have not been required for operational delivery and it is highly likely that some of these can be deleted, subject to formal consultation and decision making
The current vacancies that are referenced in the above row, are creating funding that is being used to offset the overspend in ICT. This overspend is due to the current financial model that is in place creating challenges to delivery of income and thus, the funding being proposed may mean there is less opportunity to help offset any future overspend.	Consideration being given to the overall financial model by Finance and work is underway to adjust the model to reduce the reliance on capital income driven by project work.
N/A	N/A

Key Development and Delivery Milestones

Milestone	Timeline
CDTT Operating Model review completes Review outcomes and produce decision report for any changes and take through governance	February 2023 March / April 2023
Staff Consultation on any outcome of the review that results in proposals to change staffing structure	April – June 2023
Implementation of new model	July to September 2023

Section D

Consultation required?	Yes	
	Start	Conclusion
Staff	TBC – Not before Apr 23	
Trade Union	as above	
Public	N/A	N/A
Service Users	As above	
Other	N/A	N/A

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
The review of the current operating model is expected to achieve a staffing saving of £80k from 2023/24 and an additional £80k in 2024/25.

Signed RO	D Whelan
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Signed Finance	N Harrop
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Cabinet Member Signature		
Name and Date	Cllr Mushtaq	16 January 2023

Responsible Officer:	Dominic Whelan
Cabinet Member:	Clr Mushtaq
Support Officer:	Dominic Whelan

BR1 - Section A

Service Area:	Transformation
Budget Reduction Title:	CDTT operating model review and implementation of Transformation changes

Budget Reduction Proposal - Detail and Objectives:

A review of the CDTT operating model is underway over the past couple of months.

This follows the move of the Unity ICT and Customer Services into the Council and the merger of the Unity Business Change function with the Council Transformation team and the creation of the new Directorate (Customer, Digital, Technology and Transformation).

This review is assessing the optimum approach to the model and structure of the new Directorate. However, initial indications show that some of the existing vacancies are likely to be re-purposed either for new roles or deletion. At this stage we are confident that the outcome of any new model will be able to deliver some savings and therefore this proposal declares a level of saving for 2024 and a further saving for 2025 linked to the previous Unity Business Change Services

The review will lead to a formal proposal for change which is likely to require a Consultation with Trades Union and staff. Final outcomes of any financial impact will not be known until this work is complete, however at this stage we are confident that the proposed budget reduction should be achievable as the posts concerned are ex Unity Partnership Ltd and not being used currently.

2022/23 Service Budget and Establishment	£000
Employees	1,505
Other Operational Expenses	10
Income	0
Total	1,515

Current Forecast (under) / overspend	(237)
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Number of posts (Full time equivalent)	26
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(145)	(145)	0
Proposed Staffing Reductions (FTE)	3	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	ongoing
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Section B

What impact does the proposal have on the following?

Property
Nil
Service Delivery
The aim of the work to assess a review of the operating model for the new CDTT Directorate is seeking to improve the alignment and delivery of the Directorate Services as well as ensuring that functions are right sized for the future expected demand.
Future expected outcomes
Nil
Organisation
The new operating model is considering how best to provide technology and change services internally to Council departments and services; it is intended that any impact to the Council is improved service delivery
Workforce
The proposal will require a staff consultation as this is part of a broader review of the CDTT operating model.
Communities and Service Users
Nil
Oldham Cares
Nil
Other Partner Organisations
Nil

Who are the key stakeholders?

Staff	x
Elected Members	
Residents	
Local business community	
Schools	
Trade Unions	x
External partners (if yes please specify below)	
N/a	
Other Council departments (if yes please specify below)	
All Council departments will need to understand the new model for CDTT and consideration will be taken to ensuring internal service provision to Council departments is not impacted during the review and any subsequent implementation.	
Other (if yes please specify below)	
N/a	

Benefits to the organisation/staff/customers including performance improvements

Savings from reduction in staffing – for Transformation this is likely to be linked to ex Unity Partnership Ltd posts.
Better alignment and improved efficiency / improved productivity within CDTT services
Improved customer experience

Section C

Key Risks and Mitigations

Risk	Mitigation
Implementation of the CDTT new operating model is still subject to final outcomes and agreement to the ongoing review. Decision to take forward this proposal ahead of the review being finished, considered and agreed creates a risk that we may take a saving which then would have potentially been used for alternative options	The review is well advanced and there are a number of existing vacancies that have not been required for operational delivery and it is highly likely that some of these can be deleted, subject to formal consultation and decision making
The current vacancies that are referenced in this proposal are within the legacy Unity Business Change Services. This was an unfunded part of the organisation and therefore any saving would materialise in reduction in the reserves which are currently allocated to cover these costs	Consideration being given to the overall financial model by Finance and work is underway to adjust the model.
N/A	N/A

Key Development and Delivery Milestones

Milestone	Timeline
CDTT Operating Model review completes Review outcomes and produce decision report for any changes and take through governance	February 2023 March / April 2023
Staff Consultation on any outcome of the review that results in proposals to change staffing structure	April – June 2023
Implementation of new model	July to September 2023

Section D

Consultation required?	Yes
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	Start	Conclusion
Staff	TBC – not before Apr 23	
Trade Union	as above	
Public	N/A	N/A
Service Users	As above	
Other		

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
The review of the current operating model is expected to achieve a staffing saving of £145k from 2023/24 and an additional £145k in 2024/25. The total saving is £290k and the reduction will be from the staffing budget

Signed RO	D Whelan
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Signed Finance	N Harrop
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Cabinet Member Signature	
Name and Date	Cllr Mushtaq 16 January 2023

Responsible Officer:	Liz Drogan
Cabinet Member:	CLlr S Mushtaq
Support Officer:	Liz Drogan

BR1 - Section A

Service Area:	Civic and Political Support
Budget Reduction Title:	Cease the Provision of a Meal prior to Council Meetings

Budget Reduction Proposal - Detail and Objectives:

The proposal is to cease the provision of x6 Council teas on the day of Full Council for elected Members (£6.9k) and amend the catering provision at Annual Council saving (£3.1k).

2022/23 Service Budget and Establishment

	£000
Employees	420
Other Operational Expenses	189
Income	0
Total	609

Current Forecast (under) / overspend

	(81)
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Number of posts (Full time equivalent)

	10
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(10)	0	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?

	On-going
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Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
None
Future expected outcomes
None
Organisation
None
Workforce
None
Communities and Service Users
None
Oldham Cares
None
Other Partner Organisations
None

Who are the key stakeholders?

Staff	N/A
Elected Members	Yes
Residents	N/A
Local business community	N/A
Schools	N/A
Trade Unions	N/A
External partners (if yes please specify below)	N/A
N/a	
Other Council departments (if yes please specify below)	Yes
Schools Catering	
Other (if yes please specify below)	N/A
N/a	

Benefits to the organisation/staff/customers including performance improvements

A reduction in spend and an ongoing saving of £10,000.

Section C

Key Risks and Mitigations

Risk	Mitigation
Challenges from Opposition Members	Explanation of the proposal to Opposition Members in light of the budget challenge being faced by the Council.
N/a	N/a
N/a	N/a

Key Development and Delivery Milestones

Milestone	Timeline
To cease the provision of a food offer prior to Council meetings from the New Municipal Year May 2023	May 2023
To determine the appropriate catering offer for Annual Council	April 2023
N/a	N/a

Section D

Consultation required?	No
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	Start	Conclusion
Staff	N/A	N/A
Trade Union	N/A	N/A
Public	N/A	N/A
Service Users	N/A	N/A
Other	N/A	N/A

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
The proposed budget reduction to cease providing Council teas and amend the catering offer at Annual Council will generate a saving of £10,000 from 2023/24.

Signed RO	L Drogan
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Signed Finance	N Harrop
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Cabinet Member Signature	
Name and Date	Cllr Mushtaq 16 January 2023

Responsible Officer:	Paul Entwistle
Cabinet Member:	CLr Mushtaq
Support Officer:	Liz Drogan

BR1 - Section A

Service Area:	Democratic Services
Budget Reduction Title:	Democratic Services Review

Budget Reduction Proposal - Detail and Objectives:

To undertake a review of Democratic Services budgets and ways of working including Constitutional and Civic and Political support.

2022/23 Service Budget and Establishment

	£000
Employees	420
Other Operational Expenses	189
Income	0
Total	609

Current Forecast (under) / overspend

(81)

Number of posts (Full time equivalent)

10

	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(85)	(33)	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?

Ongoing

Section B

What impact does the proposal have on the following?

Property
n/a
Service Delivery
The impact of the savings would affect service delivery and support
Future expected outcomes
Working smarter and utilising in-house resources
Organisation
Some extra reliance on in-house services to provide support where required e.g. Comms, policy
Workforce
n/a
Communities and Service Users
n/a
Oldham Cares
n/a
Other Partner Organisations
n/a

Who are the key stakeholders?

Staff	No
Elected Members	Yes
Residents	No
Local business community	No
Schools	No
Trade Unions	No
External partners (if yes please specify below)	No
N/a	
Other Council departments (if yes please specify below)	Yes
All	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

The costs savings will contribute to the Council's budget savings

Section C

Key Risks and Mitigations

Risk	Mitigation
Not to deliver required savings	To ensure a wide review is undertaken and consultation takes place within
N/A	N/A
N/A	N/A

Key Development and Delivery Milestones

Milestone	Timeline
The budget Civic and Political and Constitutional Services to be reduced to reflect minimal spend over last few years on room hire, training, transport, marketing, conferences, and subscription. The reduction in budget would also necessitate all electronic agendas.	May 2023
N/a	N/a

Section D

Consultation required?	Yes
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	Start	Conclusion
Staff	TBC	TBC
Trade Union	TBC	TBC
Public	TBC	TBC
Service Users	TBC	TBC
Other	TBC	TBC

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
The proposed reduction within Democratic Services is £118k. This is profiled as £85k from 2023/24 and a further £33k saving identified from 2024/25.

Signed RO	L Drogan
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Signed Finance	N Harrop
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Cabinet Member Signature	
Name and Date	Cllr Mushtaq 16 January 2023

Cllr Roberts

Cabinet Member for Neighbourhoods

Responsible Officer:	Neil Consterdine
Cabinet Member:	CLlr H Roberts
Support Officer:	Simon Shuttleworth

BR1 - Section A

Service Area:	District Teams
Budget Reduction Title:	Reduction in Councillor Ward budgets

Budget Reduction Proposal - Detail and Objectives:

Elected Members Ward Budgets

- £300,000 of the operational budget administered by the District Teams relates to the Ward budgets available to Local Members for small local schemes and grants to communities. This equates to £5,000 for each of the 60 Ward Members.
- It is proposed to reduce this budget by 20% which would mean each Ward Member would receive a reduced amount of £4000 per year, a £1,000 reduction with an overall saving of £60,000.

2022/23 Service Budget and Establishment

	£000
Employees	0
Other Operational Expenses	300
Income	0
Total	300

Current Forecast (under) / overspend

	0
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Number of posts (Full time equivalent)

	0
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(60)	0	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?

	Ongoing
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Section B

What impact does the proposal have on the following?

Property
N/A
Service Delivery
Local Ward Members would still have an allocation albeit a reduced amount.
Future expected outcomes
N/A
Organisation
N/A
Workforce
N/A
Communities and Service Users
A proportion of the Councillor funding is used to support activity delivered by local community organisations. The proportion varies from Ward to Ward, and from year to year. Given the small amount (up to £3,000 per Ward maximum), availability of alternative grant funding sources, and dispersed nature of the funding, the overall impact is expected to be low.
Oldham Cares
N/A
Other Partner Organisations
N/A

Who are the key stakeholders?

Staff	
Elected Members	X
Residents	
Local business community	
Schools	
Trade Unions	
External partners (if yes please specify below)	
N/a	
Other Council departments (if yes please specify below)	
N/a	
Other (if yes please specify below)	
N/a	

Benefits to the organisation/staff/customers including performance improvements

N/A

Section C**Key Risks and Mitigations**

Risk	Mitigation
Lower budgets for Elected Members to align to community Action and groups	Work with community organisations to seek other small pots of funding Communicate to all Ward Members the reduction
N/a	N/a
N/a	N/a

Key Development and Delivery Milestones

Milestone	Timeline
Reduction of Councillor budget for new financial year – new allocations to be £4,000 per Member.	April 2023

Section D

Consultation required?	None
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	Start	Conclusion
Staff	N/a	N/a
Trade Union	N/a	N/a
Public	N/a	N/a
Service Users	N/a	N/a
Other	N/a	N/a

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
The proposal to reduce the ward members budget will realise a budget reduction of £60k from 2023/24 onwards.

Signed RO	N Consterdine
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Signed Finance	N Harrop
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Cabinet Member Signature		
Name and Date	Cllr Roberts	16 January 2023

Responsible Officer:	Nasir Dad
Cabinet Member:	Cllr H Roberts
Support Officer:	Glenn Dale

BR1 - Section A

Service Area:	Environmental Services
Budget Reduction Title:	Reshape Bonfire Event

Budget Reduction Proposal - Detail and Objectives:

The proposal is to review feedback from local communities following recent bonfire events at Oldham Edge – with a view to considering a new approach closer to the town centre and parking facilities.

2022/23 Service Budget and Establishment	£000
Employees	6,924
Other Operational Expenses	3,590
Income	(3,001)
Total	7,513

Current Forecast (under) / overspend	(221)
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Number of posts (Full time equivalent)	227.23
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(25)	0	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	ongoing
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Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
None
Future expected outcomes
Reshaped event could result in greater footfall with additional economic benefits for local businesses, whilst resulting in financial savings for the council in terms of event cost.
Organisation
As above
Workforce
None
Communities and Service Users
There could be reputational impact based on what the residents have been accustomed to, but this could be mitigated through enhanced experienced at the revised event.
Oldham Cares
N/A
Other Partner Organisations
GMFRS may use this opportunity to review the £5k contribution they make to this event to encourage communities to withhold from having their own bonfire and firework display (however it is noted that this funding is never guaranteed)

Who are the key stakeholders?

Staff	
Elected Members	
Residents	x
Local business community	
Schools	
Trade Unions	
External partners (if yes please specify below)	
N/a	
Other Council departments (if yes please specify below)	x
Arts & Entertainment, Environmental Management	
Other (if yes please specify below)	x
GMFRS	

Benefits to the organisation/staff/customers including performance improvements

Financial savings (event preparation and staff overtime)
 Increased business activity if event moved to the town centre
 Environmental improvements if bonfire stopped

Section C**Key Risks and Mitigations**

Risk	Mitigation
Loss of reputation	This could be covered through increased comms, indicating the positive impact of not burning wood i.e. clean air and by a revised event based around the centre and the fireworks display
Potential increase in more individual bonfires	Whilst still retaining the firework display, we would need to increase the comms to ensure people feel that it is beneficial to visit an organised display rather than holding their own event.

Key Development and Delivery Milestones

Milestone	Timeline
Agree Date of Firework display	Proposed 2 nd Nov 2023
April/ May 2023	Commence provisional booking of display and associated safety features.
June – October 2023	Firm up the details of the display and what the artists are to provide. Encourage volunteer participation, increase comms messaging.
Pre event Early Nov 2023	Set up event ground

Section D

Consultation required?	No
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	Start	Conclusion
Staff	N/a	N/a
Trade Union	N/a	N/a
Public	N/a	N/a
Service Users	N/a	N/a
Other	N/a	N/a

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
The service realignment is expected to achieve the saving identified.

Signed RO	Nasir Dad
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Signed Finance	James Postle
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Cabinet Member Signature		
Name and Date	Cllr Roberts	16 January 2023

Responsible Officer:	Nasir Dad
Cabinet Member:	CLlr H Roberts
Support Officer:	Glenn Dale

BR1 - Section A

Service Area:	Environmental Services
Budget Reduction Title:	Don't Trash Oldham Betterment Programme

Budget Reduction Proposal - Detail and Objectives:

The Betterment work currently being undertaken as part of the Don't Trash Oldham programme will cease in October 2023 once the agreed programme ends.

This will result in a service review to determine the optimum operating model for legacy work and may result in a different service model moving forward which will focus on compliance and enforcement as suggested in the 'Public Protection DTO savings'.

2022/23 Service Budget and Establishment

	£000
Employees	6,913
Other Operational Expenses	3,662
Income	(3,076)
Total	7,498

Current Forecast (under) / overspend	(257)
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Number of posts (Full time equivalent)	227.23
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(112)	(335)	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	Ongoing
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Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
The service will need to be redesigned to reflect the end of the DTO programme.
Future expected outcomes
Delivering a reactive service, boroughwide and anticipating learning & improvement from DTO is embedded.
Organisation
Revised service delivery
Workforce
Given the ending of DTO, there will be a need to change the approach to service delivery and undertake a review
Communities and Service Users
The residents and communities of Oldham will have to get used to a different approach – more reactive in service delivery. Risk based and public health driven.
Oldham Cares
None
Other Partner Organisations
None

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	Yes
Local business community	Yes
Schools	No
Trade Unions	No
External partners (if yes please specify below)	No
N/a	
Other Council departments (if yes please specify below)	Yes
Enforcement	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

The learning and impact of two years of the DTO programme should be embedded and realised. The revised service delivery will ensure we continue to meet resident and borough needs.

Section C

Key Risks and Mitigations

Risk	Mitigation
Improvements achieved through DTO are not maintained and this results in an increase in waste/fly tipping and litter	<p>Increase communications – education and awareness</p> <p>Residents are responsible for the disposal of their rubbish but can't be held accountable for criminal activity (illegal fly tipping), especially if this is commercial or from sources outside the borough.</p> <p>Refer to enforcement proposals to enhance this Council service as part of the mitigation. Together with ongoing dialogue with landlords to ensure their role is clear in preventing this activity.</p> <p>Also work with Communities Team to engage / capacity build resident and volunteer groups to support litter picking and area/environmental improvement with transition support from Council teams to provide knowledge and equipment allow this activity to commence safely.</p>

Key Development and Delivery Milestones

Milestone	Timeline
The current Betterment campaign concludes in September/October 2023 – by this time, considered a revised service delivery model and worked with service areas to implement the new ways of working	late 2023

Section D

Consultation required?	No
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	Start	Conclusion
Staff	N/a	N/a
Trade Union	N/a	N/a
Public	N/a	N/a
Service Users	N/a	N/a
Other	N/a	N/a

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
It is currently anticipated that the proposal will be able to achieve the savings identified.

Signed RO	Nasir Dad
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Signed Finance	James Postle
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Cabinet Member Signature		
Name and Date	Cllr Roberts	16 January 2023

Responsible Officer:	Nasir Dad
Cabinet Member:	Cllr H Roberts
Support Officer:	Neil Crabtree

BR1 - Section A

Service Area:	Public Protection
Budget Reduction Title:	Don't Trash Oldham - Refocus fly-tipping enforcement activity

Budget Reduction Proposal - Detail and Objectives:

On completion of the DTO programme later this year, the proposal is to re-purpose the fly-tipping enforcement activity as a result of the lessons learned and community feedback over the last 2 years. This will enable the service to be reconfigured so the team can focus their activity on preventing and prosecuting commercial fly-tippers with better use of technology such as CCTV and increase the resource to patrol locations and remove any dumped waste as soon as possible.

In addition to the above, the team will continue engagement work with other Council and partner organisations to embed the necessary behavioural change across neighbourhoods, whilst still retaining the capacity to undertake responsive fly-tipping removal, investigation and where appropriate, legal action.

Furthermore, the change will also create another responsive pick-up team of 2 X operatives and a caged vehicle to ensure reported incidents are responded to as soon as possible and dependant on location, the waste removed.

The other proposal is to enhance the pest control service by the recruitment of an extra pest control operative to complement the existing team of two. This will ensure that the commercial contracts of the service can be delivered as well as responding to service requests from members of the public.

2022/23 Service Budget and Establishment	£000
Employees	4,544
Other Operational Expenses	780
Income	(4,158)
Total	1,166

Current Forecast (under) / overspend	(58)
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Number of posts (Full time equivalent)	109.43
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	0	(250)	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	ongoing
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Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
See above
Future expected outcomes
The refocusing of the enforcement activity relating to fly-tipping will impact on the number of Fixed Penalty Notices issued, and therefore, revenue generated. However, the team will focus its efforts at the commercial fly-tipping issues across the Borough ensuring prosecution cases are taken where evidence is obtained.
Organisation
Officers from the service will still engage and utilise the mechanisms being developed and be actively involved in the place based solution approach.
Workforce
None
Communities and Service Users
Creating capacity to be better able to respond to fly-tipping complaints, removal of waste and to also support pest control capacity
Oldham Cares
None
Other Partner Organisations
None

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	Yes
Local business community	Yes
Schools	
Trade Unions	Yes
External partners (if yes please specify below)	
N/a	
Other Council departments (if yes please specify below)	Yes
Districts	
Other (if yes please specify below)	
N/a	

Benefits to the organisation/staff/customers including performance improvements

The enforcement team will focus on investigations of fly-tipping at a commercial scale making sure the criminals are prosecuted where evidence can be obtained. Establishing an extra team of 2 operatives and a caged vehicle will ensure a more responsive reaction to reports, with any fly-tipped waste removed faster.

The establishment and recruitment of an extra pest control officer will ensure a more responsive service for residents and commercial business owners alike.

Section C

Key Risks and Mitigations

Risk	Mitigation
Refocusing on commercial fly-tipping may reduce the effectiveness of enforcement for residential fly-tipping possibly leading to a reduction in the fixed penalty notice revenue.	Recruitment of 3 front line officers across the proposal and merging the management responsibilities enables the continued delivery demanded by residents whilst the focus is shifted towards enforcement of fly-tipping at a commercial scale and persistent offenders.

Key Development and Delivery Milestones

Milestone	Timeline
New approach to waste enforcement and service delivery	Aim to have in place by April 2023
Recruitment to new posts 2 Environmental operatives and procurement of additional vehicle 1 additional Pest Control Officer	Aim to have in place by April 2023

Section D

Consultation required?	No
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	Start	Conclusion
Staff	N/a	N/a
Trade Union	N/a	N/a
Public	N/a	N/a
Service Users	N/a	N/a
Other	N/a	N/a

Equality Impact Screening

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

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

Section E

Finance comments
It is currently anticipated that the delivery of the proposals will generate the budget reductions identified.

Signed RO	Nasir Dad
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Signed Finance	James Postle
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Cabinet Member Signature	
Name and Date	Cllr Roberts 16 January 2023

Reference:	PEG-BR1-638
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Responsible Officer:	Nasir Dad
Cabinet Member:	CLlr H Roberts
Support Officer:	Glenn Dale

BR1 - Section A

Service Area:	Environmental Services
Budget Reduction Title:	Increase Fees in Cemeteries and Crematoria Service

Budget Reduction Proposal - Detail and Objectives:

The proposal is to increase fees for use of Oldham cemeteries and crematoria inline with inflation. This is to ensure service provision is maintained.

2022/23 Service Budget and Establishment	£000
Employees	6,913
Other Operational Expenses	3,662
Income	(3,076)
Total	7,499

Current Forecast (under) / overspend	(257)
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Number of posts (Full time equivalent)	227.23
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(228)	0	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	One off
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Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
None
Future expected outcomes
Increased income but there is a risk that some funeral services could move from Oldham to neighbouring authorities, resulting in a potential reduction in income. However, it is expected that neighbouring authorities are also reviewing the budget plans to increase their fees in a similar manner, therefore impact unlikely
Organisation
None
Workforce
None
Communities and Service Users
Community / user response may well be negative given the proposed increases.
Oldham Cares
None
Other Partner Organisations
None

Who are the key stakeholders?

Staff	No
Elected Members	No
Residents	Yes
Local business community	Yes
Schools	No
Trade Unions	No
External partners (if yes please specify below)	No
N/a	
Other Council departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

Additional income to the Service/Council

Section C**Key Risks and Mitigations**

Risk	Mitigation
Residents and Funeral Directors choose to use alternative GM facilities	Ensure excellent levels of customer service / slot allocation

Key Development and Delivery Milestones

Milestone	Timeline
Increases to take place from New Financial year	April 1 st 2023

Section D

Consultation required?	No
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	Start	Conclusion
Staff	N/a	N/a
Trade Union	N/a	N/a
Public	N/a	N/a
Service Users	N/a	N/a
Other	N/a	N/a

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	Yes
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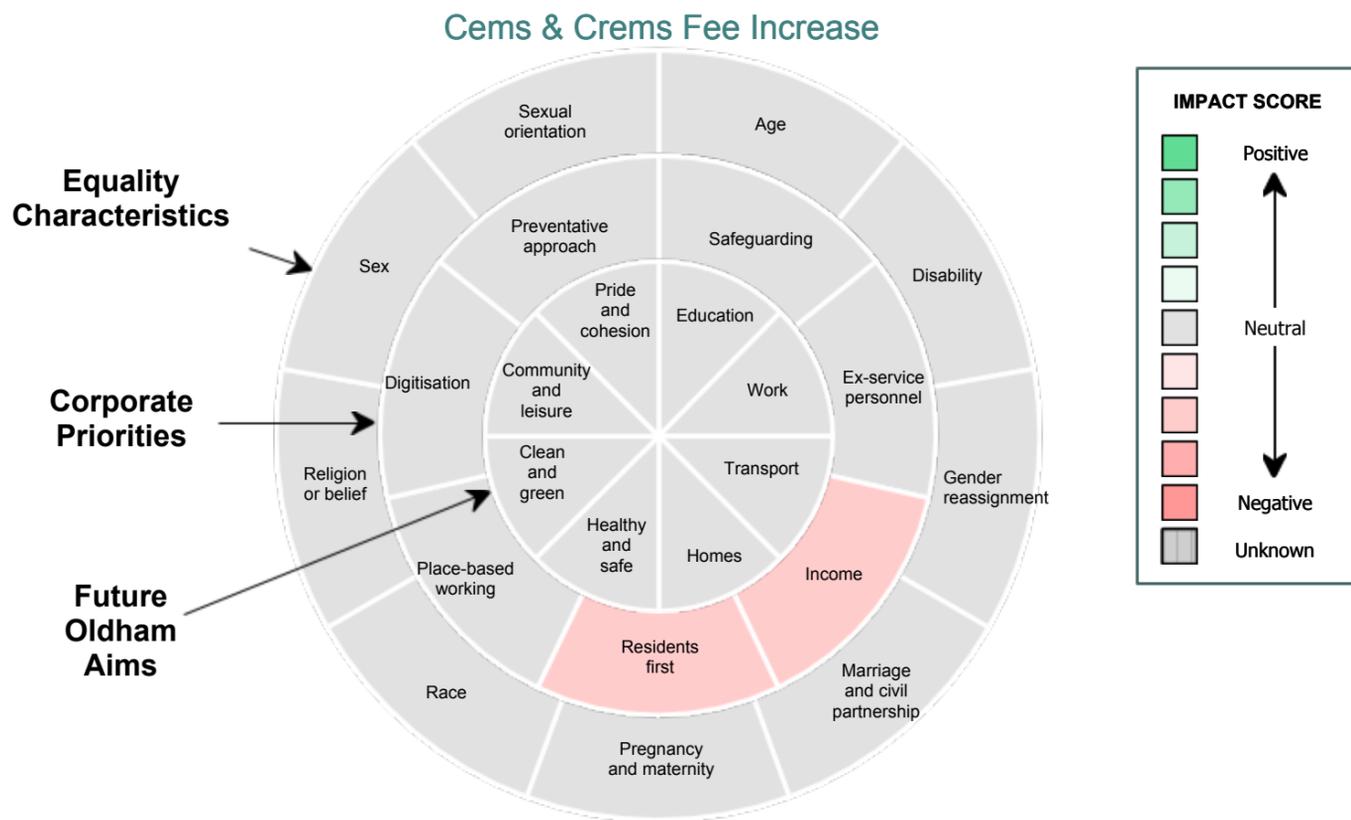
Section E

Finance comments
The proposed increase in Fees is expected to achieve the saving identified.

Signed RO	Nasir Dad
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Signed Finance	James Postle
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Cabinet Member Signature		
Name and Date	Cllr Roberts	16 January 2023



Cems & Creds Fee Increase				
	Impact	Likelihood	Duration	Comment
Equality Characteristics				
Age	Neutral	Very Likely	Long Term	
Disability	Neutral	Very Likely	Long Term	
Gender reassignment	Neutral	Very Likely	Long Term	
Marriage and civil partnership	Neutral	Very Likely	Long Term	
Pregnancy and maternity	Neutral	Very Likely	Long Term	
Race	Neutral	Very Likely	Long Term	
Religion or belief	Neutral	Very Likely	Long Term	
Sex	Neutral	Very Likely	Long Term	
Sexual orientation	Neutral	Very Likely	Long Term	
Corporate Priorities				
Safeguarding	Neutral	Very Likely	Long Term	
Ex-service personnel	Neutral	Very Likely	Long Term	
Income	Moderate Negative	Possible	Long Term	This could prevent those with limited income affording the services
Residents first	Moderate Negative	Possible	Long Term	This could have a negative effect on how the council is perceived potentially leading to reputational damage.
Place-based working	Neutral	Very Likely	Long Term	
Digitisation	Neutral	Very Likely	Long Term	
Preventative approach	Neutral	Very Likely	Long Term	
Future Oldham Aims				
Education	Neutral	Very Likely	Long Term	
Work	Neutral	Very Likely	Long Term	
Transport	Neutral	Very Likely	Long Term	
Homes	Neutral	Very Likely	Long Term	
Healthy and safe	Neutral	Very Likely	Long Term	
Clean and green	Neutral	Very Likely	Long Term	
Pride and cohesion	Neutral	Very Likely	Long Term	
Communities and leisure	Neutral	Very Likely	Long Term	

Responsible Officer:	Nasir Dad
Cabinet Member:	CLlr H Roberts
Support Officer:	Glenn Dale

BR1 - Section A

Service Area:	Environmental Services
Budget Reduction Title:	Increase Fees for Community Pitch Hire

Budget Reduction Proposal - Detail and Objectives:

Environmental Services manages the bookings for all council owned grass sports pitches. Each year, through the Fees & Charges report, increases are made to reflect ongoing maintenance of such facilities.

This increase, which will generate additional income of around £4K

2022/23 Service Budget and Establishment	£000
Employees	6,913
Other Operational Expenses	3,662
Income	(3,076)
Total	7,499

Current Forecast (under) / overspend	(257)
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Number of posts (Full time equivalent)	227.23
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(4)	0	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	Ongoing
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Section B

What impact does the proposal have on the following?

Property
No
Service Delivery
No
Future expected outcomes
Increase in income
Organisation
Reputational risk of increasing fees
Workforce
No
Communities and Service Users
This could be met with a negative viewpoint from the community and sports clubs who make the bookings as any increase will have to be passed on to their members/residents. However, without this increase, communities may suffer from a lower level of maintenance impacting on their activities.
Oldham Cares
No
Other Partner Organisations
No

Who are the key stakeholders?

Staff	No
Elected Members	No
Residents	Yes
Local business community	No
Schools	No
Trade Unions	No
External partners (if yes please specify below)	No
N/a	
Other Council departments (if yes please specify below)	Yes
Corporate Landlord	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

Additional income

Section C**Key Risks and Mitigations**

Risk	Mitigation
Reputational Risk	Continue to ensure quality / maintenance of the sports pitches, demonstrating value for money.

Key Development and Delivery Milestones

Milestone	Timeline
Issue of new contracts	June- July 2023

Section D

Consultation required?	No
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	Start	Conclusion
Staff	N/a	N/a
Trade Union	N/a	N/a
Public	N/a	N/a
Service Users	N/a	N/a
Other	N/a	N/a

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	Yes
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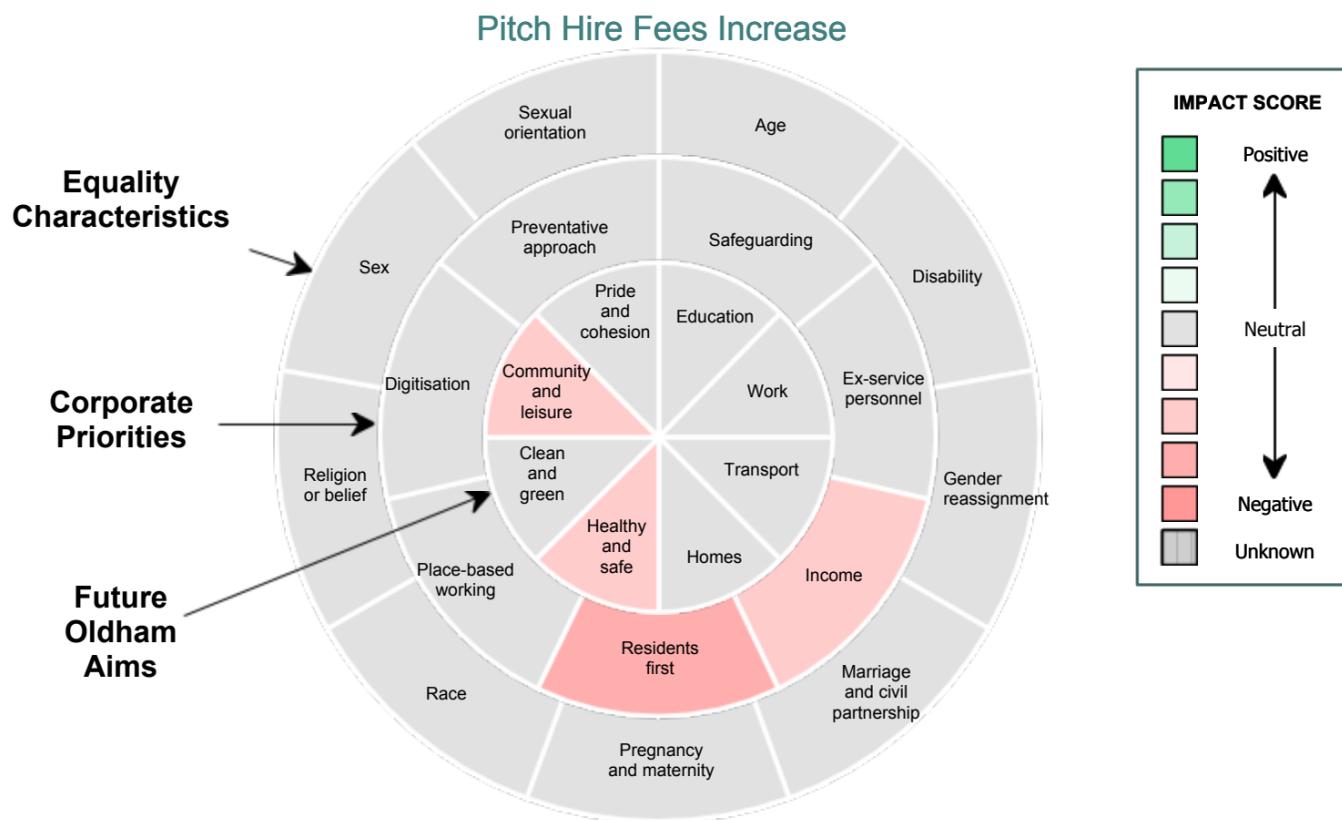
Section E

Finance comments
The proposed increase in charges for pitch hire is expected to achieve the saving identified.

Signed RO	Nasir Dad
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Signed Finance	James Postle
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Cabinet Member Signature		
Name and Date	Cllr Roberts	16 January 2023



Pitch Hire Fees Increase				
	Impact	Likelihood	Duration	Comment
Equality Characteristics				
Age	Neutral	Very Likely	Long Term	
Disability	Neutral	Very Likely	Long Term	
Gender reassignment	Neutral	Very Likely	Long Term	
Marriage and civil partnership	Neutral	Very Likely	Long Term	
Pregnancy and maternity	Neutral	Very Likely	Long Term	
Race	Neutral	Very Likely	Long Term	
Religion or belief	Neutral	Very Likely	Long Term	
Sex	Neutral	Very Likely	Long Term	
Sexual orientation	Neutral	Very Likely	Long Term	
Corporate Priorities				
Safeguarding	Neutral	Very Likely	Long Term	
Ex-service personnel	Neutral	Very Likely	Long Term	
Income	Moderate Negative	Possible	Long Term	Any increase in the charges could have a negative impact on those people who may find the increased charges more difficult to pay.
Residents first	Moderate Negative	Very Likely	Long Term	Residents on lesser income may impact on our relationships with the council
Place-based working	Neutral	Very Likely	Long Term	
Digitisation	Neutral	Very Likely	Long Term	
Preventative approach	Neutral	Very Likely	Long Term	
Future Oldham Aims				
Education	Neutral	Very Likely	Long Term	
Work	Neutral	Very Likely	Long Term	
Transport	Neutral	Very Likely	Long Term	
Homes	Neutral	Very Likely	Long Term	
Healthy and safe	Moderate Negative	Possible	Long Term	This could prevent those with limited income the benefit of accessing sport and recreation.
Clean and green	Neutral	Very Likely	Long Term	
Community and leisure	Moderate Negative	Possible	Long Term	This could prevent those with limited income the benefit of accessing sport and recreation.
Pride and cohesion	Neutral	Very Likely	Long Term	

Responsible Officer:	Nasir Dad
Cabinet Member:	CLlr H Roberts
Support Officer:	Neil Crabtree

BR1 - Section A

Service Area:	Public Protection
Budget Reduction Title:	Develop Building Control shared response with other Local Authorities

Budget Reduction Proposal - Detail and Objectives:

It is proposed to explore the viability of sharing the Building Control service across other Councils in Greater Manchester and develop a service that can compete in the marketplace, attracting more income as a result.

This is at its initial stages with discussions ongoing at Director level across GM given significant pressures on building control services and lack of public sector officers in this field, and a feasibility study commissioned from the national body that represents Local Authority Building Control – LABC.

Oldham needs to ensure that its service structure is fully staffed (latest proposal currently out for consultation) before considering any partnering opportunities.

Viability of this proposal could be affected by significant challenge of recruiting suitably qualified staff and the implications of the Building Safety Act 2022, but based on initial discussions, could result in an increase of £100k in extra income as opportunities arise from 2024/25.

2022/23 Service Budget and Establishment	£000
Employees	4,544
Other Operational Expenses	780
Income	(4,158)
Total	1,166

Current Forecast (under) / overspend	(58)
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Number of posts (Full time equivalent)	109.43
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	0	(100)	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	Ongoing
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Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
Improve the delivery of the discretionary Building Control function by competing in the marketplace for a larger share of the work against the approved inspector.
Future expected outcomes
Increased share in the market and better standards across the sector
Organisation
None
Workforce
The proposal hinges on the successful recruitment to the structure in Oldham and the development of a different service model across GM partners
Communities and Service Users
Increased use of a Building control service that can compete in the private marketplace
Oldham Cares
N/A
Other Partner Organisations
Dependant on GM partners

Who are the key stakeholders?

Staff	Yes
Elected Members	Yes
Residents	Yes
Local business community	Yes
Schools	
Trade Unions	Yes
External partners (if yes please specify below)	Yes
Other GM authorities and LABC	
Other Council departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

An improved service delivery offering greater capacity should the above plans be realised. Additional income to Oldham Council on the back of a successful expansion/partnering.

Section C**Key Risks and Mitigations**

Risk	Mitigation
Inability to recruit to the staffing structure due to salaries being offered in the private sector	Attempt to model across GM with competitive salaries and benefits
Inability to partner with other Local Authorities in GM	Feasibility study being commissioned at Director level in conjunction with LABC to explore options

Key Development and Delivery Milestones

Milestone	Timeline
Implement revised Building Control structure for Oldham and recruit to vacant posts	April 2023
Completion of the LABC feasibility study looking at options for GM going forward	Summer 2023

Section D

Consultation required?	No
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	Start	Conclusion
Staff	N/a	N/a
Trade Union	N/a	N/a
Public	N/a	N/a
Service Users	N/a	N/a
Other	N/a	N/a

Equality Impact Screening

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

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

Section E

Finance comments
The achievement of the saving from developing a shared Building Control response will be dependent on the outcome of the ongoing discussions and feasibility report. Subject to these, the proposals are achievable.

Signed RO	Nasir Dad
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Signed Finance	James Postle
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Cabinet Member Signature		
Name and Date	Cllr Roberts	16 January 2023

Responsible Officer:	Nasir Dad
Cabinet Member:	Cllr Hannah Roberts
Support Officer:	Craig Dale

BR1 - Section A

Service Area:	Waste Management
Budget Reduction Title:	Income Generation – Trade Waste

Budget Reduction Proposal - Detail and Objectives:

A 10% increase on current trade waste charges would ensure trade waste operations are competitive in the market. As part of this increase, we are mindful of the increase in disposal costs that the council have to pay as part of the levy which is also increasing in the years 23/24 & 24/25.

2022/23 Service Budget and Establishment	£000
Employees	3,509
Other Operational Expenses	2,213
Income	(1,811)
Total	3,911

Current Forecast (under) / overspend	0
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Number of posts (Full time equivalent)	78.5
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	(120)	0	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	Ongoing
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Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
The service will continue to deliver a trade waste collection to businesses within Oldham and other parts of Greater Manchester.
Future expected outcomes
The trade waste function will continue to provide a source of income for the Council. Whilst providing local businesses with a waste removal service which disposes of waste in line with Greater Manchester Combined Authority's domestic and trade waste which maximises recycling within all waste streams.
Organisation
As above
Workforce
Within Waste Management there are dedicated workers on trade waste rounds. The service will continue to operate these rounds to maintain a comprehensive trade waste service.
Communities and Service Users
The 10% increase could be significant for businesses but reflects wider increases in all operations and materials
Oldham Cares
None
Other Partner Organisations
None

Who are the key stakeholders?

Staff	No
Elected Members	No
Residents	No
Local business community	Yes
Schools	No
Trade Unions	No
External partners (if yes please specify below)	Yes
Greater Manchester Combined Authority	
Other Council departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

Increasing the prices for trade waste will increase revenue for the Council but will also result in additional disposal costs.

Section C**Key Risks and Mitigations**

Risk	Mitigation
A rise of 10% could be difficult for businesses who are already facing financial challenges amidst a Cost of Living crisis. The risk could be that businesses cancel their contracts due to the increase in costs.	No particular mitigation – increases are needed to cover disposal costs and are in alignment with competitors.

Key Development and Delivery Milestones

Milestone	Timeline
2023/24 trade waste invoices issued	March 2023
Last day of cancellations	31 March 2023
Financial overview of the year and implications/impact of cancellations can be fully reviewed (This is due to internal charges which also have to be administered)	August 2023

Section D

Consultation required?	No
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	Start	Conclusion
Staff	N/a	N/a
Trade Union	N/a	N/a
Public	N/a	N/a
Service Users	N/a	N/a
Other	N/a	N/a

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
It is currently anticipated that the increase in Trade Waste charges will enable the budget option to be achieved. However, Trade Waste will need to be reviewed to ensure that the current customer base is maintained following the increase in charges.

Signed RO	Nasir Dad
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Signed Finance	James Postle
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Cabinet Member Signature		
Name and Date	Cllr Roberts	16 January 2023

Responsible Officer:	Nasir Dad
Cabinet Member:	Cllr H Roberts
Support Officer:	Andy Ashton

BR1 - Section A

Service Area:	Street Lighting
Budget Reduction Title:	Variable Lighting Strategy

Budget Reduction Proposal - Detail and Objectives:

In response to the current high energy prices and the increase of our KW/hr unit rate from 8p to 26p on 1st April 2022, it is proposed to undertake a variable lighting trial to ascertain the following:

- Energy consumption reductions
- Effects of variable lighting of residential and industrial areas
- Trial variable lighting level of 50% power reduction from dusk to dawn
- Switch lights on 10 minutes later and off 10 minutes earlier as part of a 'trimming' exercise to reduce energy consumption
- Review the implementation of the variable lighting trial with a view to full implementation to reduce overall energy consumption.

Financial Implications

The current cost of electricity to run street lighting is approximately £2M a year, with the increase in electricity costs this will inevitably increase and energy costs expected to continue to rise over the coming years. The new street lighting infrastructure installed under the joint Rochdale and Oldham private finance initiative creates the potential to vary levels of street lighting using a central management system and reduce consumption.

Estimates based on the Client Monitoring Team's modelling of dimming indicate that there is the potential to reduce energy consumption by up to 40% and this is something that several local authorities have already implemented, including Rochdale.

2022/23 Service Budget and Establishment	£000
Employees	141
Other Operational Expenses	6,147
Income	(2,599)
Total	3,689

Current Forecast (under) / overspend	0
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Number of posts (Full time equivalent)	3
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	*(800)	0	0
Proposed Staffing Reductions (FTE)	0	0	0

* subject to areas of Variable lighting and unit cost of electricity

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	On-going with reviews
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Section B

What impact does the proposal have on the following?

Property
None
Service Delivery
None. The change is allowable under the signed PFI agreement with our Service Provider – Community Lighting Partnership (CLP)
Future expected outcomes
Continued reduction in energy consumption and carbon helping the Council Climate Change initiatives. Review Variable Lighting Strategy on a continuous basis taking into account energy prices as the market changes.
Organisation
None
Workforce
None
Communities and Service Users
Communities and users of the highway should not see a physical change in lighting as the levels are not being reduced beyond the proposed 50%. Any reduction in lighting output beyond this amount is noticeable to the human eye.
Oldham Cares
None
Other Partner Organisations
The change is allowable under the signed PFI agreement with our Service Provider – Community Lighting Partnership (CLP) and their sub-contractor E.ON.

Who are the key stakeholders?

Staff	
Elected Members	YES
Residents	YES
Local business community	YES
Schools	
Trade Unions	
External partners (if yes please specify below)	YES
Community Lighting Partnership (CLP) – Service Provider E.ON – Service Provider Sub-Contractor	
Other Council departments (if yes please specify below)	
N/a	
Other (if yes please specify below)	
N/a	

Benefits to the organisation/staff/customers including performance improvements

If the trial is successful and a full variable lighting strategy implemented the Council could see a reduction of up to 40% in energy consumption and carbon leading to an annual saving of approximately £800k.

The ability to vary lighting intensity and times creates an opportunity to reduce the cost of energy for street lighting, as well as associated carbon emissions. Using variable lighting levels will also reduce light pollution levels and consequently may have potentially beneficial effects for biodiversity.

Variable lighting levels and switching off street lighting are established options for local authorities looking to make energy reductions.

Section C

Key Risks and Mitigations

Risk	Mitigation
Complaints of low light levels	Any decision to vary lighting levels needs to consider the potential impacts. Street lighting plays an important role in relation to crime prevention including the operation of CCTV, and well-lit streets are likely to reduce fear of crime. Street lighting is also relevant to traffic management and road safety. Lighting is also a factor in relation to promoting the night-time economy for example in town centres. In these areas lighting will remain or return to 100% lighting levels.

Key Development and Delivery Milestones

Milestone	Timeline
Agreement to implement Variable Lighting Levels	One (1) month (from Feb 2023)
Carry out Variable Lighting Level Trial	Three (3) months
Report to Cabinet and agree full implementation of Variable Lighting Strategy across the borough	Two (2) months
Implement full Variable Lighting Strategy	One (1) month

Section D

Consultation required?	No
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	Start	Conclusion
Staff	N/a	N/a
Trade Union	N/a	N/a
Public	N/a	N/a
Service Users	N/a	N/a
Other	N/a	N/a

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
It is anticipated that the adoption of a variable lighting strategy will reduce the demand for electricity and should reduce the overall costs of the streetlighting service. The proposals will represent a saving as the expected increase in electricity costs has been provided for elsewhere in the budget setting process. The exact saving will be dependent on the fine details of the operation of the strategy and will need to be reviewed as the strategy develops, however, it is expected that the proposed saving target is achievable.

Signed RO	Nasir Dad
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Signed Finance	James Postle
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Cabinet Member Signature	
Name and Date	Cllr Roberts 16 January 2023

Responsible Officer:	Nasir Dad
Cabinet Member:	CLlr H Roberts
Support Officer:	Glenn Dale

BR1 - Section A

Service Area:	Environmental Services
Budget Reduction Title:	Review Options for Future of Remaining Glasshouse Provision

Budget Reduction Proposal - Detail and Objectives:

It is proposed to undertake a service review to determine the optimum way of configuring the Glasshouse provision within Environmental Services, which will include discussions about the possibility of creating a CIC (Community Interest Company) to take on the responsibility of running the glasshouse provision from 2025/26 financial year.

2022/23 Service Budget and Establishment	£000
Employees	6,913
Other Operational Expenses	3,662
Income	(3,076)
Total	7,498

Current Forecast (under) / overspend	(257)
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Number of posts (Full time equivalent)	227.23
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	0	(74)	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?	Ongoing
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Section B

What impact does the proposal have on the following?

Property
The property could transfer from the council to a CIC.
Service Delivery
Service delivery could be through a CIC that would charge for the provision of the floral requirements for the borough and consider a wider commercial offer to others in Oldham and across Greater Manchester.
Future expected outcomes
A contractual arrangement could need to be in place between the council and the CIC to ensure there was a guaranteed provision of the council's needs. This process needs to be worked through and the risks/challenges of a CIC determined.
Organisation
Environmental Services could lose the benefit of the glasshouses as a training facility, which would limit the opportunity for apprentices to be trained in a suitable horticultural environment.
Workforce
None
Communities and Service Users
No longer able to purchase directly from the Council, but provision could be maintained with a community focus
Oldham Cares
None
Other Partner Organisations
Oldham College who currently provide training opportunities through this facility could continue with any new CIC

Who are the key stakeholders?

Staff	Yes
Elected Members	No
Residents	Yes
Local business community	Yes
Schools	No
Trade Unions	No
External partners (if yes please specify below)	Yes
Oldham College	
Other Council departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

Consideration of a new approach to maintaining the provision while resulting in savings for the council.

Section C**Key Risks and Mitigations**

Risk	Mitigation
The CIC fails to materialise or takes longer than anticipated	Limited options for the organisation. The glasshouses could be mothballed and closed down and any council needs for flower beds could be met by going to the market.

Key Development and Delivery Milestones

Milestone	Timeline
Consider / offer out the provision to the community/interest groups and work through the options	Late 2023

Section D

Consultation required?	No
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	Start	Conclusion
Staff	N/a	N/a
Trade Union	N/a	N/a
Public	N/a	N/a
Service Users	N/a	N/a
Other	N/a	N/a

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
This budget proposal is expected to achieve the saving of £74k from the 2024/25 financial year.

Signed RO	Nasir Dad
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Signed Finance	James Postle
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Cabinet Member Signature		
Name and Date	Cllr Roberts	16 January 2023

Cllr Jabbar MBE

**Deputy Leader of the
Council and Cabinet
Member for Finance and
Low Carbon**

**Income Generation -
Increased Council Tax
Collection**

Responsible Officer:	Anne Ryans
Cabinet Member:	Cllr A Jabbar MBE
Support Officer:	Julie Smethurst

BR1 - Section A

Service Area:	Revenues and Benefits
Budget Reduction Title:	Increased Council Tax Collection

Budget Reduction Proposal - Detail and Objectives:

Increase in Council Tax Collection £606k from 2024/25

The Revenues & Benefits Service has already initiated or is giving consideration to activities to increase the % of Council Tax collected. These include residency checks for households claiming single person discount.

This will generate additional funds but such benefit will manifest itself in increased overall Council Tax resources rather than reduced net revenue expenditure.

A key element of this budget reduction proposal is the movement to the optimal use of Enforcement Contractors to collect Council Tax.

Mindful of the financial pressures currently experienced by the residents of Oldham arising from the Cost of Living Crisis, the Exceptional Hardship Payment Scheme – which supports residents who are encountering difficulties with regard to the payment of Council Tax has been increased by £130k in 2023/24. From 2024/25 the financing of this £130k will be from the increased Council Tax generated by the initiatives above.

The total increase in Council Tax expected is £736k netted down by the inclusion of the increased Exceptional Hardship Payment Scheme to £606k.

2022/23 Service Budget and Establishment

	£000
Employees	3,620
Other Operational Expenses	5,557
Income	(6,524)
Total	2,653

Current Forecast (under) / overspend

	(38)
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Number of posts (Full time equivalent)

	104
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	2023/24	2024/25	2025/26
Proposed Budget Reduction (£000)	0	(606)	0
Proposed Staffing Reductions (FTE)	0	0	0

Is your proposal a 'one-off' in 2023/24 or is it ongoing?

	ongoing
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Section B

What impact does the proposal have on the following?

Property
N/a
Service Delivery
N/a
Future expected outcomes
N/a
Organisation
N/a
Workforce
N/a
Communities and Service Users
N/a
Oldham Cares
N/a
Other Partner Organisations
N/a

Who are the key stakeholders?

Staff	No
Elected Members	Yes
Residents	Yes
Local business community	No
Schools	No
Trade Unions	No
External partners (if yes please specify below)	Yes
External Enforcement Contractors	
Other Council departments (if yes please specify below)	No
N/a	
Other (if yes please specify below)	No
N/a	

Benefits to the organisation/staff/customers including performance improvements

Increased income to fund services to residents with an additional £130k from the Exceptional Hardship Payment Scheme available to support residents in paying their Council Tax.

Section C

Key Risks and Mitigations

Risk	Mitigation
The proposal outlined in COR-BR1-644 does not deliver the anticipated increases in collection	Other initiatives such as the Single Person Discount Review and review of business rates premises are already under way
Re-procurement of the Enforcement contract does not deliver the anticipated benefits	The review will ensure the most appropriate enforcement arrangements are put in place (including the procurement of any external partner) with respect to track record, policies and procedures etc.
N/a	N/a

Key Development and Delivery Milestones

Milestone	Timeline
Outcome of existing initiatives evaluated	June 2023
Option appraisal in respect of enforcement completed	July 2023
New enforcement arrangements in place	January 2024

Section D

Consultation required?	No
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	Start	Conclusion
Staff	N/a	N/a
Trade Union	N/a	N/a
Public	N/a	N/a
Service Users	N/a	N/a
Other	N/a	N/a

Equality Impact Screening

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

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

EIA required? (choose YES if any of the above impacts are YES)	No
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Section E

Finance comments
The budget reduction proposal will generate a net total saving of £606k from 2024/25 onwards.

Signed RO	A Ryans
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Signed Finance	N Harrop
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Cabinet Member Signature		
Name and Date	Cllr Jabbar	16 January 2023

Appendix 7 - Budget Position 2023/24 & 2024/25 Post Budget Proposals

	2023/24	2024/25
	£000	£000
Prior Year Net Revenue Budget	250,517	274,064
Adjustments to the Base Budget	12,044	17,463
Revised Base Position for 2023/24	262,561	291,527
Expenditure Adjustments		
Pay Inflation	11,675	5,000
Contractual Inflation	1,713	1,000
Service Inflation	7,350	1,000
Energy Price Inflation	3,750	0
Unachieved / Reprofiled 2022/23 Budget Reductions	2,895	0
Children's Social Care - Demand Pressures - including COVID-19 Legacy	11,300	0
Children's Social Care - One Off Investment	2,900	0
Children's Social Care Pressures - Impact on Legal Services	150	0
Adult Social Care - Demand Pressures/ Demographics	16,478	4,108
Adult Social Care – Market Sustainability and Fair Cost of Care Fund (BCF)	(2,628)	(1,324)
Adult Social Care – Adult Social Care Discharge Fund	(1,568)	(1,046)
Reversal of the Health and Social Care Levy impact on National Insurance	(383)	0
Home to School Transport - Additional Costs	1,000	250
Dedicated Schools Grant - Inherited Liabilities	0	0
Investment Fund	1,115	3,478
Employer Pension Contribution Rate Reduction	(1,500)	0
Cessation of Pension Prepayment Flexibility	750	75
Markets Relocation	542	0
Elections Cost Pressures	100	0
External Audit Scale Fees	150	0
Pest Control	100	0
Cost of Living Support	1,790	(852)
Exceptional Hardship Payment Scheme	130	130
Information Technology - Research and Development Fund	100	0
Increased Expenditure Funded by the passporting of Public Health Grant	0	0
Development Fund / Political Priorities	0	3,000
COVID Legacy Costs	(12,000)	0
Revised Parish Precept Expenditure (offset by Parish Precept income)	4	8
Total Expenditure Adjustments	45,913	14,827
Impact of Levies, the Statutory Charge and Contributions		
Projected Change to GMCA Levy budgets	1,119	2,851
Environment Agency Levy	2	2
Total Impact of Levies, the Statutory Charge and Contributions	1,121	2,853
Total Expenditure	309,595	309,207

	2023/24	2024/25
	£000	£000
Funded By:		
Government Grant		
Business Rates Top Up Grant	(46,016)	(48,113)
Grant in Lieu of Business Rates	(25,694)	(27,596)
Improved Better Care Fund Grant	(11,188)	(11,188)
Social Care Support Grant	(21,454)	(24,783)
Lower Tier Services Support Grant	0	0
Housing Benefit Administration Grant	(810)	(796)
Revenues and Benefits Service New Burdens Grant	(11)	(9)
Local Council Tax Administration Subsidy Grant	0	0
New Homes Bonus Grant	(252)	(125)
Services Grant	(2,517)	(1,056)
Total Government Grant Funding	(107,942)	(113,666)
Locally Generated Income		
Retained Business Rates	(52,679)	(50,164)
Council Tax Income - General Purposes	(94,121)	(97,738)
Adult Social Care Precept	(14,874)	(17,311)
Parish Precepts	(318)	(326)
Total Locally Generated Income	(161,992)	(165,539)
Collection Fund Surplus (2022/23) Council Share	(4,130)	0
Total Funding	(274,064)	(279,205)
Budget Reduction Requirement	35,531	30,002
2021/22 Approved Budget Reductions	(4,922)	(300)
2022/23 Approved Budget Reductions	(1,895)	(1,150)
Revisions / Reprofiting of Approved Budget Reductions	3,162	(4,250)
Flexible Use of Capital Receipts	(2,600)	(2,600)
2023/24 Proposed Budget Reductions	(16,313)	(6,969)
NET REVENUE EXPENDITURE BUDGET		
(Total Expenditure Less Budget Reductions & Flexible Use of Capital Receipts)	287,027	293,938
Net Gap/Budget Reduction Requirement before Use of Reserves	12,963	14,733
Transfer to Reserves		
Transfer to Reserve - Business Rates Pilot Gain	1,045	
Net Gap/Budget Reduction Requirement after Transfer to Reserves	14,008	14,733
Use of Reserves		
Bus Reform - Approved 2022/23 Budget		(1,432)
Investment in Children's Services	(2,900)	
Waste Reserves Refund	(1,044)	
General Use of Reserves (Approved 2022/23)	(6,000)	(2,500)
General Use of Reserves (New 2023/24)	(4,064)	
Total Use of Reserves	(14,008)	(3,932)
Net Gap/Budget Reduction Requirement	0	10,801

Appendix 8 - Indicative Budget Position 2023/24

Divisional Area	2023/24 Base Budget £000	2023/24 Budget Adjustments £000	Previously approved budget reductions £000	2023/24 Budget proposals £000	2023/24 Indicative Budget £000
Community Health & Adult Social Care (CHASC)					
Commissioning	14,489		(400)		14,089
Community Business Services	1,872				1,872
Community Health & Social Care	25,039	5,203	(458)	(1,800)	27,984
Director Adult Social Care	2,088				2,088
Learning Disability	13,714	3,500	(458)		16,756
Mental Health	8,835	3,500	(458)		11,877
Safeguarding	971				971
Total Forecast Net Expenditure - CHASC	67,008	12,203	(1,774)	(1,800)	75,637
Children's Services					
Children's Social Care	38,302	14,575	(46)		52,831
Education, Skills & Early Years	7,295	1,000	(417)	(311)	7,567
Preventative Services	3,501		(300)		3,201
Total Forecast Net Expenditure - Children's Services	49,098	15,575	(763)	(311)	63,599
Public Health					
Public Health (Client and Delivery)	18,197	(8)		(520)	17,669
Heritage, Libraries and Arts	4,994				4,994
Total Forecast Net Expenditure - Public Health	23,191	(8)	0	(520)	22,663
Communities					
Youth, Leisure & Communities	6,048	(12)	(23)	(84)	5,929
Total Forecast Net Expenditure - Communities	6,048	(12)	(23)	(84)	5,929
Place and Economic Growth					
Economic Development, Enterprise and Skills (Note 1)	1,977	7,780	(1,007)	(232)	8,518
Environmental Services	52,571	1,191		(1,289)	52,473
Total Forecast Net Expenditure - Place and Economic Growth	54,548	8,971	(1,007)	(1,521)	60,991
Corporate Services					
Chief Executive, Management and Executive Office	4,664	1,790		(17)	6,437
Commissioning and Procurement	560	(3)		(25)	532
Finance	6,497	248	(73)	(327)	6,345
Legal Services	3,496	233		(95)	3,634
Communications and Research	985	(5)		(22)	958
Customer, Digital and Transformation	6,219	1,499	(15)	(341)	7,362
Strategy and Performance	864	(4)			860
HR & Organisational Development	2,648	(13)		(100)	2,535
Total Forecast Net Expenditure - Corporate Services	25,931	3,745	(88)	(927)	28,661
Capital Treasury and Technical Accounting					
Capital Treasury and Technical Accounting	11,527	9,862		(4,800)	16,589
COVID-19 Legacy Funding	12,000	(12,000)			-
Corporate and Democratic Core	833				833
Parish Precepts	333	4			337
Total Forecast Net Expenditure - Capital, Treasury & Technical Accounting	24,692	(2,134)	-	(4,800)	17,758
Inflation including Pay, Contractual & Service (Note 2)		20,738		(6,350)	14,388
Flexible Use of Capital Receipts		(2,600)			(2,600)
Total Forecast Net Expenditure	250,517	56,478	(3,655)	(16,313)	287,027

Note 1 - The Economic Development, Enterprise and Skills division includes provision for Energy Inflation which will be allocated to services based on premises use

Note 2 - Pay, Contractual and Service inflation will be allocated to services once increases are confirmed with the relevant negotiating bodeis / contract providers

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Statement of the Chief Financial Officer on Reserves, Robustness of Estimates and Affordability and Prudence of Capital Investments

1. General Fund Balances

- 1.1. In order to comply with Section 25 of the Local Government Act 2003; the Authority's Chief Financial Officer (the Director of Finance) is required to report on the robustness of the estimates made for the purposes of the revenue budget calculations and the adequacy of the proposed reserves. This information enables a longer-term view of the overall financial resilience of the Council to be taken. It also reports on the Director of Finance's consideration of the affordability and prudence of capital investment proposals. The level of general balances to support the budget and an appropriate level of Earmarked Reserves maintained by the Council in accordance with the agreed Council Policy on Earmarked Reserves, are an integral part of its continued financial resilience supporting the stability of the Council.
- 1.2. Whilst the Council has prepared a detailed revenue budget within a five-year Medium Term Financial Strategy (MTFS), a five-year Capital Programme and continues the closure of accounts within an appropriate timeframe allowing early focus on the upcoming challenges and a robust financial transformation programme, there continues to be a reliance on the use of reserves to balance the revenue budget.
- 1.3. Since 2016/17, reserves of £95.313m have been used to underpin the Council's revenue budget alongside other one-off measures. This includes £33.989m relating to grant compensation received in 2020/21 (£25.182m) and 2021/22 (£8.807m) and used in 2021/22 and 2022/23 to support the Collection Fund deficit arising from the award by Government of Business Rates Relief. For 2023/24, it is proposed to use corporate reserves of £10.064m increased from an initial £6.000m and specific reserves of £3.944m (£2.900m for Children's Investment and £1.044m of Waste Reserves Refund) combined with other one-off measures totalling £2.600m. The remaining corporate Balancing Budget reserve of £3.932m will be used to support the 2024/25 budgets.
- 1.4. There is, therefore, a reliance on the use of reserves to balance the budget over part of the MTFS period. The continued use of reserves and one-off measures has had the impact of deferring the changes that are required to balance the revenue budget by on-going sustainable means. As detailed within the Revenue Budget Report, the implementation of the Council's transformation programme over the MTFS period is expected to address the Council's budget challenge. The expected benefits of the transformation programme will be phased over several financial years and is therefore supported by the use of reserves over the short term.
- 1.5. Whilst the Council's final Audit Completion Report for 2021/22 has not yet been received from the External Auditor, it is expected that the findings will be positive and that no risks or significant weaknesses in arrangements will be reported. This is encouraging and should be considered in the context of 2023/24 budget setting and the Medium Term Financial Strategy for 2023/24 to 2027/28.
- 1.6. Financial resilience does depend in part on the Council maintaining an adequate level of reserves and these are detailed within the Revenue Budget Report. In order to scrutinise the level of reserves held by the Council the policy on Earmarked Reserves was considered by the Audit Committee on 21 June 2022 and it is proposed to action the same review again in 2023/24 after the closure of the accounts for 2022/23.
- 1.7. Whilst the Council is utilising a number of reserves to support the 2023/24 and 2024/25 revenue budget, Members can be assured that Oldham Council currently remains

financially resilient. Work has and is taking place to address the on-going financial pressures that the Council is facing with additional investment being made in Children's and Adults Social Care, therefore at the start of 2023/24 it will continue to be well placed to meet the difficult financial challenges ahead. However, this strategy relies on the delivery of the transformation programme over the short to medium term. Public findings reported elsewhere have shown that some Authorities have not, in a small number of cases, been able to deliver the level of transformational savings required so it is important that the Council delivers on current plans.

- 1.8. In conclusion, the Chief Finance Officer is able to advise Members of the robustness of the estimates and the affordability and prudence of capital estimates 2023/24. Despite the use of reserves over recent years, the level of reserves remains adequate to support the 2023/24 financial position and demonstrates financial resilience.

2. General Fund Balances

- 2.1. A summary of the balances required to support the 2023/24 revenue budget is shown at Annexe A. It also presents the calculation of an indicative recommended level of balances to support the 2024/25 to 2027/28 budgets.

3. Risk Assessment

- 3.1. There are two approaches for deciding the optimum level of the general contingency reserve (General Fund Balance) required for the Council to support its annual budget process. This is either a percentage of expenditure, which at one stage was recommended by the External Auditor to be at a minimum 5% of net expenditure, or an approach based on an assessment of risk.

- 3.2. The agreed Council approach adopted for a number of years is to use a risk-based approach based upon 11 areas of assessed risk:

- Inflation is underestimated in the original estimates
- Interest rates are underestimated
- Changes to grant funding regimes
- Some budgets are only indicative at the time the budget is agreed
- Volatility in some budget headings between years
- Efficiency gains expected in the agreed budget are not achieved
- Unforeseen insurance costs
- Emergencies which cannot be foreseen which occur on an ad hoc basis
- Changes to budgets where targets are not met
- Financial and Partnership guarantees given by the Council including Health Devolution
- Unforeseen events

- 3.3. The summary at Annexe A provides a financial value against these areas of risk. This shows that for 2023/24, the proposed level of General Fund Balances remains unchanged from that currently held i.e., £20.012m. There is a marginal increase, based on the current risk assessment for both 2024/25 and the period 2025/26 to 2027/28. Given the small increase (£0.056m to 2024/25) and a further ££0.166m to 2025/26 to 2027/28, then no budgetary adjustment has been included in the respective years budget estimates as this could be addressed during the preparation of the final accounts for either 2022/23 or 2023/24, depending on the outturn for respective years.

4. Affordability and Prudence

- 4.1. The current prudential borrowing regime places a duty on the Chief Financial Officer to ensure that the financial impact of decisions to incur additional borrowing over and above that supported by direct Government resources are affordable both in the immediate and over the longer term.
- 4.2. However, given the changes in Local Government finance introduced in 2006/07, there is no longer any direct relationship between supported borrowing and the grant to finance it. Consideration of all new capital schemes and their revenue impact is therefore undertaken alongside other revenue issues to ensure that resources are allocated appropriately and are affordable.
- 4.3. In December 2021 the Chartered Institute of Public Finance & Accountancy (CIPFA) issued revised Prudential and Treasury Management Codes in response to concerns about high levels of borrowing to fund commercial investment in a small number of Local Authorities which required all Local Authorities to prepare a Capital Strategy report. The Council was already compliant with this requirement.
- 4.4. In accordance with previous practice, the Annual Review of the Capital Programme (known as the Summer Review) was completed and subsequently approved by the Capital Investment Programme Board and then approved by Cabinet as part of the Month 6 monitoring report at its meeting of 12 December 2022. This review incorporated extensive discussions with Project Managers and Finance Officers to determine an updated profile of expenditure for all schemes. It also examined any further opportunities to reallocate resources or decommission schemes whilst also including an in-depth analysis of capital receipts. The outcome of this review was that £10.313m was rephased in 2022/23 to future years with some further re-phasing of 2024/25 spend to later in the Capital Programme.
- 4.5. A further review of the Capital Programme was undertaken when preparing Capital Strategy and Capital Programme 2023/24 to 2027/28. The reprofiling of planned capital spending detailed above in accordance with current projections has facilitated a less than initially anticipated increase to the base budget for capital financing costs for 2023/24 of £1.115m.
- 4.6. The Capital Strategy and Capital Programme 2022/23 to 2026/27 has therefore been updated following these reviews and the impact of the Council's current investment plans detailed in the Capital Strategy and Capital Programme 2023/24 to 2027/28, which is included elsewhere on the agenda. The capital spending plans are expected to be financed as far as appropriate utilising capital grant and capital receipts, Housing Revenue Account (HRA) resources for HRA projects, with the balance being funded through Prudential Borrowing. Related capital financing charges are included in the revenue budget for 2023/24, with future year's charges being estimated in the MTF5. As can be seen from the level of investment in the Capital Strategy, the Council has committed to deliver regeneration objectives for the Borough. Despite the challenging financial position, the Council has ensured that there is sufficient revenue budget to meet capital financing commitments and it is essential that this remains so going forward. Subject to that, the capital estimates are considered prudent and affordable while supporting the aspirations and ambition of the Council.

5. Financial Resilience

- 5.1. The Section 151 Officer has to consider the financial resilience of the Council and its ability to withstand and mitigate the impact of the unknown costs as a result of local and national changes across the MTFS period. There are a number of ways in which the Council demonstrates its financial resilience:
- MTFS review and update – continual update of the key assumptions and forecasts that underpin the Council's MTFS to ensure they remain robust and accurate;
 - Budget Risk Assessment – annual assessment of the adequacy of the Council's General Fund Balance to mitigate the impact of risks;
 - Reserves Policy – annual review and update of the Council's Reserves Policy to ensure the Council has a strategic approach to the creation and maintenance of Earmarked Reserves;
 - Annual Review (Summer Review) of the Capital Programme – annual review to ensure estimates are affordable and prudent;
 - Scrutiny and Audit Committees – regular Member scrutiny of the Council's Revenue and Capital financial position throughout the year alongside reports on Financial Resilience and the Reserves Policy; and
 - Internal and External Audits – independent audits of the Council's financial management and governance throughout the year including reviews of Fundamental Financial Systems (FFS).
- 5.2. Since 2019, CIPFA has published its Local Authority Financial Resilience Index which was aimed at supporting the Local Government sector as it faced continued financial challenges. An updated Financial Resilience Index based on 2021/22 data was issued on 21 December 2022.
- 5.3. The December 2022 Index, based upon 2021/22 data, highlighted that the indicator for change in Earmarked Reserves has moved to high risk on the indicator of financial stress scale when compared to our nearest neighbour Local Authority comparator group and since the release of the last Financial Resilience Index. Alongside this, the indicator for Unallocated Reserves has moved from lower risk to medium risk. These increases are due to the use of reserves to support the revenue budget which is set to continue over the medium term. However, a number of indicators decreased in risk i.e., the Children's Social Care Ratio which has moved to low risk and indicates the percentage of spend for this area against the Council's Net Revenue Expenditure is at an acceptable level. The remaining Oldham indicators were not to be considered to be extremely high risk or a cause for immediate concern.
- 5.4. The Index has provided some useful information and confirmed the position that, leading into 2022/23 the Council was financially resilient although it did highlight the reliance on Earmarked Reserves. This can provide Members with some assurance as to the financial position of the Council.
- 5.5. Furthermore, as a result of the financial challenges facing the Local Government sector, CIPFA introduced the Financial Management Code with the objective being "to support good practice in financial management and to assist Local Authorities in demonstrating their financial sustainability".
- 5.6. The Code is based upon a series of principles which are supported by specific standards of practice which CIPFA consider necessary for a strong foundation. The foundation being the ability to:

- Financially manage the short, medium, and long-term finances of a Local Authority
- Manage financial resilience to meet foreseen demands on services
- Financially manage unexpected shocks in their financial circumstances

- 5.7. The Financial Management Code builds on the success of the CIPFA Prudential Code which requires Local Authorities to demonstrate the long-term financial sustainability of their capital expenditure. The Code is also consistent in that it is based upon principles rather than prescriptions and each Local Authority must demonstrate that they meet the requirements of this Code.
- 5.8. A report was considered by the Audit Committee on 17 January 2022, which set out how the Council complies with the Code with an update to be reported during 2023. Whilst there are a few areas for improvement, the Council's compliance is generally good which can give Members some further assurance about the financial management arrangements within the Council.

Annexe A - General Balances Calculation

Area of Risk	2023/24 Value by Risk Factor £000	2024/25 Value by Risk Factor £000	2025/26 to 2027/28 Value by Risk Factor £000
Inflation	1,955	1,869	1,923
Interest rates	500	250	250
Changes to grant funding regimes	388	397	304
Estimated Budgets	100	100	100
Budget Volatility	1,557	1,002	1,053
Budget Reductions	1,247	5,000	4,379
Unforeseen insurance costs	100	100	100
Emergency Planning	5,250	4,750	4,525
Changes to budgets	100	100	100
Financial and Partnership guarantees	5,000	3,750	3,500
Unforeseen events	3,815	2,750	4,000
Total General Fund Balance Requirement (based on Risk Assessment)	20,012	20,068	20,234

Proposed 2023/24 Fees and Charges

Appendix 10

DESCRIPTION OF FEES	2022/23 CHARGES		PROPOSED 2023/24 CHARGES				NET VARIANCE FROM	
	NET FEES (£)	TOTAL INCL. VAT (£)	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)	% CHANGE	£ CHANGE EXCL. VAT
REGISTRARS, BIRTHS, DEATHS AND MARRIAGE DUTIES								
OPTIONAL SAME DAY CERTIFICATE SERVICE (24 hrs)	35.00	35.00	35.00	N	0.00	35.00	0.0%	0.00
• Room Hire (Green Room) per half day	45.00	45.00	49.50	N	0.00	49.50	10.0%	4.50
CERTIFICATES								
• Birth, Death, Marriage, Civil Partnership - Issued on day	11.00	11.00	11.00	N	0.00	11.00	0.0%	0.00
NOTICE OF MARRIAGE OR CIVIL PARTNERSHIP								
• Notice of Marriage or Civil Partnership	35.00	35.00	35.00	N	0.00	35.00	0.0%	0.00
OTHER FEES								
• Locally authorised corrections on birth, marriage or death registration form	75.00	75.00	75.00	N	0.00	75.00	0.0%	0.00
• Corrections on birth, marriage or death registration forms requiring General Register Office (GRO) authorisation	90.00	90.00	90.00	N	0.00	90.00	0.0%	0.00
• Changing birth name within the first 12 months	40.00	40.00	40.00	N	0.00	40.00	0.0%	0.00
• Local clearance of foreign divorce	50.00	50.00	50.00	N	0.00	50.00	0.0%	0.00
• GRO clearance of foreign divorce	75.00	75.00	75.00	N	0.00	75.00	0.0%	0.00
• Application for waiver of statutory waiting period for marriage	60.00	60.00	60.00	N	0.00	60.00	0.0%	0.00
WEDDING AND FUNERALS AT EXTERNAL VENUES								
REGISTRAR FEES FOR WEDDINGS								
• Monday to Thursday	384.00	384.00	420.00	N	0.00	420.00	9.4%	36.00
• Fridays and Saturdays	394.00	394.00	433.00	N	0.00	433.00	9.9%	39.00
• Sundays and Bank Holidays	449.00	449.00	494.00	N	0.00	494.00	10.0%	45.00
REGISTRAR FEES FOR CIVIL FUNERALS								
• Civil Funeral	150.00	150.00	165.00	N	0.00	165.00	10.0%	15.00
• Civil Funeral for Still Births	No Charge	No Charge	No Charge	N	0.00	0.00	N/A	N/A
PROVISIONAL BOOKING FEE								
• Non refundable deposit for all provisional bookings for ceremonies	45.00	45.00	50.00	N	0.00	50.00	11.1%	5.00
REGISTER OFFICE CEREMONIES AT CHADDERTON TOWN HALL								
WEDDINGS / CIVIL CEREMONIES TUESDAY - THURSDAY								
• Register Office (party max 6)	46.00	46.00	46.00	N	0.00	46.00	0.0%	0.00
• Chadderton Town Hall - Green Room (max 20) - Monday to Thursday	107.50	129.00	118.33	Y	23.67	142.00	10.1%	10.83
• Chadderton Town Hall - Oak Room (max 100)	156.67	188.00	171.67	Y	34.33	206.00	9.6%	15.00
• Champagne Toast - Register Office (per person)	7.08	8.50	7.08	Y	1.42	8.50	0.0%	0.00
WEDDINGS / CIVIL CEREMONIES FRIDAY & SATURDAY (AM)								
• Green Room (party max 20) Chadderton Town Hall	115.83	139.00	126.67	Y	25.33	152.00	9.4%	10.84
• Oak Room – Former Council Chamber (party max 100) Chadderton Town Hall	178.33	214.00	195.83	Y	39.17	235.00	9.8%	17.50

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WEDDINGS / CIVIL CEREMONIES SATURDAY (PM)								
• Weddings at Chadderton Town Hall - Green or Oak Room	330.00	396.00	360.00	Y	72.00	432.00	9.1%	30.00
• Civil Partnerships at Chadderton Town Hall - Green or Oak Room	330.00	396.00	360.00	Y	72.00	432.00	9.1%	30.00
WEDDINGS / CIVIL CEREMONIES SUNDAYS AND BANK HOLIDAYS								
• Weddings at Chadderton Town Hall - Green or Oak Room	370.83	445.00	406.67	Y	81.33	488.00	9.7%	35.84
• Civil Partnerships at Chadderton Town Hall - Green or Oak Room	370.83	445.00	406.67	Y	81.33	488.00	9.7%	35.84
BABY NAMING CEREMONIES								
• Tuesday – Saturday am at Chadderton Town Hall	154.17	185.00	169.17	Y	33.83	203.00	9.7%	15.00
• Saturday pm or External Venues	195.83	235.00	215.00	Y	43.00	258.00	9.8%	19.17
• Sundays and Bank Holidays	258.33	310.00	284.17	Y	56.83	341.00	10.0%	25.84
REAFFIRMATION OF VOWS								
• Tuesday – Saturday am at Chadderton Town Hall	154.17	185.00	169.17	Y	33.83	203.00	9.7%	15.00
• Saturday pm or External Venues	195.83	235.00	215.00	Y	43.00	258.00	9.8%	19.17
• Sundays and Bank Holidays	258.33	310.00	284.17	Y	56.83	341.00	10.0%	25.84
Special day package mon-Sat	515.00	515.00	566.67	Y	113.33	680.00	10.0%	51.67
Special day package Sunday/Bank Holiday	620.00	620.00	681.67	Y	136.33	818.00	9.9%	61.67
NON - LEGAL PACKAGE								
• Tuesday – Saturday	429.17	515.00	472.09	Y	94.42	566.51	10.0%	42.92
• Sundays and Bank Holidays	516.67	620.00	568.34	Y	113.67	682.01	10.0%	51.67
CITIZENSHIP CEREMONIES								
• Individual Citizenship Ceremonies	95.00	95.00	105.00	Y	21.00	126.00	10.5%	10.00
• Public Citizenship Ceremonies	85.00	85.00	85.00	Y	17.00	102.00	0.0%	0.00
LIBRARIES, LEISURE AND CULTURE								
LIBRARY CARD								
• Adults	2.00	2.00	2.20	N	0.00	2.20	10.0%	0.20
• Concession	1.00	1.00	1.10	N	0.00	1.10	10.0%	0.10
• Book Reservations	FREE	FREE	FREE	N	0.00	0.00	N/A	N/A
• Inter Library Reservations	6.00	6.00	6.00	N	0.00	6.00	0.0%	0.00
• Loan of Music Score	20.00 - 100.00	20.00 - 100.00	50.00	N	0.00	50.00	0.0%	0.00
• Loan of Play Sets	15.00	15.00	20.00	N	0.00	20.00	33.3%	5.00
PHOTOCOPYING AND PRINTING								
• A4 B&W	0.20	0.20	0.20	N	0.00	0.20	0.0%	0.00
• A4 Colour	1.00	1.00	1.00	N	0.00	1.00	0.0%	0.00
• A3 B&W	0.30	0.30	0.30	N	0.00	0.30	0.0%	0.00
• A3 Colour	1.50	1.50	1.50	N	0.00	1.50	0.0%	0.00
FAX								
• Send - All £1.00 first sheet, 0.50p per subsequent sheet	1.00	1.00	1.10	N	0.00	1.10	10.0%	0.10
• Receive - All	1.00	1.00	1.10	N	0.00	1.10	10.0%	0.10

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LIBRARIES ROOM HIRE								
• Performance Space Oldham Library	25.00	25.00	28.00	N	0.00	28.00	12.0%	3.00
• Meeting Rooms	12.50	12.50	14.00	N	0.00	14.00	12.0%	1.50
• Sensory Room - Public bookings for half an hour slot	3.00	3.00	3.30	N	0.00	3.30	10.0%	0.30
• Sensory Room - Themed session - price per child attending	3.00	3.00	3.30	N	0.00	3.30	10.0%	0.30
• Sensory Room - Group bookings for one hour slots	10.00	10.00	11.00	N	0.00	11.00	10.0%	1.00
• Sensory Room - Book Bag Session	30.00	30.00	33.00	N	0.00	33.00	10.0%	3.00
• Sensory Room - Schools and private settings annual subscription offer- includes two sessions per month, incorporating two book bag sessions	215.00	215.00	237.00	N	0.00	237.00	10.2%	22.00
FINES								
• Books, DVDs, CD ROMS per day	No Charge	No Charge	No Charge	N				
OLDHAM THEATRE WORKSHOP								
ACTING & DEVSING WORKSHOP								
• In Oldham	55.65	55.65	61.00	N	0.00	61.00	9.6%	5.35
• In Oldham (concession)	30.45	30.45	33.00	N	0.00	33.00	8.4%	2.55
• Outside Oldham	72.45	72.45	79.00	N	0.00	79.00	9.0%	6.55
• Outside Oldham (concession)	38.85	38.85	42.00	N	0.00	42.00	8.1%	3.15
CREATE A PERFORMANCE								
• In Oldham	73.50	73.50	80.00	N	0.00	80.00	8.8%	6.50
• In Oldham on benefit	36.75	36.75	40.00	N	0.00	40.00	8.8%	3.25
• Outside Oldham	92.40	92.40	101.00	N	0.00	101.00	9.3%	8.60
• Outside Oldham on benefit	50.40	50.40	55.00	N	0.00	55.00	9.1%	4.60
IMAGINEERS								
• In Oldham	48.30	48.30	53.00	N	0.00	53.00	9.7%	4.70
• In Oldham on benefit	25.20	25.20	27.00	N	0.00	27.00	7.1%	1.80
• Outside Oldham	64.05	64.05	70.00	N	0.00	70.00	9.3%	5.95
• Outside Oldham on benefit	32.55	32.55	35.00	N	0.00	35.00	7.5%	2.45
SHOW (SUMMER AND CHRISTMAS)								
• In Oldham	106.05	106.05	116.00	N	0.00	116.00	9.4%	9.95
• In Oldham on benefit	53.55	53.55	58.00	N	0.00	58.00	8.3%	4.45
• Outside Oldham	123.90	123.90	136.00	N	0.00	136.00	9.8%	12.10
• Outside Oldham on benefit	61.95	61.95	68.00	N	0.00	68.00	9.8%	6.05
SHOW (SUMMER SMALLER SHOW)								
• In Oldham	89.25	89.25	98.00	N	0.00	98.00	9.8%	8.75
• In Oldham on benefit	47.25	47.25	51.00	N	0.00	51.00	7.9%	3.75
• Outside Oldham	99.75	99.75	109.00	N	0.00	109.00	9.3%	9.25
• Outside Oldham on benefit	52.50	52.50	57.00	N	0.00	57.00	8.6%	4.50
• Summer Holiday Show in a Week one price for all	73.50	73.50	80.00	N	0.00	80.00	8.8%	6.50
• Actors House - Once a year one price for all	31.50	31.50	35.00	N	0.00	35.00	11.1%	3.50
• Making Trails	31.50	31.50	35.00	N	0.00	35.00	11.1%	3.50
• Adult Group	31.50	31.50	35.00	N	0.00	35.00	11.1%	3.50
SHOW TICKET PRICE								
• Full price	9.45	9.45	10.00	N	0.00	10.00	5.8%	0.55
• Concession Price	6.30	6.30	8.00	N	0.00	8.00	27.0%	1.70
Small show full price	9.45	9.45	9.00	N	0.00	9.00	-4.8%	-0.45
Small show concession price	6.30	6.30	7.00	N	0.00	7.00	11.1%	0.70
One price shows	7.35	7.35	8.00	N	0.00	8.00	8.8%	0.65

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LOCAL STUDIES & ARCHIVES								
LOCAL STUDIES LIBRARY								
• Photocopying	0.20-1.20	0.20-1.20	0.20 - 1.30	N	0.00	0.20 - 1.30	10.0%	0.00 - 0.10
• Photocopying of Archives	0.50-2.10	0.50-2.10	0.50 - 2.10	N	0.00	0.50 - 2.10	0.0%	0.00
• Microfiche	0.80-1.60	0.80-1.60	0.80 - 1.60	N	0.00	0.80 - 1.60	0.0%	0.00
• Use of Digital Camera	6.00-12.00	6.00-12.00	6.60 - 13.20	N	0.00	6.60 - 13.20	10.0%	-0.60
• OS 25" Map Copies	12.00	12.00	13.20	N	0.00	13.20	10.0%	1.20
• Lectures	30.00	30.00	33.00	N	0.00	33.00	10.0%	3.00
• Research	6.00-35.00	6.00-35.00	6.60 - 38.50	N	0.00	6.60 - 38.50	10.0%	0.60 - 3.50
• Copies of photographs	6.00	6.00	6.60	N	0.00	6.60	10.0%	0.60
REPRODUCTION								
• Books, periodicals, e-books, CD-Roms	30.00-120.00	30 - 120	33 - 132	N	0.00	33 - 132	10.0%	3 - 12
• Presentations and internal reports	60.00-120.00	60 - 120	66 - 132	N	0.00	66 - 132	10.0%	6 - 12
• Advertising in newspapers and periodicals	60.00-120.00	60 - 120	66 - 132	N	0.00	66 - 132	10.0%	6 - 12
• Television	60.00-700.00	60 - 700	66 - 770	N	0.00	66 - 770	10.0%	6 - 70
• Videos DVD's and films	120.00-240.00	120 - 240	132 - 264	N	0.00	132 - 264	10.0%	1 - 24
• Exhibitions	60.00	60.00	66.00	N	0.00	66.00	10.0%	6.00
• Interior Decoration of commercial premises	60.00	60.00	66.00	N	0.00	66.00	10.0%	6.00
OLDHAM GALLERY								
OLDHAM GALLERY ROOM HIRE								
• Education Suite Per hour	22.50	22.50	25.00	N	0.00	25.00	11.1%	2.50
• Education Suite - Out of Hours	Price on Arrangement	Price on Arrangement	Price on Arrangement	N	0.00	0.00	N/A	N/A
• Gallery Per Hour	Price on Arrangement	Price on Arrangement	Price on Arrangement	N	0.00	0.00	N/A	N/A
• All Gallery	Price on Arrangement	Price on Arrangement	Price on Arrangement	N	0.00	0.00	N/A	N/A
GALLERY OLDHAM LEARNING ACTIVITIES								
• School's workshop	100.00	100.00	110.00	N	0.00	110.00	10.0%	10.00
• Go Explorers (toddlers sessions) - child charge	3.50	3.50	3.85	N	0.00	3.85	10.0%	0.35
• Adult Art & Craft class	20.00	20.00	22.00	N	0.00	22.00	10.0%	2.00
• Small Cinema ticket	2.50	3.00	2.75	N	0.00	2.75	10.0%	0.25
• Loan Boxes	50.00	50.00	55.00	N	0.00	55.00	10.0%	5.00
REVENUES & BENEFITS								
• Court Summons Council Tax	75.00	75.00	82.50	N	0.00	82.50	10.0%	7.50
• Court Summons NNDR	91.50	91.50	100.50	N	0.00	100.50	9.8%	9.00
MUSIC CENTRE								
MUSIC CENTRE ACTIVITIES (Membership Fees - Academic year charges September to August annually)								
• Tuition Fees per term	50.50	50.50	53.50	N	0.00	53.50	5.9%	3.00
• Tuition Fees Additional siblings per term	41.70	41.70	44.20	N	0.00	44.20	6.0%	2.50
• Tuition Fees Pre-school per term	56.00	56.00	59.40	N	0.00	59.40	6.1%	3.40
• Tuition Fees Adults per term	58.50	58.50	62.00	N	0.00	62.00	6.0%	3.50
• Tuition Fees Additional Groups per term	58.50	58.50	62.00	N	0.00	62.00	6.0%	3.50
• Letting of rooms (public) per hour per term	55.00	55.00	58.30	N	0.00	58.30	6.0%	3.30
• Letting of rooms (exam board) per day per term	188.00	188.00	200.00	N	0.00	200.00	6.4%	12.00

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SERVICES DELIVERED IN SCHOOLS								
(Academic year charges September to August annually)								
• Whole Class Instrumental Tuition (WCIT)	2,530.00	2,530.00	2,680.00	N	0.00	2,680.00	5.9%	150.00
• Ongoing Opportunities (first 30 mins)	FREE	FREE	FREE	N	0.00	0.00	N/A	N/A
• Ongoing Opportunities (additional 30 min blocks)	1,065.00	1,065.00	1,130.00	N	0.00	1,130.00	6.1%	65.00
• Hands and Voices	2,125.00	2,125.00	2,250.00	N	0.00	2,250.00	5.9%	125.00
• Tune-in to Talking	2,125.00	2,125.00	2,250.00	N	0.00	2,250.00	5.9%	125.00
• Music Therapy	2,125.00	2,125.00	2,250.00	N	0.00	2,250.00	5.9%	125.00
• Pre-WCIT Class Music	2,125.00	2,125.00	2,250.00	N	0.00	2,250.00	5.9%	125.00
• Curriculum KS2 Class Music	2,125.00	2,125.00	2,250.00	N	0.00	2,250.00	5.9%	125.00
• Musical Beginnings (pre-school music classes)	2,125.00	2,125.00	2,250.00	N	0.00	2,250.00	5.9%	125.00
• Choir/Band/Ensemble rehearsals	2,125.00	2,125.00	2,250.00	N	0.00	2,250.00	5.9%	125.00
• Small Group instrumental/vocal tuition	2,125.00	2,125.00	2,250.00	N	0.00	2,250.00	5.9%	125.00
OUTDOOR EDUCATION								
PROVISION OF INSTRUCTORS FOR ACTIVITIES								
OLDHAM SCHOOLS, ACADEMIES WITH SERVICE LEVEL AGREEMENTS (SLA'S) & INTEGRATED YOUTH SERVICE (IYS)								
• Environmental Education Course fee per group excludes transport to/ from centre per day	290.00	290.00	456.00	N	0.00	456.00	57.2%	166.00
• Environmental Education Course fee per group excludes transport to/ from centre per half day	158.50	158.50	342.00	N	0.00	342.00	115.8%	183.50
• Outdoor Education activities per instructor includes equipment & minibus to/from & during activities per day	207.50	207.50	260.00	N	0.00	260.00	25.3%	52.50
• Outdoor Education activities per instructor includes equipment & minibus to/from & during activities per half day	131.00	131.00	195.00	N	0.00	195.00	48.9%	64.00
• Use of minibus by groups for activities not associated with the Service	81.50	81.50	89.65	N	0.00	89.65	10.0%	8.15
OTHER GROUPS INCLUDING ACADEMIES WITHOUT SLA'S								
• Environmental Education Course fee per group excludes transport to/ from centre per day	350.00	420.00	504.00	Y	100.80	604.80	44.0%	154.00
• Outdoor Education activities per instructor includes equipment & minibus during activities but excludes transport to/ from Centre per day	350.00	420.00	390.00	Y	78.00	468.00	11.4%	40.00
• Outdoor Education activities per instructor includes equipment & minibus during activities but excludes transport to/ from Centre per half day	197.00	236.40	292.50	Y	58.50	351.00	48.5%	95.50
RESIDENTIAL CHARGES PER PERSON PER NIGHT								
OLDHAM SCHOOLS, ACADEMIES WITH SLA'S & IYS								
• Castleshaw Primary pupil accommodation	5.25	6.30	5.80	Y	1.16	6.96	10.5%	0.55
• Castleshaw Secondary pupil accommodation	8.20	9.84	9.05	Y	1.81	10.86	10.4%	0.85
• Castleshaw Adult accommodation	10.50	12.60	11.55	Y	2.31	13.86	10.0%	1.05
• Castleshaw Laundry	3.00	3.60	3.30	Y	0.66	3.96	10.0%	0.30
• Castleshaw Camping - Per Person, Per night	5.00	6.00	5.50	Y	1.10	6.60	10.0%	0.50
OTHER GROUPS INCLUDING ACADEMIES WITHOUT SLA'S								
• Castleshaw - Under 12 years accommodation	8.50	10.20	9.42	Y	1.88	11.30	10.8%	0.92
• Castleshaw - Under 16 years accommodation	10.00	12.00	11.00	Y	2.20	13.20	10.0%	1.00
• Castleshaw - Adult accommodation	14.17	17.00	15.58	Y	3.12	18.70	10.0%	1.41
• Castleshaw Laundry	3.00	3.60	3.30	Y	0.66	3.96	10.0%	0.30
• Castleshaw Camping - Per Person, Per night	5.00	6.00	5.50	Y	1.10	6.60	10.0%	0.50

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CATERING PER PERSON								
OLDHAM SCHOOLS, ACADEMIES WITH SLA'S & IYS								
• Castleshaw Breakfast - Under 12 years	2.61	2.61	2.87	N	0.00	2.87	10.0%	0.26
• Castleshaw Packed lunch - Under 12 years	4.20	4.20	4.62	N	0.00	4.62	10.0%	0.42
• Castleshaw Evening meal - Under 12 years	5.03	5.03	5.53	N	0.00	5.53	9.9%	0.50
• Castleshaw Breakfast - Under 16 years	3.10	3.10	3.41	N	0.00	3.41	10.0%	0.31
• Castleshaw Packed lunch - Under 16 years	4.59	4.59	5.05	N	0.00	5.05	10.0%	0.46
• Castleshaw Evening meal - Under 16 years	5.30	5.30	5.83	N	0.00	5.83	10.0%	0.53
• Castleshaw Breakfast - Adult	3.89	3.89	4.28	N	0.00	4.28	10.0%	0.39
• Castleshaw Packed lunch - Adult	5.30	5.30	5.83	N	0.00	5.83	10.0%	0.53
• Castleshaw Evening meal - Adult	7.67	7.67	8.44	N	0.00	8.44	10.0%	0.77
OTHER GROUPS INCLUDING ACADEMIES WITHOUT SLA'S								
• Castleshaw Breakfast - Under 12 years	2.61	3.13	2.87	Y	0.57	3.44	10.0%	0.26
• Castleshaw Packed lunch - Under 12 years	4.20	5.04	4.62	Y	0.92	5.54	10.0%	0.42
• Castleshaw Evening meal - Under 12 years	5.03	6.04	5.53	Y	1.11	6.64	9.9%	0.50
• Castleshaw Breakfast - Under 16 years	3.10	3.72	3.41	Y	0.68	4.09	10.0%	0.31
• Castleshaw Packed lunch - Under 16 years	4.59	5.51	5.05	Y	1.01	6.06	10.0%	0.46
• Castleshaw Evening meal - Under 16 years	5.30	6.36	5.83	Y	1.17	7.00	10.0%	0.53
• Castleshaw Breakfast - Adult	3.89	4.67	4.28	Y	0.86	5.14	10.0%	0.39
• Castleshaw Packed lunch - Adult	5.30	6.36	5.83	Y	1.17	7.00	10.0%	0.53
• Castleshaw Evening meal - Adult	7.67	9.20	8.44	Y	1.69	10.13	10.0%	0.77
• Castleshaw Cooked lunch (if available) - Adult	7.67	9.20	8.44	Y	1.69	10.13	10.0%	0.77
VARIOUS OTHER CHARGES								
OLDHAM SCHOOLS, ACADEMIES WITH SLA'S & IYS								
• Castleshaw - Daily hire of centre	233.34	233.34	256.67	N	0.00	256.67	10.0%	23.33
• Castleshaw - meeting room hire per half day	70.00	70.00	77.00	N	0.00	77.00	10.0%	7.00
• Castleshaw - meeting room hire per day	140.00	140.00	154.00	N	0.00	154.00	10.0%	14.00
• Castleshaw - yurt hire per half day	70.00	70.00	77.00	N	0.00	77.00	10.0%	7.00
• Castleshaw - yurt hire per day	140.00	140.00	154.00	N	0.00	154.00	10.0%	14.00
• Under occupancy	5.25	5.25	5.80	N	0.00	5.80	10.5%	0.55
• Castleshaw Refreshments	3.00	3.00	3.30	N	0.00	3.30	10.0%	0.30
• Transport	215.00	215.00	261.00	N	0.00	261.00	21.4%	46.00
OTHER GROUPS INCLUDING ACADEMIES WITHOUT SLA'S								
• Castleshaw - Daily hire of centre	233.34	280.01	256.67	Y	51.33	308.00	10.0%	23.33
• Castleshaw - meeting room hire per half day	70.00	84.00	77.00	Y	15.40	92.40	10.0%	7.00
• Castleshaw - meeting room hire per day	140.00	168.00	154.00	Y	30.80	184.80	10.0%	14.00
• Castleshaw - yurt hire per half day	70.00	84.00	77.00	Y	15.40	92.40	10.0%	7.00
• Castleshaw - yurt hire per day	140.00	168.00	154.00	Y	30.80	184.80	10.0%	14.00
• Under occupancy	8.50	10.20	9.42	Y	1.88	11.30	10.8%	0.92
• Castleshaw booking deposit	150.00	180.00	165.00	Y	33.00	198.00	10.0%	15.00
• Castleshaw Refreshments	3.00	3.60	3.30	Y	0.66	3.96	10.0%	0.30
• Transport	290.00	290.00	319.00	N	0.00	319.00	10.0%	29.00
SCHOOL SWIMMING SERVICE								
• Swimming session - 30 minutes per week x 38 weeks	2,875.00	2,875.00	2,961.00	N	0.00	2,961.00	3.0%	86.00
STUDY SUPPORT								
• Schools Linking Project Core Offer April - March	1,500.00	1,500.00	1,650.00	N	0.00	1,650.00	10.0%	150.00
Children University Annual Membership Fee September - July								
• Primary School	396.00	396.00	435.60	N	0.00	435.60	10.0%	39.60
• Secondary School	550.00	550.00	605.00	N	0.00	605.00	10.0%	55.00
Laticzone Alternative Provision								
• 1-1 Provision per student per day	225.00	270.00	247.50	Y	49.50	297.00	10.0%	22.50
• Group of 4 (Charge per student per day)	113.00	135.60	124.30	Y	24.86	149.16	10.0%	11.30

DESCRIPTION OF FEES	2022/23 CHARGES		PROPOSED 2023/24 CHARGES				NET VARIANCE FROM	
	NET FEES (£)	TOTAL INCL. VAT (£)	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)	% CHANGE	£ CHANGE EXCL. VAT
LIFELONG LEARNING								
LIFELONG LEARNING COURSE FEES (academic year charges)								
• Some courses and room hires will be individually priced and will fall outside the hourly rate.								
TUITION FEES ADULT EDUCATION BUDGET (AEB) - GREATER MANCHESTER RESIDENTS								
• Engagement courses	FREE	FREE	FREE	N			N/A	N/A
• Get Oldham Working - A range of free courses are available for eligible learners	FREE	FREE	FREE	N			N/A	N/A
• Adult Education Budget (AEB) classes per hour	3.45	3.45	3.45	N	0.00	3.45	0.0%	0.00
• Concessionary fee for Adult Education Budget (AEB)	FREE	FREE	FREE	N			N/A	N/A
• Skills for Life - English and Maths, Family Learning & Digital Skills (EDSQ)	FREE	FREE	FREE	N			N/A	N/A
ACCREDITATION FEES - ALL PAYABLE AT ENROLMENT								
• Full fee	Actual awarding body charge	Actual awarding body charge	Actual awarding body charge	N			N/A	N/A
• Concessionary fee	FREE	FREE	FREE	N			N/A	N/A
CRECHE PROVISION								
• Full fee paying learner per child per session	4.30	4.30	4.30	N	0.00	4.30	0.0%	0.00
• Concessionary fee per child per session	FREE	FREE	FREE	N			N/A	N/A
NON-GREATER MANCHESTER RESIDENTS								
• Full fee	Prices on application	Prices on application	Prices on application	N			N/A	N/A
ROOM HIRE: INDIVIDUALS AND EXTERNAL SERVICES								
• Weekdays (per hour)	25.83	25.83	25.83	N	0.00	25.83	0.0%	0.00
• Weekends (per hour) Saturday (Up to 5pm)	35.73	35.73	35.73	N	0.00	35.73	0.0%	0.00
• Weekends (per hour) Saturday (after 5pm) + Sunday (up to 4pm)	43.05	43.05	43.05	N	0.00	43.05	0.0%	0.00
• Specialist space hire i.e. kitchen, I.T Rooms (per hour)	32.02	32.02	32.02	N	0.00	32.02	0.0%	0.00
ADULT SOCIAL CARE - PROTECTION OF PROPERTY								
• Admin fee with property search	610.80	610.80	610.80	N	0.00	610.80	0.0%	0.00
• Admin fee without property search	341.07	341.07	341.07	N	0.00	341.07	0.0%	0.00
• Burial/cremation	Cost of service	Cost of service	Cost of service	N	0.00	0.00	N/A	N/A
• Administration fee (per hour)	19.38	19.38	19.38	N	0.00	19.38	0.0%	0.00
• Storage of property less than 28 days	FREE	FREE	FREE	N	0.00	0.00		
• Storage of property over 28 days (per month)	65.87	65.87	65.87	N	0.00	65.87	0.0%	0.00
• Deferred Payment Agreement set up fee	580.43	580.43	580.43	N	0.00	580.43	0.0%	0.00
• Deferred Payment Annual Fee	279.99	279.99	279.99	N	0.00	279.99	0.0%	0.00
• Deferred Payment Closure Fee	129.22	129.22	129.22	N	0.00	129.22	0.0%	0.00
• Appointeeship Charges - Residential	5.38	5.38	5.38	N	0.00	5.38	0.0%	0.00
• Appointeeship Charges - Community	10.76	10.76	10.76	N	0.00	10.76	0.0%	0.00

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ADULT SOCIAL CARE - HOUSING AND CARE								
• New Health and Well-Being Charge in Extra Care Housing (per week)	Actual cost of provision	Actual cost of provision	Actual cost of provision	N			N/A	N/A
• Helpline services (per week) - Bronze	2.50	2.50	2.75	N	0.00	2.75	10.0%	0.25
• Helpline services (per week) - Silver	5.50	5.50	6.05	N	0.00	6.05	10.0%	0.55
• Helpline services (per week) - Gold	6.50	6.50	7.15	N	0.00	7.15	10.0%	0.65
• Housing 21 Helpline services (per week) - Silver	3.50	3.50	3.85	N	0.00	3.85	10.0%	0.35
• Housing 21 Helpline services (per week) - Gold	5.00	5.00	5.50	N	0.00	5.50	10.0%	0.50
• Installing Helpline	40.00	40.00	44.00	N	0.00	44.00	10.0%	4.00
• Installing a Keysafe	65.00	65.00	71.50	N	0.00	71.50	10.0%	6.50
• Installing Helpline and a Keysafe	95.00	95.00	104.50	N	0.00	104.50	10.0%	9.50
• Assistive Technology per item per week	1.00	1.00	1.10	N	0.00	1.10	10.0%	0.10
• Pill Dispenser (lost or damaged)	150.00	150.00	165.00	N	0.00	165.00	10.0%	15.00
• Lost or Missing Equipment	Dependent on Equipment	Dependent on Equipment	Dependent on Equipment	N	0.00	0.00	N/A	N/A
COURT OF PROTECTION FEES								
• Work up to First Order	745.00	745.00	745.00	N	0.00	745.00	0.0%	0.00
• Lodgement of Account	216.00	216.00	216.00	N	0.00	216.00	0.0%	0.00
• General work first year (assets over £16K)	775.00	775.00	775.00	N	0.00	775.00	0.0%	0.00
• General work in any subsequent year (assets over £16K)	650.00	650.00	650.00	N	0.00	650.00	0.0%	0.00
• Subsequent year - Assets over £16K (3.5% of balance)	Dependent on Balance	Dependent on Balance	Dependent on Balance	N	0.00	0.00	N/A	N/A
• Annual property management fee	300.00	300.00	300.00	N	0.00	300.00	0.0%	0.00
• Preparation of a basic HMRC tax return on behalf of the client	70.00	70.00	70.00	N	0.00	70.00	0.0%	0.00
• Preparation of a complex HMRC tax return on behalf of the client	140.00	140.00	140.00	N	0.00	140.00	0.0%	0.00
• Travel Rates - deputy visits to client @ £40 per hour	Dependent on number of visits	Dependent on number of visits	Dependent on number of visits	N	0.00	0.00	N/A	N/A
FACILITIES MANAGEMENT								
CHADDERTON TOWN HALL / FAILSWORTH TOWN HALL								
• Hourly Charge (including 1 Steward)	90.00	90.00	99.00	N	0.00	99.00	10.0%	9.00
• Data Projector Screen	21.50	21.50	23.65	N	0.00	23.65	10.0%	2.15
• Microphone	12.50	12.50	13.75	N	0.00	13.75	10.0%	1.25
• Screen	6.50	6.50	7.15	N	0.00	7.15	10.0%	0.65
• Flip Chart	6.50	6.50	7.15	N	0.00	7.15	10.0%	0.65
• PA System	35.00	35.00	38.50	N	0.00	38.50	10.0%	3.50
• Data Projector Screen	22.50	22.50	24.75	N	0.00	24.75	10.0%	2.25
QUEEN ELIZABETH HALL AND CHADDERTON TOWN HALL STEWARDS								
• Hourly Charge Per Steward	16.50	16.50	18.15	N	0.00	18.15	10.0%	1.65
• Minimum Charge 4 Hours	80.00	80.00	88.00	N	0.00	88.00	10.0%	8.00
• QEH hires including Parking Provision Evening and Sundays only	266.50	319.80	293.15	Y	58.63	351.78	10.0%	26.65
LINK CENTRE ROOM HIRE MEETING ROOM 1 AND 2 (PER HOUR)								
• Weekdays 8:30 -17:00	20.00	20.00	22.00	N	0.00	22.00	10.0%	2.00
• Evenings 17:00 - 21:30	26.50	26.50	29.15	N	0.00	29.15	10.0%	2.65
• Saturday	32.50	32.50	35.75	N	0.00	35.75	10.0%	3.25
• Sunday	40.00	40.00	44.00	N	0.00	44.00	10.0%	4.00

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FUNCTION ROOMS (FULL ROOM - PER HOUR)								
• Weekdays 8:30 - 17:00	40.00	40.00	44.00	N	0.00	44.00	10.0%	4.00
• Evenings 17:00 - 21:30	46.50	46.50	51.15	N	0.00	51.15	10.0%	4.65
• Saturday	55.00	55.00	60.50	N	0.00	60.50	10.0%	5.50
• Sunday	65.00	65.00	71.50	N	0.00	71.50	10.0%	6.50
FUNCTION ROOMS (HALF ROOM - PER HOUR)								
• Weekdays 8:30 - 17:00	28.00	28.00	30.80	N	0.00	30.80	10.0%	2.80
• Evenings 17:00 - 21:30	35.00	35.00	38.50	N	0.00	38.50	10.0%	3.50
• Saturday	40.00	40.00	44.00	N	0.00	44.00	10.0%	4.00
• Sunday	50.00	50.00	55.00	N	0.00	55.00	10.0%	5.00
FUNCTION ROOMS (QUARTER ROOM - PER HOUR)								
• Weekdays 8:30 - 17:00	20.00	20.00	22.00	N	0.00	22.00	10.0%	2.00
• Evenings 17:00 - 21:30	26.00	26.00	28.60	N	0.00	28.60	10.0%	2.60
• Saturday	35.00	35.00	38.50	N	0.00	38.50	10.0%	3.50
• Sunday	40.00	40.00	44.00	N	0.00	44.00	10.0%	4.00
INTERVIEW ROOM (PER HOUR)								
• Weekdays 8:30 - 17:00	7.50	7.50	8.25	N	0.00	8.25	10.0%	0.75
• Evenings 17:00 - 21:30	12.00	12.00	13.20	N	0.00	13.20	10.0%	1.20
• Saturday	17.50	17.50	19.25	N	0.00	19.25	10.0%	1.75
• Sunday	22.50	22.50	24.75	N	0.00	24.75	10.0%	2.25
TREATMENT ROOM (PER HOUR)								
• Weekdays 8:30 - 17:00	12.50	12.50	13.75	N	0.00	13.75	10.0%	1.25
• Evenings 17:00 - 21:30	17.50	17.50	19.25	N	0.00	19.25	10.0%	1.75
• Saturday	25.00	25.00	27.50	N	0.00	27.50	10.0%	2.50
• Sunday	35.00	35.00	38.50	N	0.00	38.50	10.0%	3.50
PHYSIOTHERAPY ROOM (PER HOUR)								
• Weekdays 8:30 - 17:00	15.00	15.00	16.50	N	0.00	16.50	10.0%	1.50
• Evenings 17:00 - 21:30	20.00	20.00	22.00	N	0.00	22.00	10.0%	2.00
• Saturday	26.00	26.00	28.60	N	0.00	28.60	10.0%	2.60
• Sunday	38.00	38.00	41.80	N	0.00	41.80	10.0%	3.80
RELAXATION ROOM (PER HOUR)								
• Weekdays 8:30 - 17:00	15.00	15.00	16.50	N	0.00	16.50	10.0%	1.50
• Evenings 17:00 - 21:30	20.00	20.00	22.00	N	0.00	22.00	10.0%	2.00
• Saturday	26.00	26.00	28.60	N	0.00	28.60	10.0%	2.60
• Sunday	38.00	38.00	41.80	N	0.00	41.80	10.0%	3.80
USE OF CAFÉ AREA (PER HOUR)								
• Evenings 17:00 - 21:30	26.50	26.50	29.15	N	0.00	29.15	10.0%	2.65
• Saturday	35.00	35.00	38.50	N	0.00	38.50	10.0%	3.50
• Sunday	40.00	40.00	44.00	N	0.00	44.00	10.0%	4.00
USE OF AMENITIES (PER HOUR)								
• Evenings 17:00 - 21:30	26.50	26.50	29.15	N	0.00	29.15	10.0%	2.65
• Saturday	35.00	35.00	38.50	N	0.00	38.50	10.0%	3.50
• Sunday	40.00	40.00	44.00	N	0.00	44.00	10.0%	4.00

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ADDITIONAL EQUIPMENT / SERVICE HIRE (PER HOUR)								
• Projector(includes wide screen)	10.00	10.00	11.00	N	0.00	11.00	10.0%	1.00
• TV / DVD	13.00	13.00	14.30	N	0.00	14.30	10.0%	1.30
• Laptop	13.00	13.00	14.30	N	0.00	14.30	10.0%	1.30
• Flip Chart Stands	3.00	3.00	3.30	N	0.00	3.30	10.0%	0.30
• Photocopying (per sheet)	0.15	0.15	0.17	N	0.00	0.17	13.3%	0.02
• Large Water Boiler	6.50	6.50	7.15	N	0.00	7.15	10.0%	0.65
OFFICE AND ROOM LETTINGS								
HONEYWELL CENTRE - COMMERCIAL RATES PER HOUR								
• Hall	40.00	40.00	44.00	N	0.00	44.00	10.0%	4.00
• Youth Wing	35.00	35.00	38.50	N	0.00	38.50	10.0%	3.50
• Community Room 1	25.00	25.00	27.50	N	0.00	27.50	10.0%	2.50
• Community Room 2	25.00	25.00	27.50	N	0.00	27.50	10.0%	2.50
• IT Suite	30.00	30.00	33.00	N	0.00	33.00	10.0%	3.00
• Studio 2	35.00	35.00	38.50	N	0.00	38.50	10.0%	3.50
• Fitness/Dance Studio	12.50	12.50	13.75	N	0.00	13.75	10.0%	1.25
Discounts on the above charges will be applied for community and voluntary groups								
ON STREET CAR PARKING								
MONDAY - SATURDAY 8AM TO 6PM								
• 0 - 45 minutes	0.20	0.20	0.20	N	0.00	0.20	0.0%	0.00
• 0 - 1 hour	0.40	0.40	0.40	N	0.00	0.40	0.0%	0.00
• 0 - 1 hour 30 minutes	0.70	0.70	0.70	N	0.00	0.70	0.0%	0.00
• 0 - 2 hours	1.10	1.10	1.10	N	0.00	1.10	0.0%	0.00
• Annual Parking Waiver (On Street Only)	300.00	300.00	330.00	N	0.00	330.00	10.0%	30.00
• Short Term Parking Waiver 2 - 28 days	37.00	37.00	40.00	N	0.00	40.00	8.1%	3.00
• Short Term Parking Waiver 1 day	22.00	22.00	24.00	N	0.00	24.00	9.1%	2.00
OFF STREET CAR PARKING								
TOMMYFIELD MARKET CAR PARK (INC DISABLED BADGE HOLDERS)								
MONDAY - FRIDAY 8AM TO MIDNIGHT								
• 0 – 30 minutes	0.67	0.80	0.75	Y	0.15	0.90	11.9%	0.08
• 0 – 1 hour	1.17	1.40	1.25	Y	0.25	1.50	6.8%	0.08
• 0 – 2 hours	1.67	2.00	1.83	Y	0.37	2.20	9.6%	0.16
• 0 – 3 hours	2.50	3.00	2.75	Y	0.00	2.75	10.0%	0.25
SATURDAY AND SUNDAY								
• 0 – 3 hours	FREE	FREE	FREE	Y			N/A	N/A
BOW STREET/SOUTHGATE STREET/WATERLOO STREET CAR PARKS								
Disabled Badge Holders - all day	FREE	FREE	FREE	Y			N/A	N/A
MONDAY - FRIDAY 8AM TO MIDNIGHT								
• 0 – 1 hour	1.00	1.20	1.08	Y	0.22	1.30	8.0%	0.08
• 0 – 2 hours	1.42	1.70	1.58	Y	0.32	1.90	11.3%	0.16
• 0 – 3 hours	1.75	2.10	1.92	Y	0.38	2.30	9.7%	0.17
• 0 – 5 hours	2.42	2.90	2.67	Y	0.53	3.20	10.3%	0.25
• Over 5 hours	3.83	4.60	4.17	Y	0.83	5.00	8.9%	0.34

CP daily rates not yet adjusted

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SATURDAY AND SUNDAY								
• 0 – 3 hours	FREE	FREE	FREE	Y			N/A	N/A
• 0 – 5 hours	2.42	2.90	2.67	Y	0.53	3.20	10.3%	0.25
• Over 5 hours	3.83	4.60	4.17	Y	0.83	5.00	8.9%	0.34
CIVIC CENTRE CAR PARK								
Disabled Badge Holders 0- 3 hours	FREE	FREE	FREE	Y			N/A	N/A
MONDAY TO FRIDAY 8AM TO 7PM								
• 0 – 1 hour	1.08	1.30	1.17	Y	0.23	1.40	8.3%	0.09
• 0 – 2 hours	1.50	1.80	1.67	Y	0.33	2.00	11.3%	0.17
• 0 – 3 hours	2.08	2.50	2.25	Y	0.45	2.70	8.2%	0.17
• 0 – 4 hours	2.92	3.50	3.17	Y	0.63	3.80	8.6%	0.25
• 0 – 5 hours	3.08	3.70	3.33	Y	0.67	4.00	8.1%	0.25
• Over 5 hours	6.67	8.00	7.33	Y	1.47	8.80	9.9%	0.66
SATURDAY AND SUNDAY 8AM TO 7PM								
• 0 – 3 hours	FREE	FREE	FREE	Y			N/A	N/A
• 0 – 4 hours	2.92	3.50	3.17	Y	0.63	3.80	8.6%	0.25
• 0 – 5 hours	3.08	3.70	3.33	Y	0.67	4.00	8.1%	0.25
• Over 5 hours	6.67	8.00	7.33	Y	1.47	8.80	9.9%	0.66
MONDAY - FRIDAY 7PM TO MIDNIGHT								
• 0 to 5 hours	1.00	1.20	1.08	Y	0.22	1.30	8.0%	0.08
SATURDAY AND SUNDAY 7PM TO MIDNIGHT								
• 0 – 3 hours	FREE	FREE	FREE	Y			N/A	N/A
• 0 – 5 hours	1.00	1.20	1.08	Y	0.22	1.30	8.0%	0.08
NEW RADCLIFFE STREET CAR PARK (INCL DISABLED BADGE HOLDERS)								
ALL DAYS 8AM TO MIDNIGHT								
• 0 – 3 hours	FREE	FREE	FREE	Y			N/A	N/A
• 0 – 5 hours	2.42	2.90	2.67	Y	0.53	3.20	10.3%	0.25
• Over 5 hours	3.83	4.60	4.17	Y	0.83	5.00	8.9%	0.34
BRADSHAW STREET CAR PARK								
MONDAY TO FRIDAY 8AM TO 6PM								
Disabled Badge Holders all day	FREE	FREE	FREE	Y			N/A	N/A
• 0 – 1 hour	1.00	1.20	1.08	Y	0.22	1.30	8.0%	0.08
• 0 – 2 hours	1.42	1.70	1.58	Y	0.32	1.90	11.3%	0.16
• 0 – 3 hours	1.75	2.10	1.92	Y	0.38	2.30	9.7%	0.17
• 0 – 4 hours	2.33	2.80	2.58	Y	0.52	3.10	10.7%	0.25
• 0 – 5 hours	2.83	3.40	3.08	Y	0.62	3.70	8.8%	0.25
• Over 5 hours	5.83	7.00	6.42	Y	1.28	7.70	10.1%	0.59
SATURDAY AND SUNDAY 8AM TO 6PM								
• 0 – 3 hours	FREE	FREE	FREE	Y			N/A	N/A
• 0 – 4 hours	1.00	1.20	1.08	Y	0.22	1.30	8.0%	0.08
• 0 – 5 hours	2.83	3.40	3.08	Y	0.62	3.70	8.8%	0.25
• Over 5 hours	5.83	7.00	6.42	Y	1.28	7.70	10.1%	0.59

DESCRIPTION OF FEES	2022/23 CHARGES		PROPOSED 2023/24 CHARGES				NET VARIANCE FROM	
	NET FEES (£)	TOTAL INCL. VAT (£)	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)	% CHANGE	£ CHANGE EXCL. VAT
MONDAY - FRIDAY 6PM TO MIDNIGHT • 0 to 6 hours	1.25	1.50	1.33	Y	0.27	1.60	6.4%	0.08
SATURDAY AND SUNDAY 6PM TO MIDNIGHT • 0 – 3 hours • 0 – 6 hours	FREE 1.25	FREE 1.50	FREE 1.33	Y Y	 0.27	 1.60	N/A 6.4%	N/A 0.08
DOVESTONES (SADDLEWORTH) CAR PARK ALL DAYS 8AM TO MIDNIGHT • 0 – 2 hours • 2 – 4 hours • All Day	0.83 1.67 3.33	1.00 2.00 4.00	0.92 1.83 3.67	Y Y Y	0.18 0.37 0.73	1.10 2.20 4.40	10.8% 9.6% 10.2%	0.09 0.16 0.34
FORMER SPORTS CENTRE CAR PARK (INCL DISABLED BADGE HOLDERS) MONDAY TO FRIDAY 8AM TO 6PM • 0 – 2 hours • 2 - 4 hours • All Day	1.33 2.25 5.50	1.60 2.70 6.60	1.42 2.50 6.08	Y Y Y	0.28 0.50 1.22	1.70 3.00 7.30	6.8% 11.1% 10.5%	0.09 0.25 0.58
SATURDAY • 0 – 3 hours • 0 - 4 hours • All Day	FREE 2.25 5.50	FREE 2.70 6.60	FREE 2.50 6.08	Y Y Y	 0.50 1.22	 3.00 7.30	N/A 11.1% 10.5%	N/A 0.25 0.58
SUNDAY • All Day	FREE	FREE	FREE	Y			N/A	N/A
ROSCOE STREET MONDAY TO FRIDAY 8AM TO MIDNIGHT 0 – 1 hour 0 – 2 Hours 0 – 3 hours 0 – 5 hours Over 5 hours	1.00 1.42 1.75 2.42 3.83	1.20 1.70 2.10 2.90 4.60	1.08 1.58 1.92 2.67 4.17	Y Y Y Y Y	0.22 0.32 0.38 0.53 0.83	1.30 1.90 2.30 3.20 5.00	8.0% 11.3% 9.7% 10.3% 8.9%	0.08 0.16 0.17 0.25 0.34
SATURDAY AND SUNDAY 0-3 hours 0-5 hours Over 5 hours	FREE 2.42 3.83	FREE 2.90 4.60	FREE 2.67 4.17	Y Y Y	 0.53 0.83	 3.20 5.00	N/A 10.3% 8.9%	N/A 0.25 0.34
CONTRACT PASS CHARGES • Bradshaw St • Bow Street • Southgate Street • Waterloo Street	650.00 581.67 623.33 623.33	780.00 698.00 748.00 748.00	715.00 640.00 685.00 685.00	Y Y Y Y	143.00 128.00 137.00 137.00	858.00 768.00 822.00 822.00	10.0% 10.0% 9.9% 9.9%	65.00 58.33 61.67 61.67
HOBSON STREET CAR PARK CONTRACT PARKING • Annual • Disabled Badge Holders	605.17 FREE	726.20 FREE	665.00 FREE	Y Y	133.00	798.00	9.9% N/A	59.83 N/A
SUSPENSION COSTS • Deployment of a small suspension (up to 20 cones) • Deployment of a medium suspension (21 to 40 cones) • Deployment of a large suspension (41 to 100 cones)	29.17 58.33 87.50	35.00 70.00 105.00	32.08 64.17 96.25	Y Y Y	6.42 12.83 19.25	38.50 77.00 115.50	10.0% 10.0% 10.0%	2.91 5.84 8.75

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	NET FEES (£)	TOTAL INCL. VAT (£)	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)	% CHANGE	£ CHANGE EXCL. VAT
SCHOOL MEALS								
MAINTAINED SCHOOLS								
Meal per day for Child (from 1st September 2022)	2.70	2.70	2.70	N	0.00	2.70	0.0%	0.00
Meal per day for Adult (from 1st September 2022)	2.90	3.48	2.90	Y	0.58	3.48	0.0%	0.00
PARKS AND OPEN SPACES								
• Hire of large park or playing field	380.00	456.00	418.00	Y	83.60	501.60	10.0%	38.00
• Concessionary use by a Charity	239.50	287.40	263.45	Y	52.69	316.14	10.0%	23.95
• Hire of small park or playing field	177.00	212.40	194.70	Y	38.94	233.64	10.0%	17.70
• Concessionary use by a Charity	119.75	143.70	131.73	Y	26.35	158.08	10.0%	11.98
OUTDOOR FACILITIES (CHARGES SEASONAL)								
FOOTBALL, RUGBY, LACROSSE AND HOCKEY								
CHANGING ACCOMMODATION								
• Grade A - Good	219.00	219.00	240.90	N	0.00	240.90	10.0%	21.90
• Grade B - Above Average	172.00	172.00	189.20	N	0.00	189.20	10.0%	17.20
• Grade C - Average	146.00	146.00	160.60	N	0.00	160.60	10.0%	14.60
PITCH								
• Grade A	469.00	469.00	515.90	N	0.00	515.90	10.0%	46.90
• Grade B	396.00	396.00	435.60	N	0.00	435.60	10.0%	39.60
• Grade C	344.00	344.00	378.40	N	0.00	378.40	10.0%	34.40
• Occasional use of pitch including accommodation	104.17	125.00	114.59	Y	22.92	137.51	10.0%	10.42
• Occasional use of pitch only	78.33	94.00	86.16	Y	17.23	103.39	10.0%	7.83
• Occasional use of changing accommodation per hour	22.92	27.50	25.21	Y	5.04	30.25	10.0%	2.29
JUNIOR CHARGES								
• 75% of the above charges	75% of above	75% of above	75% of above				N/A	N/A
CRICKET								
• Use of pitch per season alternate Saturdays <u>without</u> changing accommodation	437.00	437.00	480.70	N	0.00	480.70	10.0%	43.70
• Use of pitch per season alternate Saturdays <u>with</u> changing accommodation	562.00	562.00	618.20	N	0.00	618.20	10.0%	56.20
• Casual use of pitch <u>and</u> changing accommodation per match	104.17	125.00	114.59	Y	22.92	137.51	10.0%	10.42
• Casual use of pitch <u>without</u> changing accommodation per match	78.33	94.00	86.16	Y	17.23	103.39	10.0%	7.83

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	NET FEES (£)	TOTAL INCL. VAT (£)	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)	% CHANGE	£ CHANGE EXCL. VAT
CEMETERIES								
NEW GRAVES								
• New grave for 1 or 2 people	927.00	927.00	1,019.70	N	0.00	1,019.70	10.0%	92.70
• (Non resident)	1,390.00	1,390.00	1,529.00	N	0.00	1,529.00	10.0%	139.00
• New grave for 3 interments	982.00	982.00	1,080.20	N	0.00	1,080.20	10.0%	98.20
• (Non resident)	1,467.00	1,467.00	1,613.70	N	0.00	1,613.70	10.0%	146.70
• New grave for 2 interments including foundation	1,105.00	1,105.00	1,215.50	N	0.00	1,215.50	10.0%	110.50
• (Non resident)	1,564.00	1,564.00	1,720.40	N	0.00	1,720.40	10.0%	156.40
• New grave for 3 interments including foundation	1,154.00	1,154.00	1,269.40	N	0.00	1,269.40	10.0%	115.40
• (Non resident)	1,639.00	1,639.00	1,802.90	N	0.00	1,802.90	10.0%	163.90
• Plot for cremated remains – Crompton	835.00	835.00	918.50	N	0.00	918.50	10.0%	83.50
• Plot for cremated remains – Crompton (non resident)	1,240.00	1,240.00	1,364.00	N	0.00	1,364.00	10.0%	124.00
• Plot for cremated remains – Hollinwood	399.00	399.00	438.90	N	0.00	438.90	10.0%	39.90
• Plot for cremated remains – Hollinwood (non resident)	587.00	587.00	645.70	N	0.00	645.70	10.0%	58.70
• Appointment to choose a new grave or locate a grave with staff assistance	39.65	39.65	43.62	N	0.00	43.62	10.0%	3.97
INTERMENT FEES FOR OPENING STANDARD PLOT GRAVES AND VAULTS WITH EXCLUSIVE RIGHT OF BURIAL AND PUBLIC GRAVES - ALL FEES FOR UNDER 18YRS ARE FUNDED BY THE GOVERNMENT.								
• Interment Fee	906.00	906.00	996.60	N	0.00	996.60	10.0%	90.60
• Interment Fee (non resident)	1,352.00	1,352.00	1,487.20	N	0.00	1,487.20	10.0%	135.20
• Still born and Non-viable foetus	No charge to the public	No charge to the public	No charge to the public	N	0.00	0.00	N/A	N/A
• Exhumation fees	1,246.00	1,246.00	1,370.60	N	0.00	1,370.60	10.0%	124.60
SURCHARGES FOR BURIALS								
• Monday to Friday between 2.30pm and 4.00pm	55.60	55.60	61.16	N	0.00	61.16	10.0%	5.56
• Monday to Friday after 4.00pm	224.50	224.50	246.95	N	0.00	246.95	10.0%	22.45
• Burials (Saturday, Sunday or Bank Holidays)	579.00	579.00	636.90	N	0.00	636.90	10.0%	57.90
INTERMENT OF CREMATED REMAINS								
• Interment in earthen graves or vaults	242.00	242.00	266.20	N	0.00	266.20	10.0%	24.20
• Strewing of cremated remains (Non Oldham resident)	55.00	55.00	60.50	N	0.00	60.50	10.0%	5.50
MONUMENTAL FEES								
• Permission to erect a memorial not exceeding 3' in height	189.50	189.50	208.45	N	0.00	208.45	10.0%	18.95
• Permission to erect a memorial not exceeding 3' in height (non resident)	268.00	268.00	294.80	N	0.00	294.80	10.0%	26.80
• Permission to install kerbs (Maximum 6ft x 3ft) designated areas only	275.00	275.00	302.50	N	0.00	302.50	10.0%	27.50
• Permission to add an additional inscription	50.50	50.50	55.55	N	0.00	55.55	10.0%	5.05
• Provision of memorial under 2'	72.00	72.00	79.20	N	0.00	79.20	10.0%	7.20

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OTHER CHARGES								
• Bricked Grave for 2 persons	814.00	814.00	895.40	N	0.00	895.40	10.0%	81.40
• Bricked Grave for 2 persons (non resident)	1,205.00	1,205.00	1,325.50	N	0.00	1,325.50	10.0%	120.50
• Bricks to seal grave	118.50	118.50	130.35	N	0.00	130.35	10.0%	11.85
• Concrete lining for graves	303.80	303.80	334.18	N	0.00	334.18	10.0%	30.38
• Timber lining for graves	200.00	200.00	220.00	N	0.00	220.00	10.0%	20.00
• Test dig to confirm depth	72.00	72.00	79.20	N	0.00	79.20	10.0%	7.20
• Certified extracts from burial register	26.25	26.25	28.88	N	0.00	28.88	10.0%	2.63
• Transfer of grant of exclusive right of burial	74.00	74.00	81.40	N	0.00	81.40	10.0%	7.40
• Transfer of grant of exclusive right of burial (to a non resident)	105.50	105.50	116.05	N	0.00	116.05	10.0%	10.55
• Issue duplicate of grant of exclusive right of burial	72.00	72.00	79.20	N	0.00	79.20	10.0%	7.20
• Issue duplicate of grant of exclusive right of burial (non resident)	111.00	111.00	122.10	N	0.00	122.10	10.0%	11.10
• Use of Crematorium Chapel (Inc. recorded music or use of organ)	221.00	221.00	243.10	N	0.00	243.10	10.0%	22.10
• Re-open niche	72.00	72.00	79.20	N	0.00	79.20	10.0%	7.20
• Grave search	18.50	18.50	20.35	N	0.00	20.35	10.0%	1.85
• Register search	44.30	44.30	48.73	N	0.00	48.73	10.0%	4.43
• Bronze memorial plaque lease for 10 years	300.50	300.50	330.55	N	0.00	330.55	10.0%	30.05
• Renewal of memorial position for 10 years	190.50	190.50	209.55	N	0.00	209.55	10.0%	19.05
• Renewal of memorial position for 5 years	111.00	111.00	122.10	N	0.00	122.10	10.0%	11.10
• Bronze memorial plaque including lettering	121.67	146.00	133.84	Y	26.77	160.61	10.0%	12.17
• Double Bronze memorial plaque including lettering	157.50	189.00	173.25	Y	34.65	207.90	10.0%	15.75
• Granite memorial plaque including lettering	222.50	267.00	244.75	Y	48.95	293.70	10.0%	22.25
• Lease position on shared bench (to be introduced as available)	305.00	305.00	335.50	N	0.00	335.50	10.0%	30.50
CREMATION FEES - ALL FEES FOR UNDER 18YRS ARE FUNDED BY THE GOVERNMENT.								
• Cremation Fee (includes recorded music or use of the organ)	700.00	700.00	770.00	N	0.00	770.00	10.0%	70.00
• Direct (No service) Cremation Fee (only available between 9am-9.30am)	420.00	420.00	462.00	N	0.00	462.00	10.0%	42.00
• Cremation environmental levy charge (Mercury Abatement legislation)	63.00	63.00	69.30	N	0.00	69.30	10.0%	6.30
• Medical Referee Charge	32.00	32.00	35.20	N	0.00	35.20	10.0%	3.20
• Live streaming of chapel service	41.50	40.00	45.65	N	0.00	45.65	10.0%	4.15
• Cremation of Stillborn or non-viable foetus	No charge to the public	No charge to the public	No charge to the public	N				
OTHER CHARGES								
• Certified extracts from crematorium register	23.50	23.50	25.85	N	0.00	25.85	10.0%	2.35
• Surcharge for cremation after 3.30 pm and extended services (per 30mins)	103.00	103.00	113.30	N	0.00	113.30	10.0%	10.30
FEES FOR INSCRIPTION IN THE BOOK OF REMEMBRANCE								
• Standard 2 line entry	82.50	99.00	90.75	Y	18.15	108.90	10.0%	8.25
• 5 line entry	148.33	178.00	163.16	Y	32.63	195.79	10.0%	14.83
• 8 line entry	241.67	290.00	265.84	Y	53.17	319.01	10.0%	24.17
• 5 line entry with floral emblem	298.33	358.00	328.16	Y	65.63	393.79	10.0%	29.83
• 5 line entry with badge, crest, shield, illuminated Capital or 8 Line entry with floral emblem.	365.00	438.00	401.50	Y	80.30	481.80	10.0%	36.50
• 8 line entry with badge, crest, shield or illuminated capital	390.83	469.00	429.91	Y	85.98	515.89	10.0%	39.08
• 8 line entry with full coat of arms	406.67	488.00	447.34	Y	89.47	536.81	10.0%	40.67
MEMORIAL CARDS								
• Standard 2 line entry	44.17	53.00	48.59	Y	9.72	58.31	10.0%	4.42
• 5 line entry	49.17	59.00	54.09	Y	10.82	64.91	10.0%	4.92
• 8 line entry	66.67	80.00	73.34	Y	14.67	88.01	10.0%	6.67
• 5 line entry with motif	81.67	98.00	89.84	Y	17.97	107.81	10.0%	8.17
• 8 line entry with motif	93.33	112.00	102.66	Y	20.53	123.19	10.0%	9.33

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SKIP LICENCE								
SKIP PERMITS								
• Registration (annual)	174.00	174.00	191.40	N	0.00	191.40	10.0%	17.40
• Application when registration is in place (per 28 days)	34.00	34.00	37.40	N	0.00	37.40	10.0%	3.40
• Unregistered application (per 28 days)	105.00	105.00	115.50	N	0.00	115.50	10.0%	10.50
ANNUAL PERMISSIONS								
• Up to 100 skips	1,282.00	1,282.00	1,410.20	N	0.00	1,410.20	10.0%	128.20
• Up to 300 skips	3,833.00	3,833.00	4,216.30	N	0.00	4,216.30	10.0%	383.30
• Up to 500 skips	6,382.00	6,382.00	7,020.20	N	0.00	7,020.20	10.0%	638.20
• Over 500 - each skip thereafter	13.00	13.00	14.30	N	0.00	14.30	10.0%	1.30
• Retrospective application following officer visit	111.00	111.00	122.10	N	0.00	122.10	10.0%	11.10
SCAFFOLDING LICENCE								
• Application (per 28 days)	90.00	90.00	99.00	N	0.00	99.00	10.0%	9.00
• Renewal (per 28 days)	53.00	53.00	58.30	N	0.00	58.30	10.0%	5.30
• Long term application (per 6 months)	487.00	487.00	535.70	N	0.00	535.70	10.0%	48.70
• Long term Renewal (per 6 months)	450.00	450.00	495.00	N	0.00	495.00	10.0%	45.00
• Annual Permission	1,399.00	1,399.00	1,538.90	N	0.00	1,538.90	10.0%	139.90
• Retrospective application following officer visit	111.00	111.00	122.10	N	0.00	122.10	10.0%	11.10
HOARDING LICENCE								
• Application (per 28 days)	72.00	72.00	79.20	N	0.00	79.20	10.0%	7.20
• Renewal (per 28 days)	50.00	50.00	55.00	N	0.00	55.00	10.0%	5.00
• Retrospective application following officer visit	111.00	111.00	122.10	N	0.00	122.10	10.0%	11.10
• Inspections of hoardings	Cost recovery +5%	Cost recovery +5%	Cost recovery +5%	N	0.00	0.00		
• Storage Container Licence (per 28 days)	315.00	315.00	346.50	N	0.00	346.50	10.0%	31.50
• Duplicate licences (Any Licence)	17.00	17.00	18.70	N	0.00	18.70	10.0%	1.70
TRAFFIC AND HIGHWAYS								
• Construction under the Highway	598.00	598.00	657.80	N	0.00	657.80	10.0%	59.80
• Access to cellars	598.00	598.00	657.80	N	0.00	657.80	10.0%	59.80
• Cellar lights	598.00	598.00	657.80	N	0.00	657.80	10.0%	59.80
HIGHWAYS								
• Placing material on	72.00	72.00	79.20	N	0.00	79.20	10.0%	7.20
• Excavation of	253.00	253.00	278.30	N	0.00	278.30	10.0%	25.30
• Application for pavement café licence	198.00	198.00	217.80	N	0.00	217.80	10.0%	19.80
• Renewal of above	111.00	111.00	122.10	N	0.00	122.10	10.0%	11.10

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VEHICLE CROSSINGS								
• Light Duty Vehicle Crossing Application (non-refundable)	47.00	47.00	51.70	N	0.00	51.70	10.0%	4.70
• Light Duty	Based on Individual Quotation As above	Based on Individual Quotation As above	Based on Individual Quotation As above	N	0.00	0.00	N/A	N/A
• Heavy Duty	As above	As above	As above	N	0.00	0.00		
• Heavy Duty (Supervision only)	927.00	1,112.40	1,019.70	Y	203.94	1,223.64	10.0%	92.70
• Removal of accident debris	Cost Recovery + £161 Admin	Cost Recovery + £161 Admin	Cost Recovery + £177.66 Admin	N	0.00	0.00	10.0%	16.10
• Variation of a parking place order	Cost Recovery + 12.5%	Cost Recovery + 12.5%	Cost Recovery + 12.5%	N	0.00	0.00	N/A	N/A
• Exemption from or variation to a traffic regulation order	As above	As above	As above	N	0.00	0.00	N/A	N/A
TEMPORARY TRAFFIC ORDERS								
• Temporary (plus cost of advertising)	1,744.00	1,744.00	1,918.40	N	0.00	1,918.40	10.0%	174.40
• Emergency Road Closures	902.00	902.00	992.20	N	0.00	992.20	10.0%	90.20
• Temporary Traffic Regulation Notice	902.00	902.00	992.20	N	0.00	992.20	10.0%	90.20
• Special events on the Highway	Cost Recovery + 12.5%	Cost Recovery + 12.5%	Cost Recovery + 12.5%	N			N/A	N/A
SUSPENSION OF PARKING PLACES								
• Parking Budget	Loss of Income + Cost Recovery + 12.5%	Loss of Income + Cost Recovery + 12.5%	Loss of Income + Cost Recovery + 12.5%	N			N/A	N/A
PERMIT TO ERECT NON-STANDARD DIRECTION SIGNS								
• Consideration of request	241.00	241.00	265.10	N	0.00	265.10	10.0%	24.10
• Erection of signs	Cost Recovery + 12.5%	Cost Recovery + 12.5%	Cost Recovery + 12.5%	N	0.00	0.00	N/A	N/A
• Removal of signs	125.00	125.00	137.50	N	0.00	137.50	10.0%	12.50
• Court fees associated with the above	Included in the above	Included in the above	Included in the above	N	0.00	0.00	N/A	N/A
PERMITS GIVING EXEMPTION TO TRAFFIC ORDERS								
• Per month	40.00	40.00	44.00	N	0.00	44.00	10.0%	4.00
• Per three months	127.00	127.00	139.70	N	0.00	139.70	10.0%	12.70
• Per twelve months	462.00	462.00	508.20	N	0.00	508.20	10.0%	46.20
SECTION 50 ROAD OPENING LICENCE								
• Maintain existing apparatus	470.00	564.00	517.00	Y	103.40	620.40	10.0%	47.00
• Install new service (Initial cost)	939.00	1,126.80	1,032.90	Y	206.58	1,239.48	10.0%	93.90
• Install new service (Per additional 200 meters)	322.00	386.40	354.20	Y	70.84	425.04	10.0%	32.20
• New Development (Initial cost)	2,048.00	2,457.60	2,252.80	Y	450.56	2,703.36	10.0%	204.80
• New Development (Per additional 200 meters)	376.00	451.20	413.60	Y	82.72	496.32	10.0%	37.60

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	NET FEES (£)	TOTAL INCL. VAT (£)	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)	% CHANGE	£ CHANGE EXCL. VAT
SEWER CONNECTIONS								
• Junction : normal working hours	Based on Individual Quotation + 20%	Based on Individual Quotation + 20%	Based on Individual Quotation + 20%	Y			N/A	N/A
• Junction: outside working hours	As above	As above	As above	Y			N/A	N/A
• Manhole construction	As above	As above	As above	Y			N/A	N/A
SEARCHES BY LETTER								
• First 5 questions	62.00	74.40	68.20	Y	13.64	81.84	10.0%	6.20
• Per question after	16.00	19.20	17.60	Y	3.52	21.12	10.0%	1.60
ACCESS PROTECTION MARKING								
• Fee for application	62.00	62.00	68.20	N	0.00	68.20	10.0%	6.20
• Fee for implementation of application	122.00	122.00	134.20	N	0.00	134.20	10.0%	12.20
• Fee for Renewal of marking	122.00	122.00	134.20	N	0.00	134.20	10.0%	12.20
ROAD CLOSURE : STOPPING UP ORDERS								
• Stopping up orders (including court fees)	2,766.00	2,766.00	3,042.60	N	0.00	3,042.60	10.0%	276.60
SECTION 38 AND SECTION 278 ADOPTION FEE - BOND								
• £0 - £20k (Charge as % bond value)	9.0%	9.0%	9.0%	N	0.00	9.0%	0.0%	0.00
• £50k - £100k bond value	9.0%	9.0%	9.0%	N	0.00	9.0%	0.0%	0.00
• £100k + bond value	9.0%	9.0%	9.0%	N	0.00	9.0%	0.0%	0.00
HIGHWAYS ADOPTION FEE								
• Adoption Fee - minimum charge	2,970.00	2,970.00	3,267.00	N	0.00	3,267.00	10.0%	297.00
Note : Whichever is the greatest of the above applies								
Supply of official copies of Section 38 and Section 278 documentation	37.00 + postage fees	37.00 + postage fees	41 + postage fees	N	0.00	0.00	10.0%	0.04
STREET NAMING								
• Street Naming	277.00	277.00	230.00	N	0.00	230.00	-17.0%	-47.00
• Re-name an existing Street	New fee for 2023/24		230 + £10 per property, plus legal costs, plus costs to amend any traffic orders	N	0.00	230 + £10 per property, plus legal costs, plus costs to amend any traffic orders	New fee for 2023/24	
STREET NUMBERING								
Numbering of new streets (per property)	New fee for 2023/24		35.00	N	0.00	35.00	New fee for 2023/24	
Re-Numbering of properties on existing streets	New fee for 2023/24		Costs as for new streets + £100 admin fee	N	0.00	Costs as for new streets + £100 admin fee	New fee for 2023/24	
Naming a new property	New fee for 2023/24		50.00	N	0.00	50.00	New fee for 2023/24	
Add property name or rename existing property	New fee for 2023/24		215.00	N	0.00	215.00	New fee for 2023/24	

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HIGHWAY LICENCE ENFORCEMENT VISIT								
Highway Licence Enforcement Visit	110.00	110.00	121.00	N	0.00	121.00	10.0%	11.00
INVESTIGATION WORK FOR SOLICITORS, INSURANCE AND OTHER PROFESSIONAL SERVICES								
• First Hour	56.00	56.00	61.60	N	0.00	61.60	10.0%	5.60
• Each subsequent hour or part thereof	39.00	39.00	42.90	N	0.00	42.90	10.0%	3.90
• Not for profit or public sector organisations (such as police, law enforcement and fraud investigations)	FREE	FREE	FREE	N	0.00	0.00	N/A	N/A
LANDOWNER DEPOSIT								
• Deposit a Map, Landowner Statement & Statutory Declaration Under S31(6) of the Highways Act 1980	379.00	379.00	416.90	N	0.00	415.00	10.0%	37.90
• Deposit a Map and Landowner Statement under S15A of the Commons Act 2006	379.00	379.00	416.90	N	0.00	415.00	10.0%	37.90
ENVIRONMENTAL INFORMATION REGULATIONS (EIR)								
• Requests for Information Included in the Environmental Information Regulations 2004 (per hour)	27.00	27.00	29.70	N	0.00	29.70	10.0%	2.70
PLANNING								
PRE-APPLICATION ADVICE FOR PLANNING PROPOSALS								
HOUSEHOLDER								
• Extensions/ alterations/ outbuildings to single-family dwellings only (including 1 flat but not a listed building) - MEETING	72.50	87.00	79.75	Y	15.95	95.70	10.0%	7.25
Letter only	43.33	52.00	47.66	Y	9.53	57.19	10.0%	4.33
MINOR PLANNING PROPOSALS								
• Residential - 1 unit	300.00	360.00	330.00	Y	66.00	396.00	10.0%	30.00
• Non-Residential up to 99sqm	300.00	360.00	330.00	Y	66.00	396.00	10.0%	30.00
• Agricultural Buildings up to 540sqm	300.00	360.00	330.00	Y	66.00	396.00	10.0%	30.00
• Glasshouses up to 465sqm	300.00	360.00	330.00	Y	66.00	396.00	10.0%	30.00
• Plant and machinery	300.00	360.00	330.00	Y	66.00	396.00	10.0%	30.00
• Car Parks	300.00	360.00	330.00	Y	66.00	396.00	10.0%	30.00
• Advertisements	300.00	360.00	330.00	Y	66.00	396.00	10.0%	30.00
• Demolition of Buildings	300.00	360.00	330.00	Y	66.00	396.00	10.0%	30.00
• CLEUDs	300.00	360.00	330.00	Y	66.00	396.00	10.0%	30.00
• Discharge of conditions	300.00	360.00	330.00	Y	66.00	396.00	10.0%	30.00
• Non-material alterations	300.00	360.00	330.00	Y	66.00	396.00	10.0%	30.00
• Minor-material alterations	300.00	360.00	330.00	Y	66.00	396.00	10.0%	30.00
• Change of use	300.00	360.00	330.00	Y	66.00	396.00	10.0%	30.00
• Shop fronts	300.00	360.00	330.00	Y	66.00	396.00	10.0%	30.00
Minor Planning Proposals (above) Follow up meeting .	175.00	210.00	192.50	Y	38.50	231.00	10.0%	17.50
MEDIUM PLANNING PROPOSALS								
• 2-9 dwellings	429.17	515.00	472.08	Y	94.42	566.50	10.0%	42.91
• 100-999sqm commercial floorspace	429.17	515.00	472.08	Y	94.42	566.50	10.0%	42.91
• Telecommunication	429.17	515.00	472.08	Y	94.42	566.50	10.0%	42.91
• Minerals or Waste less than 0.5ha	429.17	515.00	472.08	Y	94.42	566.50	10.0%	42.91
Medium Planning Proposals (above) Follow up meeting	258.33	310.00	284.17	Y	56.83	341.00	10.0%	25.84

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SMALL MAJOR PLANNING PROPOSALS								
• 10-20 dwellings	641.67	770.00	705.83	Y	141.17	847.00	10.0%	64.16
• 1,000- 1,999 sqm commercial floorspace	641.67	770.00	705.83	Y	141.17	847.00	10.0%	64.16
• 0.5-1ha site area	641.67	770.00	705.83	Y	141.17	847.00	10.0%	64.16
Small Major Planning Proposals (above) Follow Up Meeting	341.67	410.00	375.83	Y	75.17	451.00	10.0%	34.16
MAJOR PLANNING PROPOSALS								
• 21-49 dwellings	858.33	1,030.00	944.17	Y	188.83	1,133.00	10.0%	85.84
• 2,000-9,999 sqm commercial floorspace	858.33	1,030.00	944.17	Y	188.83	1,133.00	10.0%	85.84
• 1-2 ha + site area	858.33	1,030.00	944.17	Y	188.83	1,133.00	10.0%	85.84
Major Planning Proposals (above) Follow Up Meeting	429.17	515.00	472.08	Y	94.42	566.50	10.0%	42.91
LARGE MAJOR PLANNING PROPOSALS								
• 50-200 dwellings	1,716.67	2,060.00	1,888.33	Y	377.67	2,266.00	10.0%	171.66
• Over 10,000sqm commercial floorspace	1,716.67	2,060.00	1,888.33	Y	377.67	2,266.00	10.0%	171.66
• Over 2ha site area	1,716.67	2,060.00	1,888.33	Y	377.67	2,266.00	10.0%	171.66
• Energy projects	1,716.67	2,060.00	1,888.33	Y	377.67	2,266.00	10.0%	171.66
Large Major Planning Proposals (above) Follow Up Meeting	858.33	1,030.00	944.17	Y	188.83	1,133.00	10.0%	85.84
PLANNING PERFORMANCE AGREEMENT								
• Bespoke service - written advice, a series of meetings, fast track validation & determination	Charge on Individual Basis	Charge on Individual Basis	Charge on Individual Basis	Y			N/A	N/A
VARY, MODIFY OR DISCHARGE LEGAL AGREEMENT								
• 1 dwelling	258.00	309.60	283.80	Y	56.76	340.56	10.0%	25.80
• Agreement for commercial development or more than 1 dwelling	429.17	515.00	472.09	Y	94.42	566.51	10.0%	42.92
PLANNING HISTORY SEARCH								
• Per property - PER HOUR	42.92	51.50	47.21	Y	9.44	56.65	10.0%	4.29
PERMITTED DEVELOPMENT ENQUIRY								
• As an alternative to applying for a Certificate, an informal opinion will be offered	42.92	51.50	47.21	Y	9.44	56.65	10.0%	4.29
SPECIALIST OFFICER REQUESTED TO ATTEND MEETINGS								
• Per Officer	128.75	154.50	141.63	Y	28.33	169.96	10.0%	12.88

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FOOD SAFETY								
• Export Certification - Standard Fee	64.00	64.00	70.40	N	0.00	70.40	10.0%	6.40
• Export Certification - With Samples Taken	129.00	129.00	141.90	N	0.00	141.90	10.0%	12.90
• Food safety re- inspection visit	150.00	180.00	165.00	Y	33.00	198.00	10.0%	15.00
• Advisory visit charge per hour	83.43	100.12	91.77	Y	18.35	110.12	10.0%	8.34
• Charge for each 30 minutes or part thereof of staff time	52.00	52.00	57.20	N	0.00	57.20	10.0%	5.20
PRIVATE WATER SUPPLIES								
• Risk Assessment (per hour, maximum charge £500)	52.00	52.00	52.00	N	0.00	52.00	0.0%	0.00
• Investigation (per investigation)	103.00	103.00	103.00	N	0.00	103.00	0.0%	0.00
• Granting an authorisation (per investigation)	103.00	103.00	103.00	N	0.00	103.00	0.0%	0.00
• Analysing a water sample under Regulation 10 (Private water Supplies (England) Regulations 2016)	26.00	26.00	26.00	N	0.00	26.00	0.0%	0.00
• Analysing a water sample taken during check monitoring	At Cost to a Maximum of £100	At Cost to a Maximum of £100	At Cost to a Maximum of £100	N	0.00	0.00	N/A	N/A
• Analysing a sample taken during audit monitoring and monitoring under Regulation 11 (Private water Supplies (England) Regulations 2016)	At Cost to a Maximum of £500	At Cost to a Maximum of £500	At Cost to a Maximum of £500	N	0.00	0.00	N/A	N/A
ENVIRONMENTAL HEALTH								
Application fee for a permit for an installation. Part B activity or solvent emission activity (fee payable for each activity)								
• Any Part 1 reduced fee activity (other than those in items II and vehicle refinishers)	163.00	163.00	179.30	N	0.00	179.30	10.0%	16.30
• PVR I and PVR II activities carried on at the same service station	268.00	268.00	294.80	N	0.00	294.80	10.0%	26.80
• Vehicle refinishers (b), any Part 2, Part 3 or Part 4 reduced fee activity	376.00	376.00	413.60	N	0.00	413.60	10.0%	37.60
• Any other Part B activity or any other solvent emission activity	1,720.00	1,720.00	1,892.00	N	0.00	1,892.00	10.0%	172.00
Application fee for grant of a permit for mobile plant (Fee payable for each permit to operate mobile plant)								
• 1 st & 2 nd Permit	1,720.00	1,720.00	1,892.00	N	0.00	1,892.00	10.0%	172.00
• 3 rd – 7 th Permit	1,025.00	1,025.00	1,127.50	N	0.00	1,127.50	10.0%	102.50
• 8 th and subsequent permits	525.00	525.00	577.50	N	0.00	577.50	10.0%	52.50
Additional fees for a late application for an installation								
• Reduced fee activity	77.00	77.00	84.70	N	0.00	84.70	10.0%	7.70
• Any other Part B activity or any other solvent emission activity	1,231.00	1,231.00	1,354.10	N	0.00	1,354.10	10.0%	123.10
Additional fees for a late application for a mobile								
	1,231.00	1,231.00	1,354.10	N	0.00	1,354.10	10.0%	123.10
Fee for substantial change variation of permit								
• Reduced fee activity	108.00	108.00	118.80	N	0.00	118.80	10.0%	10.80
• Any other Part B activity or any other solvent emission activity	1,087.00	1,087.00	1,195.70	N	0.00	1,195.70	10.0%	108.70
• Substantial change in the operation of an installation for a Part B activity or solvent emission activity	1,705.00	1,705.00	1,875.50	N	0.00	1,875.50	10.0%	170.50
Transfer of a Permit								
• Partial transfer (no fee for total transfer) for a reduced fee activity	52.00	52.00	57.20	N	0.00	57.20	10.0%	5.20
• Partial transfer, £169 for a total transfer for any other part B activity or any other solvent emission activity	515.00	515.00	566.50	N	0.00	566.50	10.0%	51.50
• Part B mobile plant for fixed period of hire	57.00	57.00	62.70	N	0.00	62.70	10.0%	5.70
• Subsequent applications if plant user, operator and authority different	57.00	57.00	62.70	N	0.00	62.70	10.0%	5.70

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Subsistence Annual Charge for Installations								
Low Risk								
• Any part 1 reduced fee activity (other than those in items II and vehicle refinishers)	84.00	84.00	92.40	N	0.00	92.40	10.0%	8.40
• PVR I and PVR II activities carried on at the same service station	118.00	118.00	129.80	N	0.00	129.80	10.0%	11.80
• Vehicle refinishers (b), any Part 2, Part 3 or Part 4 reduced fee activity	237.00	237.00	260.70	N	0.00	260.70	10.0%	23.70
• Any other Part B activity or any other solvent emission activity	798.00	798.00	877.80	N	0.00	877.80	10.0%	79.80
Medium Risk								
• Any part 1 reduced fee activity (other than those in items II and vehicle refinishers)	165.00	165.00	181.50	N	0.00	181.50	10.0%	16.50
• PVR I and PVR II activities carried on at the same service station	237.00	237.00	260.70	N	0.00	260.70	10.0%	23.70
• Vehicle refinishers (b), any Part 2, Part 3 or Part 4 reduced fee activity	381.00	381.00	419.10	N	0.00	419.10	10.0%	38.10
• Any other Part B activity or any other solvent emission activity	1,200.00	1,200.00	1,320.00	N	0.00	1,320.00	10.0%	120.00
High Risk								
• Any part 1 reduced fee activity (other than those in items II and vehicle refinishers)	247.00	247.00	271.70	N	0.00	271.70	10.0%	24.70
• PVR I and PVR II activities carried on at the same service station	355.00	355.00	390.50	N	0.00	390.50	10.0%	35.50
• Vehicle refinishers (b), any Part 2, Part 3 or Part 4 reduced fee activity	567.00	567.00	623.70	N	0.00	623.70	10.0%	56.70
• Any other Part B activity or any other solvent emission activity	1,803.00	1,803.00	1,983.30	N	0.00	1,983.30	10.0%	180.30
Subsistence Annual Charge for installations								
Low Risk								
• 1 st & 2 nd Permit	649.00	649.00	713.90	N	0.00	713.90	10.0%	64.90
• 3 rd - 7 th Permit	402.00	402.00	442.20	N	0.00	442.20	10.0%	40.20
• 8 th and subsequent permits	208.00	208.00	228.80	N	0.00	228.80	10.0%	20.80
Medium Risk								
• 1 st & 2 nd Permit	1,069.00	1,069.00	1,175.90	N	0.00	1,175.90	10.0%	106.90
• 3 rd - 7 th Permit	639.00	639.00	702.90	N	0.00	702.90	10.0%	63.90
• 8 th and subsequent permits	330.00	330.00	363.00	N	0.00	363.00	10.0%	33.00
High Risk								
• 1 st & 2 nd Permit	1,602.00	1,602.00	1,762.20	N	0.00	1,762.20	10.0%	160.20
• 3 rd - 7 th Permit	956.00	956.00	1,051.60	N	0.00	1,051.60	10.0%	95.60
• 8 th and subsequent permits	489.00	489.00	537.90	N	0.00	537.90	10.0%	48.90
• Late Payment Charge	57.00	57.00	62.70	N	0.00	62.70	10.0%	5.70
HEALTH & SAFETY								
• Charge for each 30 minutes or part thereof of staff time	52.00	52.00	57.20	N	0.00	57.20	10.0%	5.20
COSMETIC PIERCING, TATTOOING, ACUPUNCTURE & ELECTROLYSIS								
• Registration fee per application	118.00	118.00	129.80	N	0.00	129.80	10.0%	11.80
• Registration fee per individual	70.00	70.00	77.00	N	0.00	77.00	10.0%	7.00
NEIGHBOURHOOD ENFORCEMENT								
ENVIRONMENTAL INFORMATION & REGULATIONS								
• Charge for each 30 minutes, or part thereof, of staff time	53.00	53.00	58.30	N	0.00	58.30	10.0%	5.30
CHARGES FOR PHOTOCOPYING:								
• Additional charge if number of sheets exceeds 25 or if retrieval of the copies takes more than 15 minutes, based on each 30 minutes, or part thereof, of staff time	23.00	23.00	25.30	N	0.00	25.30	10.0%	2.30

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HOUSING								
SELECTIVE LICENSING (new housing mix)			582.00	N	0.00	582.00	N/A	N/A
HOUSES IN MULTIPLE OCCUPATION LICENCE FEE			668.80	N	0.00	668.80	10.0%	60.80
• Licence application fee for 5 bedroom HMO	608.00	608.00	28.60	N	0.00	28.60	10.0%	2.60
• Additional charge per additional bedroom	26.00	26.00	305.80	N	0.00	305.80	10.0%	27.80
• Compliance and enforcement fee	278.00	278.00						
PUBLIC HEALTH								
CONTAMINATED LAND INVESTIGATION			130.90	N	0.00	130.90	10.0%	11.90
• Provision of information from files	119.00	119.00	269.50	N	0.00	269.50	10.0%	24.50
• File/record search	245.00	245.00	At cost	Y	At cost		N/A	N/A
• Monitoring/Sampling on a time and materials charge	At cost	At cost						
ANIMAL HEALTH LICENCES								
Selling Animals								
• Selling animals as pets application fee	321	321	353.10	N	0.00	353.10	10.0%	32.10 - 27.40
• Selling animals as pets grant fee - 1 year	Renewal 274	Renewal 274	Renewal 301.40	N	0.00	Renewal 301.40	10.0%	22.40 - 17.60
• Selling animals as pets grant fee - 2 years	224	224	246.40	N	0.00	246.40	10.0%	27.70 - 23.00
• Selling animals as pets grant fee - 3 years	Renewal 176	Renewal 176	Renewal 193.60	N	0.00	Renewal 193.60	10.0%	33.10 - 28.40
• Selling animals as pets variation fee (per hour)	277	277	304.70	N	0.00	304.70	10.0%	5.00
	Renewal 230	Renewal 230	Renewal 253.00	N	0.00	Renewal 253.00		
	331	331	364.10	N	0.00	364.10		
	Renewal 284	Renewal 284	Renewal 312.40	N	0.00	Renewal 312.40		
	50.00	50.00	55.00	N	0.00	55.00		
Animal Boarding								
• Animal boarding - Home boarding licence application fee	209	209	229.90	N	0.00	229.90	10.0%	20.90 - 19.50
• Animal boarding - Home boarding licence grant fee - 1 year	Renewal 195	Renewal 195	Renewal 214.50	N	0.00	Renewal 214.50	10.0%	15.10 - 13.80
• Animal boarding - Home boarding licence grant fee - 2 years	151	151	166.10	N	0.00	166.10	10.0%	20.50 - 19.10
• Animal boarding - Home boarding licence grant fee - 3 years	Renewal 138	Renewal 138	Renewal 151.80	N	0.00	Renewal 151.80	10.0%	25.80 - 24.50
• Animal boarding - Home boarding licence variation fee (per hour)	205	205	225.50	N	0.00	225.50	10.0%	5.00
• Boarding of cats or dogs - Application fee <10 animals	Renewal 191	Renewal 191	Renewal 210.10	N	0.00	Renewal 210.10	10.0%	32.00 - 24.80
• Boarding of cats or dogs - Application fee 10 - 29 animals	258	258	283.80	N	0.00	283.80	10.0%	34.60 - 27.40
• Boarding of cats or dogs - Application fee >30 animals	Renewal 245	Renewal 245	Renewal 269.50	N	0.00	Renewal 269.50	10.0%	37.30 - 30.00
• Boarding of cats or dogs - Application fee >60 animals	50.00	50.00	55.00	N	0.00	55.00	10.0%	39.90 - 32.70
• Boarding of cats or dogs - Grant fee 1 Year <10 animals	320	320	352.00	N	0.00	352.00	10.0%	23.60 - 16.40
• Boarding of cats or dogs - Grant fee 1 Year 10 - 29 animals	Renewal 248	Renewal 248	Renewal 272.80	N	0.00	Renewal 272.80	10.0%	35.40 - 28.10
• Boarding of cats or dogs - Grant fee 1 Year >30 animals	346	346	380.60	N	0.00	380.60	10.0%	39.40 - 32.10
• Boarding of cats or dogs - Grant fee 2 Year <10 animals	Renewal 274	Renewal 274	Renewal 301.40	N	0.00	Renewal 301.40	10.0%	43.30 - 36.00
	373	373	410.30	N	0.00	410.30	10.0%	29.00 - 21.70
	Renewal 300	Renewal 300	Renewal 330.00	N	0.00	Renewal 330.00		
	399	399	438.90	N	0.00	438.90		
	Renewal 327	Renewal 327	Renewal 359.70	N	0.00	Renewal 359.70		
	236	236	259.60	N	0.00	259.60		
	Renewal 164	Renewal 164	Renewal 180.40	N	0.00	Renewal 180.40		
	354	354	389.40	N	0.00	389.40		
	Renewal 281	Renewal 281	Renewal 309.10	N	0.00	Renewal 309.10		
	394	394	433.40	N	0.00	433.40		
	Renewal 321	Renewal 321	Renewal 353.10	N	0.00	Renewal 353.10		
	433	433	476.30	N	0.00	476.30		
	Renewal 360	Renewal 360	Renewal 396.00	N	0.00	Renewal 396.00		
	290	290	319.00	N	0.00	319.00		
	Renewal 217	Renewal 217	Renewal 238.70	N	0.00	Renewal 238.70		

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	NET FEES (£)	TOTAL INCL. VAT (£)	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)	% CHANGE	£ CHANGE EXCL. VAT
• Boarding of cats <i>or</i> dogs - Grant fee 2 Year 10 - 29 animals	407	407	447.70	N	0.00	447.70	10.0%	40.70 - 33.50
	Renewal 335	Renewal 335	Renewal 368.50			Renewal 368.50		
• Boarding of cats <i>or</i> dogs - Grant fee 2 Year >30 animals	447	447	491.70	N	0.00	491.70	10.0%	44.70 - 37.50
	Renewal 375	Renewal 375	Renewal 412.50			Renewal 412.50		
• Boarding of cats <i>or</i> dogs - Grant fee 2 Year >60 animals	486	486	534.60	N	0.00	534.60	10.0%	48.60 - 41.30
	Renewal 413	Renewal 413	Renewal 454.30			Renewal 454.30		
• Boarding of cats <i>or</i> dogs - Grant fee 3 Year <10 animals	343	343	377.30	N	0.00	377.30	10.0%	34.30 - 27.10
	Renewal 271	Renewal 271	Renewal 298.10			Renewal 298.10		
• Boarding of cats <i>or</i> dogs - Grant fee 3 Year 10 - 29 animals	461	461	507.10	N	0.00	507.10	10.0%	46.10 - 38.80
	Renewal 388	Renewal 388	Renewal 426.80			Renewal 426.80		
• Boarding of cats <i>or</i> dogs - Grant fee 3 Year >30 animals	501	501	551.10	N	0.00	551.10	10.0%	50.10 - 42.80
	Renewal 428	Renewal 428	Renewal 470.80			Renewal 470.80		
• Boarding of cats <i>or</i> dogs - Grant fee 3 Year >60 animals	540	540	594.00	N	0.00	594.00	10.0%	54.00 - 46.70
	Renewal 467	Renewal 467	Renewal 513.70			Renewal 513.70		
• Boarding of cats <i>or</i> dogs - Variation fee (per hour)	50.00	50.00	55.00	N	0.00	55.00	10.0%	5.00
• Boarding of cats <i>and</i> dogs - Application fee <10 animals	373	373	410.30	N	0.00	410.30	10.0%	37.30 - 30.00
	Renewal 300	Renewal 300	Renewal 330.00			Renewal 330.00		
• Boarding of cats <i>and</i> dogs - Application fee 10 - 29 animals	399	399	438.90	N	0.00	438.90	10.0%	39.90 - 32.70
	Renewal 327	Renewal 327	Renewal 359.70			Renewal 359.70		
• Boarding of cats <i>and</i> dogs - Application fee >30 animals	425	425	467.50	N	0.00	467.50	10.0%	42.50 - 35.30
	Renewal 353	Renewal 353	Renewal 388.30			Renewal 388.30		
• Boarding of cats <i>and</i> dogs - Application fee >60 animals	451	451	496.10	N	0.00	496.10	10.0%	45.10 - 37.90
	Renewal 379	Renewal 379	Renewal 416.90			Renewal 416.90		
• Boarding of cats <i>and</i> dogs - Grant fee 1 Year <10 animals	262	262	288.20	N	0.00	288.20	10.0%	26.20 - 19.00
	Renewal 190	Renewal 190	Renewal 209.00			Renewal 209.00		
• Boarding of cats <i>and</i> dogs - Grant fee 1 Year 10 - 29 animals	347	347	381.70	N	0.00	381.70	10.0%	34.70 - 27.40
	Renewal 274	Renewal 274	Renewal 301.40			Renewal 301.40		
• Boarding of cats <i>and</i> dogs - Grant fee 1 Year >30 animals	394	394	433.40	N	0.00	433.40	10.0%	39.40 - 37.50
	Renewal 375	Renewal 375	Renewal 412.50			Renewal 412.50		
• Boarding of cats <i>and</i> dogs - Grant fee 1 Year >60 animals	433	433	476.30	N	0.00	476.30	10.0%	43.30 - 36.00
	Renewal 360	Renewal 360	Renewal 396.00			Renewal 396.00		
• Boarding of cats <i>and</i> dogs - Grant fee 2 Year <10 animals	316	316	347.60	N	0.00	347.60	10.0%	31.60 - 24.40
	Renewal 244	Renewal 244	Renewal 268.40			Renewal 268.40		
• Boarding of cats <i>and</i> dogs - Grant fee 2 Year 10 - 29 animals	407	407	447.70	N	0.00	447.70	10.0%	40.70 - 33.50
	Renewal 335	Renewal 335	Renewal 368.50			Renewal 368.50		
• Boarding of cats <i>and</i> dogs - Grant fee 2 Year >30 animals	447	447	491.70	N	0.00	491.70	10.0%	44.70 - 37.50
	Renewal 375	Renewal 375	Renewal 412.50			Renewal 412.50		
• Boarding of cats <i>and</i> dogs - Grant fee 2 Year >60 animals	486	486	534.60	N	0.00	534.60	10.0%	48.60 - 41.30
	Renewal 413	Renewal 413	Renewal 454.30			Renewal 454.30		
• Boarding of cats <i>and</i> dogs - Grant fee 3 Year <10 animals	370	370	407.00	N	0.00	407.00	10.0%	37.00 - 29.70
	Renewal 297	Renewal 297	Renewal 326.70			Renewal 326.70		
• Boarding of cats <i>and</i> dogs - Grant fee 3 Year 10 - 29 animals	461	461	507.10	N	0.00	507.10	10.0%	46.10 - 38.80
	Renewal 388	Renewal 388	Renewal 426.80			Renewal 426.80		
• Boarding of cats <i>and</i> dogs - Grant fee 3 Year >30 animals	501	501	551.10	N	0.00	551.10	10.0%	50.10 - 42.80
	Renewal 428	Renewal 428	Renewal 470.80			Renewal 470.80		
• Boarding of cats <i>and</i> dogs - Grant fee 3 Year >60 animals	540	540	594.00	N	0.00	594.00	10.0%	54.00 - 46.70
	Renewal 467	Renewal 467	Renewal 513.70			Renewal 513.70		
• Boarding of cats <i>and</i> dogs - Variation fee (per hour)	50.00	50.00	55.00	N	0.00	55.00	10.0%	5.00

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Providing Day Care for Dogs								
• Day care for dogs - Application fee	357	357	392.70			392.70		
	Renewal 248	Renewal 248	Renewal 272.80	N	0.00	Renewal 272.80	10.0%	35.70 - 24.80
• Day care for dogs - Grant fee - 1 year	273	273	300.30			300.30		
	Renewal 164	Renewal 164	Renewal 180.40	N	0.00	Renewal 180.40	10.0%	27.30 - 16.40
• Day care for dogs - Grant fee - 2 years	327	327	359.70			359.70		
	Renewal 217	Renewal 217	Renewal 238.70	N	0.00	Renewal 238.70	10.0%	32.70 - 21.70
• Day care for dogs - Grant fee - 3 years	380	380	418.00			418.00		
	Renewal 271	Renewal 271	Renewal 298.10	N	0.00	Renewal 298.10	10.0%	38.00 - 27.10
• Day care for dogs - Variation fee	50.00	50.00	55.00	N	0.00	55.00	10.0%	5.00
Dog Breeding								
• Dog breeding licence - Residential application fee	280	280	308.00			308.00		
	Renewal 248	Renewal 248	Renewal 272.80	N	0.00	Renewal 272.80	10.0%	28.00 - 24.80
• Dog breeding licence - Commercial application fee	333	333	366.30			366.30		
	Renewal 300	Renewal 300	Renewal 330.00	N	0.00	Renewal 330.00	10.0%	33.30 - 30.00
• Dog breeding licence - Residential grant fee - 1 year	197.00	197.00	216.70			216.70		
	Renewal 164	Renewal 164	Renewal 180.40	N	0.00	Renewal 180.40	10.0%	19.70 - 16.40
• Dog breeding licence - Residential grant fee - 2 years	250	250	275.00			275.00		
	Renewal 217	Renewal 217	Renewal 238.70	N	0.00	Renewal 238.70	10.0%	25.00 - 21.70
• Dog breeding licence - Residential grant fee - 3 years	303	303	333.30			333.30		
	Renewal 271	Renewal 271	Renewal 298.10	N	0.00	Renewal 298.10	10.0%	30.30 - 27.10
• Dog breeding licence - Commercial grant fee - 1 year	222	222	244.20			244.20		
	Renewal 190	Renewal 190	Renewal 209.00	N	0.00	Renewal 209.00	10.0%	22.20 - 19.00
• Dog breeding licence - Commercial grant fee - 2 years	276	276	303.60			303.60		
	Renewal 244	Renewal 244	Renewal 268.40	N	0.00	Renewal 268.40	10.0%	27.60 - 24.40
• Dog breeding licence - Commercial grant fee - 3 years	330	330	363.00			363.00		
	Renewal 297	Renewal 297	Renewal 326.70	N	0.00	Renewal 326.70	10.0%	33.00 - 29.70
• Dog breeding licence - Variation fee (per hour)	50.00	50.00	55.00	N	0.00	55.00	10.0%	5.00
Hiring out Horses								
• Hiring out horses - Application fee <10 horses	295	295	324.50			324.50		
	Renewal 248	Renewal 248	Renewal 272.80	N	0.00	Renewal 272.80	10.0%	29.50 - 24.80
• Hiring out horses - Application fee <49 horses	400	400	440.00			440.00		
	Renewal 353	Renewal 353	Renewal 388.30	N	0.00	Renewal 388.30	10.0%	40.00 - 35.30
• Hiring out horses - Application fee >50 horses	505	505	555.50			555.50		
	Renewal 458	Renewal 458	Renewal 503.80	N	0.00	Renewal 503.80	10.0%	50.50 - 45.80
• Hiring out horses - Grant fee - 1 year	106	106	116.60			116.60		
	Renewal 59	Renewal 59	Renewal 64.90	N	0.00	Renewal 64.90	10.0%	10.60 - 05.90
• Hiring out horses - Grant fee <10 horses - 2 years	264	264	290.40			290.40		
	Renewal 216	Renewal 216	Renewal 237.60	N	0.00	Renewal 237.60	10.0%	26.40 - 21.60
• Hiring out horses - Grant fee <49 horses - 2 years	369	369	405.90			405.90		
	Renewal 321	Renewal 321	Renewal 353.10	N	0.00	Renewal 353.10	10.0%	36.90 - 32.10
• Hiring out horses - Grant fee >50 horses - 2 years	474	474	521.40			521.40		
	Renewal 426	Renewal 426	Renewal 468.60	N	0.00	Renewal 468.60	10.0%	47.40 - 42.60
• Hiring out horses - Grant fee <10 horses - 3 years	527	527	579.70			579.70		
	Renewal 480	Renewal 480	Renewal 528.00	N	0.00	Renewal 528.00	10.0%	52.70 - 48.00
• Hiring out horses - Grant fee <49 horses - 3 years	737	737	810.70			810.70		
	Renewal 690	Renewal 690	Renewal 759.00	N	0.00	Renewal 759.00	10.0%	73.70 - 69.00
• Hiring out horses - Grant fee >50 horses - 3 years	947	947	1041.70			1041.70		
	Renewal 900	Renewal 900	Renewal 990.00	N	0.00	Renewal 990.00	9.9%	94.70 - 90.00
• Hiring out horses - Variation fee (per hour)	50.00	50.00	55.00	N	0.00	55.00	10.0%	5.00

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Zoo Licence								
• Zoo licence - New application fee	361.00	361.00	397.00	N	0.00	397.00	10.0%	36.00
• Zoo licence - grant fee (4 year licence)	1,004.00	1,004.00	1,104.00	N	0.00	1,104.00	10.0%	100.00
• Zoo licence - Renewal fee (6 year licence)	1,556.00	1,556.00	1,712.00	N	0.00	1,712.00	10.0%	156.00
• Zoo licence - transfer fee (per hour)	50.00	50.00	55.00	N	0.00	55.00	10.0%	5.00
Dangerous Wild Animals								
• Dangerous wild animals - Application fee - For dwarf cayman or serval	222.00	222.00	244.00	N	0.00	244.00	9.9%	22.00
• Dangerous wild animals - Application fee - For any other animal	327.00	327.00	360.00	N	0.00	360.00	10.1%	33.00
• Dangerous wild animals - Grant fee - 2 years	111.00	111.00	122.00	N	0.00	122.00	9.9%	11.00
• Dangerous wild animals - Variation fee (per hour)	50.00	50.00	55.00	N	0.00	55.00	10.0%	5.00
Keeping of Animals for Exhibition								
• Keeping of animals for exhibition - Application fee	357	357	392.70	N	0.00	392.70	10.0%	35.70 - 24.70
	Renewal 247	Renewal 247	Renewal 271.70			Renewal 271.70		
• Keeping of animals for exhibition - Grant fee - 3 years	275	275	302.50	N	0.00	302.50	10.0%	27.50 - 16.60
	Renewal 166	Renewal 166	Renewal 182.60			Renewal 182.60		
• Keeping of animals for exhibition - Variation fee (per hour)	50.00	50.00	55.00	N	0.00	55.00	10.0%	5.00
Miscellaneous Fees								
• Application request for re-inspection (per hour)	50.00	50.00	55.00	N	0.00	55.00	10.0%	5.00
• Office time for withdrawn/rejected application (per hour)	50.00	50.00	55.00	N	0.00	50.00	10.0%	5.00
The above licence fees are subject to veterinary fees incurred								
TRADING STANDARDS								
The cost of any material used will be added to each of these charges								
WEIGHING & MEASURING EQUIPMENT (VERIFICATION)								
Non Automatic weighing machines – UK verification								
The fee per instrument or (if fitted with two or more weighing tables or platforms connected to one or more indicating mechanism) the fee per weight table or platform.								
• Not exceeding 30 kg	35.00	35.00	38.50	N	0.00	38.50	10.0%	3.50
• Exceeding 30 kg but not exceeding 250 kg	60.00	60.00	66.00	N	0.00	66.00	10.0%	6.00
• Exceeding 250 kg but not exceeding 1 tonne	95.00	95.00	104.50	N	0.00	104.50	10.0%	9.50
• Exceeding 1 tonne but not exceeding 5 tonne	150.00	150.00	165.00	N	0.00	165.00	10.0%	15.00
• Exceeding 5 tonne but not exceeding 30 tonne	290.00	290.00	319.00	N	0.00	319.00	10.0%	29.00
• Exceeding 30 tonne	460.00	460.00	506.00	N	0.00	506.00	10.0%	46.00
Where labour and equipment are provided to facilitate the test the appropriate fee is reduced by 50%.								
MEASURING INSTRUMENTS								
Measuring instruments for liquid fuel or lubricants or mixtures thereof.								
• Container types (unsubdivided)	70.00	70.00	77.00	N	0.00	77.00	10.0%	7.00
SINGLE / MULTI GRADE TYPES								
• First nozzle tested, per visit per site	90.00	90.00	99.00	N	0.00	99.00	10.0%	9.00
• Each additional nozzle tested	70.00	70.00	77.00	N	0.00	77.00	10.0%	7.00

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WEIGHTS								
• Not exceeding 5 kg	8.00	8.00	8.80	N	0.00	8.80	10.0%	0.80
• Exceeding 5 kg	12.00	12.00	13.20	N	0.00	13.20	10.0%	1.20
LINEAR MEASURES								
• Not exceeding 3 metres	14.00	14.00	0.00					
• Exceeding 3 metres	18.00	18.00	15.40	N	0.00	15.40	10.0%	1.40
CAPACITY MEASURES								
• Unsubdivided Per measure	10.00	10.00	19.80	N	0.00	19.80	10.0%	1.80
• Subdivided Per measure	14.00	14.00	11.00	N	0.00	11.00	10.0%	1.00
OTHER WEIGHING AND MEASURING EQUIPMENT								
• All other weighing and measuring equipment (per person per hour)	70.00	70.00	15.40	N	0.00	15.40	10.0%	1.40
TESTING OF WEIGHING AND MEASURING EQUIPMENT (CALIBRATION)								
WEIGHTS (WITH CERTIFICATE OF TEST)								
• Not exceeding 5kg (10 lb)	10.00	10.00	77.00	N	0.00	77.00	10.0%	7.00
• Exceeding 5 kg (10 lb) but not exceeding 25 kg (56 lb)	14.00	14.00	11.00	N	0.00	11.00	10.0%	1.00
• Exceeding 25 kg (56 lb)	25.00	25.00	15.40	N	0.00	15.40	10.0%	1.40
• Adjustment service per weight	6.50	6.50	27.50	N	0.00	27.50	10.0%	2.50
A surcharge of 10% is applicable if the submission is fewer than 5 items in total.			7.15	N	0.00	7.15	10.0%	0.65
LINEAR MEASURES (with certificate of test)								
• Not exceeding 3 metres (10 feet)	15.00	15.00	11.00	N	0.00	11.00	10.0%	1.00
• Exceeding 3 metres (10 feet)	20.00	20.00	15.40	N	0.00	15.40	10.0%	1.40
A surcharge of 10% is applicable if the submission is fewer than 5 items in total.			27.50	N	0.00	27.50	10.0%	2.50
OTHER								
• Request tests of trade equipment	As per verification fees	As per verification fees	7.15	N	0.00	7.15	10.0%	0.65
• All other weighing and measuring equipment incl. the provision of certificate of accuracy (Per person per hour)	70.00	70.00	16.50	N	0.00	16.50	10.0%	1.50
• Additional copies of certificate of accuracy	10.00	10.00	22.00	N	0.00	22.00	10.0%	2.00
Do You Pass Training Course								
• 1st attendee	60.00	60.00	As per verification fees	N	0.00	As per verification fees		
• 2nd and subsequent attendees from same premises	50.00	50.00	77.00	N	0.00	77.00	10.0%	7.00
• Business Advice hourly rate	70.00	70.00	11.00	N	0.00	11.00	10.0%	1.00

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TAXI LICENCES								
TAXI VEHICLE AND DRIVERS LICENCE								
• Hackney Vehicle Licence - Full Year One Test	185.00	185.00	203.50	N	0.00	203.50	10.0%	18.50
• Hackney Vehicle Licence - Full Year Two Tests	232.00	232.00	255.20	N	0.00	255.20	10.0%	23.20
• Hackney Vehicle Licence - Full Year Three Tests	278.00	278.00	305.80	N	0.00	305.80	10.0%	27.80
• Vehicle Change	98.00	98.00	107.80	N	0.00	107.80	10.0%	9.80
• Vehicle Re-tests (full)	45.00	45.00	49.50	N	0.00	49.50	10.0%	4.50
• Vehicle Re-tests (part)	20.00	20.00	22.00	N	0.00	22.00	10.0%	2.00
• Owner Change	17.00	17.00	18.70	N	0.00	18.70	10.0%	1.70
• Drivers Licence - Online - New (1 year)	118.00	118.00	129.80	N	0.00	129.80	10.0%	11.80
• Drivers Licence - Online - Renewal (1 year)	70.00	70.00	77.00	N	0.00	77.00	10.0%	7.00
• Drivers Licence - Online - Grant (3 year)	213.00	213.00	234.30	N	0.00	234.30	10.0%	21.30
• Drivers Licence - Online - Renewal (3 year)	166.00	166.00	182.60	N	0.00	182.60	10.0%	16.60
• Drivers Proficiency Re-tests	36.00	36.00	39.60	N	0.00	39.60	10.0%	3.60
• DBS Application - Paper	44.00	44.00	48.40	N	0.00	48.40	10.0%	4.40
• DBS Application - Online	Cost Recovery	Cost Recovery	Cost Recovery	N	0.00	Cost Recovery	N/A	N/A
• Drivers Awareness Course (fail to attend fee)	15.00	15.00	16.50	N	0.00	16.50	10.0%	1.50
OPERATORS LICENCE - WITHOUT STAR RATING								
ONE YEAR								
• 1 Vehicle	203.00	203.00	223.30	N	0.00	223.30	10.0%	20.30
• 2-10 Vehicles	360.00	360.00	396.00	N	0.00	396.00	10.0%	36.00
• 11-50 Vehicles	742.00	742.00	816.20	N	0.00	816.20	10.0%	74.20
• 51-99 Vehicles	1,025.00	1,025.00	1,127.50	N	0.00	1,127.50	10.0%	102.50
• 100-199 Vehicles	1,159.00	1,159.00	1,274.90	N	0.00	1,274.90	10.0%	115.90
• 200-299 Vehicles	1,385.00	1,385.00	1,523.50	N	0.00	1,523.50	10.0%	138.50
• 300-399 Vehicles	1,643.00	1,643.00	1,807.30	N	0.00	1,807.30	10.0%	164.30
• 400+ Vehicles	1,910.00	1,910.00	2,101.00	N	0.00	2,101.00	10.0%	191.00
OPERATORS LICENCE - WITHOUT STAR RATING								
FIVE YEAR								
• 1 Vehicle	520.00	520.00	572.00	N	0.00	572.00	10.0%	52.00
• 2-10 Vehicles	1,303.00	1,303.00	1,433.30	N	0.00	1,433.30	10.0%	130.30
• 11-50 Vehicles	3,214.00	3,214.00	3,535.40	N	0.00	3,535.40	10.0%	321.40
• 51-99 Vehicles	4,630.00	4,630.00	5,093.00	N	0.00	5,093.00	10.0%	463.00
• 100-199 Vehicles	5,299.00	5,299.00	5,828.90	N	0.00	5,828.90	10.0%	529.90
• 200-299 Vehicles	6,432.00	6,432.00	7,075.20	N	0.00	7,075.20	10.0%	643.20
• 300 -399 Vehicles	7,720.00	7,720.00	8,492.00	N	0.00	8,492.00	10.0%	772.00
• 400+ Vehicles	9,059.00	9,059.00	9,964.90	N	0.00	9,964.90	10.0%	905.90
PRIVATE HIRE VEHICLE LICENCE								
• Private Hire Vehicle Licence - (Full year - Three Tests)	315.00	315.00	346.50	N	0.00	346.50	10.0%	31.50
• Private Hire Vehicle Licence - (Full Year Fee – Two Tests)	269.00	269.00	295.90	N	0.00	295.90	10.0%	26.90
• Private Hire Vehicle Licence - (Full Year Fee – One Test)	222.00	222.00	244.20	N	0.00	244.20	10.0%	22.20

DESCRIPTION OF FEES	2022/23 CHARGES		PROPOSED 2023/24 CHARGES				NET VARIANCE FROM	
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SUPPLEMENTARY CHARGES								
• Replacement Plates (Each)	8.00	8.00	8.80	N	0.00	8.80	10.0%	0.80
• Plates Securing Bracket (L Shape)	12.00	12.00	13.20	N	0.00	13.20	10.0%	1.20
• Plates Securing Bracket (Flat Shape)	6.00	6.00	6.60	N	0.00	6.60	10.0%	0.60
• Plate holders - each	9.00	9.00	9.90	N	0.00	9.90	10.0%	0.90
• Cancelled/Failed to Attend Vehicle Test (Less than 48 hours notice given)	45.00	45.00	49.50	N	0.00	49.50	10.0%	4.50
• Cancelled/Failed to Attend Driver Proficiency Test (Less than 48 hours notice given)	36.00	36.00	39.60	N	0.00	39.60	10.0%	3.60
• Fee to be deducted for a withdrawn/refused application & amendments to licences	33.00	33.00	36.30	N	0.00	36.30	10.0%	3.30
• Pre-application advice per hour	35.00	35.00	38.50	N	0.00	38.50	10.0%	3.50
• Hackney Carriage door signs	5.00	5.00	5.50	N	0.00	5.50	10.0%	0.50
• Star Rating door signs	1.00	1.00	1.10	N	0.00	1.10	10.0%	0.10
STREET TRADING LICENCES								
• Street trading consents and licences - (Ice Cream / Veg) - Yearly	710.00	710.00	781.00	N	0.00	781.00	10.0%	71.00
• Street trading consents and licences - (Ice Cream / Veg) - 6 Months	366.00	366.00	403.00	N	0.00	403.00	10.1%	37.00
• Street trading consents (Other traders) - Yearly	608.00	608.00	669.00	N	0.00	669.00	10.0%	61.00
• Street trading consents (Other traders) - 6 Months	304.00	304.00	334.00	N	0.00	334.00	9.9%	30.00
• Street trading assistant	22.00	22.00	24.00	N	0.00	24.00	9.1%	2.00
• Street trading licences Town Centre - Per Quarter	1,024.00	1,024.00	1,126.00	N	0.00	1,126.00	10.0%	102.00
STREET TRADING - DAILY FEES:								
• 1st Day	59.00	59.00	65.00	N	0.00	65.00	10.2%	6.00
• 2nd and Subsequent Days	33.00	33.00	36.00	N	0.00	36.00	9.1%	3.00
STREET TRADING - MISCELLANEOUS								
• Uppermill Weekly Market	113.00	113.00	124.00	N	0.00	124.00	9.7%	11.00
CAR BOOT / TABLE TOP SALES								
• Up to 20 stalls	43.00	43.00	47.00	N	0.00	47.00	9.3%	4.00
• Additional stalls - per stall	2.00	2.00	2.00	N	0.00	2.00	0.0%	0.00
SCRAP METAL LICENCES								
SCRAP METAL DEALER SITE LICENCE								
• New	649.00	649.00	713.90	N	0.00	713.90	10.0%	64.90
• Per additional site	582.00	582.00	640.20	N	0.00	640.20	10.0%	58.20
• Renewal	479.00	479.00	526.90	N	0.00	526.90	10.0%	47.90
• Renewal per additional site	412.00	412.00	453.20	N	0.00	453.20	10.0%	41.20
• Minor variation	31.00	31.00	34.10	N	0.00	34.10	10.0%	3.10
SCRAP METAL COLLECTORS LICENCE								
• New	273.00	273.00	300.30	N	0.00	300.30	10.0%	27.30
• Renewal	232.00	232.00	255.20	N	0.00	255.20	10.0%	23.20
• Minor Variation	31.00	31.00	34.10	N	0.00	34.10	10.0%	3.10
BETTING AND ADULT ENTERTAINMENT LICENCES								
GAMBLING ACT 2005								
BINGO PREMISES								
• New	2,450.00	2,450.00	2,450.00	N	0.00	2,450.00	0.0%	0.00
• Annual Fee	620.00	620.00	620.00	N	0.00	620.00	0.0%	0.00
• Variation	1,200.00	1,200.00	1,200.00	N	0.00	1,200.00	0.0%	0.00
• Provisional Statement	930.00	930.00	930.00	N	0.00	930.00	0.0%	0.00
• Transfer	627.00	627.00	627.00	N	0.00	627.00	0.0%	0.00
• Reinstatement	627.00	627.00	627.00	N	0.00	627.00	0.0%	0.00

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BETTING PREMISES (EXCLUDING TRACKS)								
• New	2,250.00	2,250.00	2,250.00	N	0.00	2,250.00	0.0%	0.00
• Annual Fee	495.00	495.00	495.00	N	0.00	495.00	0.0%	0.00
• Variation	1,200.00	1,200.00	1,200.00	N	0.00	1,200.00	0.0%	0.00
• Provisional Statement	930.00	930.00	930.00	N	0.00	930.00	0.0%	0.00
• Transfer	627.00	627.00	627.00	N	0.00	627.00	0.0%	0.00
• Reinstatement	627.00	627.00	627.00	N	0.00	627.00	0.0%	0.00
TRACKS								
• New	1,875.00	1,875.00	1,875.00	N	0.00	1,875.00	0.0%	0.00
• Annual Fee	750.00	750.00	750.00	N	0.00	750.00	0.0%	0.00
• Variation	930.00	930.00	930.00	N	0.00	930.00	0.0%	0.00
• Provisional Statement	930.00	930.00	930.00	N	0.00	930.00	0.0%	0.00
• Transfer	627.00	627.00	627.00	N	0.00	627.00	0.0%	0.00
• Reinstatement	627.00	627.00	627.00	N	0.00	627.00	0.0%	0.00
FAMILY ENTERTAINMENT CENTRE								
• New	1,500.00	1,500.00	1,500.00	N	0.00	1,500.00	0.0%	0.00
• Annual Fee	562.00	562.00	562.00	N	0.00	562.00	0.0%	0.00
• Variation	750.00	750.00	750.00	N	0.00	750.00	0.0%	0.00
• Provisional Statement	930.00	930.00	930.00	N	0.00	930.00	0.0%	0.00
• Transfer	627.00	627.00	627.00	N	0.00	627.00	0.0%	0.00
• Reinstatement	627.00	627.00	627.00	N	0.00	627.00	0.0%	0.00
ADULT GAMING CENTRE								
• New	1,750.00	1,750.00	1,750.00	N	0.00	1,750.00	0.0%	0.00
• Annual Fee	495.00	495.00	495.00	N	0.00	495.00	0.0%	0.00
• Variation	627.00	627.00	627.00	N	0.00	627.00	0.0%	0.00
• Provisional Statement	627.00	627.00	627.00	N	0.00	627.00	0.0%	0.00
• Transfer	627.00	627.00	627.00	N	0.00	627.00	0.0%	0.00
• Reinstatement	627.00	627.00	627.00	N	0.00	627.00	0.0%	0.00
• Notification of change	50.00	50.00	50.00	N	0.00	50.00	0.0%	0.00
• Sex Shop Licence	380.00	380.00	418.00	N	0.00	418.00	10.0%	38.00
• Sexual entertainment venue	760.00	760.00	836.00	N	0.00	836.00	10.0%	76.00
OTHER LICENCES								
DISTRIBUTION OF FREE PRINTED MATTER								
• Daily Licence	46.00	46.00	47.10	N	0.00	47.10	10.0%	1.10
• Quarterly Licence	226.00	226.00	227.10	N	0.00	227.10	10.0%	1.10
• Yearly Licence	453.00	453.00	454.10	N	0.00	454.10	10.0%	1.10
• Additional Badge	15.00	15.00	16.10	N	0.00	16.10	10.0%	1.10
• Replacement Badge	15.00	15.00	16.10	N	0.00	16.10	10.0%	1.10
HIGHWAYS PERMITS								
Pavement Café Licence								
• Grant	180.00	180.00	181.10	N	0.00	181.10	10.0%	1.10
• Renewal	101.00	101.00	102.10	N	0.00	102.10	10.0%	1.10
• Pavement licence - Business & Planning Act	65.00	50.00	66.10	N	0.00	66.10	10.0%	0.00
• Placing materials on	65.00	65.00	66.10	N	0.00	66.10	10.0%	1.10

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PEST CONTROL								
DOMESTIC PREMISES								
• Treatment for - Rats (domestic dwelling) **	39.17	47.00	41.13	Y	8.23	49.36	5.0%	1.96
• Treatment for - Mice **	39.17	47.00	41.13	Y	8.23	49.36	5.0%	1.96
• Treatment for - Cockroaches **	50.00	60.00	52.50	Y	10.50	63.00	5.0%	2.50
• Treatment for Bed Bugs **	78.75	94.50	82.69	Y	16.54	99.23	5.0%	3.94
• Treatment for fleas **	78.75	94.50	82.69	Y	16.54	99.23	5.0%	3.94
• Treatment for wasps nests	48.00	57.60	50.42	Y	10.08	60.50	5.0%	2.42
• Treatment for squirrels (including the lure of traps and one return visit)	94.00	112.80	98.75	Y	19.75	118.50	5.1%	4.75
• Subsequent visits	29.93	35.92	31.42	Y	6.28	37.70	5.0%	1.49
• Callout charge - no treatment necessary	23.46	28.15	24.58	Y	4.92	29.50	4.8%	1.12
• Key 7 collection charge	23.00	27.60	24.17	Y	4.83	29.00	5.1%	1.17
** No charges will be levied for owner-occupied, domestic properties for these public health related services.								
COMMERCIAL PREMISES								
• Treatment for public health pests - rats, mice, cockroaches in privately rented properties	100.00	120.00	105.00	Y	21.00	120.00	5.0%	5.00
BASIC/STARTER CONTRACT								
• Cover for rodents only. Includes 4 x visits per year	300.00	360.00	315.00	Y	63.00	378.00	5.0%	15.00
INTERMEDIATE CONTRACT								
• Covers for rodents and includes 6 x visits and 2 free insect treatments (Non food pests & wood boring beetles)	350.00	420.00	367.50	Y	73.50	441.00	5.0%	17.50
INTERMEDIATE PLUS CONTRACT								
• Cover includes 6 visits per year and covers rodents and 2 insect treatments (Includes all food pests, wasps & bees, but does not include wood boring beetles)	450.00	540.00	472.50	Y	94.50	567.00	5.0%	22.50
ADVANCED CONTRACT								
• Cover includes rodents and most insects (does not include wood boring beetles). Includes 8 visits per year	650.00	780.00	682.50	Y	136.50	819.00	5.0%	32.50
ADDITIONAL HOURLY RATES FOR VISITS/TREATMENTS								
• Hourly rate for all treatments	81.00	97.20	85.00	Y	17.00	102.00	4.9%	4.00
ADDITIONAL OPERATIVE								
• Hourly rate	41.00	49.20	43.00	Y	8.60	51.60	4.9%	2.00
• Reclamation fee for the recovery of dogs from the Manchester and district home for lost dogs (price fixed by Law)	25.00	25.00	26.25	N	0.00	26.25	5.0%	1.25
• Kennelling and detention costs	45.00	45.00	45.00	N	0.00	45.00	0.0%	0.00
• Kennelling and detention costs - out of hours	55.00	55.00	55.00	N	0.00	55.00	0.0%	0.00
• Admin costs	59.00	59.00	59.00	N	0.00	59.00	0.0%	0.00
• Administrative charge for default work at a maximum of £300	25.00	25.00	25.00	N	0.00	25.00	0.0%	0.00
• Formal responses to requests for technical information from Insurance companies etc. relative to drainage investigations etc. Per letter	158.10	158.10	166.00	N	0.00	166.00	5.0%	7.90

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SECURITY								
PATROLLING AND GUARDING SERVICES								
BUILDING SERVICES								
• Opening of a building (must also be a key holder) (per opening)	23.95	28.74	24.67	Y	4.93	29.60	3.0%	0.72
CLOSING OF A BUILDING INCLUDING SECURITY SWEEP (MUST ALSO BE A KEY HOLDER) - (PER CLOSING)								
• Small building	30.69	36.83	31.61	Y	6.32	37.93	3.0%	0.92
• Medium building	64.80	77.76	66.74	Y	13.35	80.09	3.0%	1.94
• Large building	129.62	155.54	133.50	Y	26.70	160.20	3.0%	3.88
• Internal postal courier service (includes returning external post to central post room) (per pickup)	12.88	15.46	13.26	Y	2.65	15.91	3.0%	0.38
• Annual patrolling contract (public/third sector)	2,290.85	2,749.02	2,359.58	Y	471.92	2,831.50	3.0%	68.73
• Annual patrolling contract (private sector)	2,713.78	3,256.54	2,795.20	Y	559.04	3,354.24	3.0%	81.42
EMERGENCY BOARDING SERVICES								
• Call out (free when paying for Patrolling Services) (per hour/part thereof)	119.48	143.38	123.06	Y	24.61	147.67	3.0%	3.58
WINDOW BOARDING								
• Standard window	53.56	64.27	55.17	Y	11.03	66.20	3.0%	1.61
• Large window	118.45	142.14	122.00	Y	24.40	146.40	3.0%	3.55
• Steel sheeting (per sheet)	103.00	123.60	106.09	Y	21.22	127.31	3.0%	3.09
DOOR BOARDING								
• Wooden cover	64.89	77.87	66.84	Y	13.37	80.21	3.0%	1.95
• Steel door (rental per week)	30.90	37.08	31.83	Y	6.37	38.20	3.0%	0.93
• Boarded Up Property Inspection (free when paying for patrolling services) (per weekly inspection)	133.90	160.68	137.92	Y	27.58	165.50	3.0%	4.02
STATIC SECURITY GUARDING								
SPOT HIRE (<7 DAYS) (PER HOURS)								
• > 28 days notice; > 24 hours per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• > 28 days notice; 12-24 hours per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• > 28 days notice; 4-12 hours per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• > 28 days notice; 0-4 hours per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• 7-28 days notice; 24 hours per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• 7-28 days notice; 12-24 hours per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• 7-28 days notice; 4-12 hours per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• 7-28 days notice; 0-4 hours per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• 2-7 days notice; > 24 hours per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• 2-7 days notice; 12-24 hours per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• 2-7 days notice; 4-12 hours per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• 2-7 days notice; 0-4 hours per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• < 48 hours notice; > 24 hours per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• < 48 hours notice; 12-24 hours per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• < 48 hours notice; 4-12 hours per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• < 48 hours notice; 0-4 hours per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52

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CONTRACT HIRE (> 7 DAYS) (PER HOUR)								
• > 366 days; 30-40 hours per week per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• > 366 days; 20-30 hours per week per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• > 366 days; 8-20 hours per week per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• > 366 days; 0-4 hours per week per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• 91-365 days; 30-40 hours per week per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• 91-365 days; 20-30 hours per week per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• 91-365 days; 8-20 hours per week per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• 91-365 days; 0-4 hours per week per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• 29-90 days; 30-40 hours per week per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• 29-90 days; 20-30 hours per week per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• 29-90 days; 8-20 hours per week per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• 39-90 days; 0-4 hours per week per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• 0-28 days; 30-40 hours per week per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• 0-28 days; 20-30 hours per week per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• 0-28 days; 8-20 hours per week per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
• 0-28 days; 0-4 hours per week per operative	17.25	20.70	17.77	Y	3.55	21.32	3.0%	0.52
ADJUSTMENTS ON SPOT/CONTRACT HIRE								
• Permanent Staff Allocation (contract hire per hour)	2.20	2.64	2.27	Y	0.45	2.72	3.2%	0.07
• Permanent Staff Allocation (spot hire per hour)	7.84	9.41	8.07	Y	1.61	9.68	2.9%	0.23
VEHICLE HIRE								
• Response Vehicle (per hour)	11.85	14.22	12.20	Y	2.44	14.64	3.0%	0.35
• Unmarked Vehicle (per hour)	5.92	7.10	6.10	Y	1.22	7.32	3.0%	0.18
• Mileage (per mile)	0.72	0.86	0.74	Y	0.15	0.89	2.8%	0.02
DEISTER POINTS								
• Installation (per point)	40.51	48.61	41.73	Y	8.35	50.08	3.0%	1.22
• (Hire per day)	0.34	0.41	0.35	Y	0.07	0.42	2.9%	0.01
• Attendance Reports (per report)	40.51	48.61	41.73	Y	8.35	50.08	3.0%	1.22
ANY OTHER ASSISTANCE								
• Per Hour Per Operative	72.10	86.52	74.26	Y	14.85	89.11	3.0%	2.16
CCTV AND RADIO COMMUNICATION SERVICES								
CCTV SERVICES								
ANNUAL REGISTRATION AND COMPLIANCE AUDIT								
• Static Camera	12.14	14.57	12.51	Y	2.50	15.01	3.0%	0.37
• ANPR Camera	18.77	22.52	19.33	Y	3.87	23.20	3.0%	0.56
• PTZ Camera	33.11	39.73	34.11	Y	6.82	40.93	3.0%	1.00
• Non public space per system	Variable	Variable	Variable	Y	Variable	Variable	N/A	N/A
ANNUAL MAINTENANCE FEE								
• ANPR Camera	185.44	222.53	191.00	Y	38.20	229.20	3.0%	5.56
• Public Space Camera	742.85	891.42	765.13	Y	153.03	918.16	3.0%	22.28
• Non public space per system	Variable	Variable	Variable	Y	Variable	Variable	N/A	N/A

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PASSIVE MONITORING ON ACTIVATION PER SITE (SEE FEE FOR VISUAL VERIFICATION ABOVE)								
• Active Live Monitoring Only – Public Space without telemetry (per camera per day) (including transmission fees)	1.33	1.60	1.37	Y	0.27	1.64	3.0%	0.04
• Active Live Monitoring Only – Public Space with telemetry (per camera per day) (including transmission fees)	3.42	4.10	3.52	Y	0.70	4.22	2.9%	0.10
• Active Live Monitoring and Recording – Public Space without telemetry (per camera per day) (including transmission fees)	3.65	4.38	3.76	Y	0.75	4.51	3.0%	0.11
• Active Live Monitoring and Recording – Public Space with telemetry (per camera per day) (including transmission fees)	10.04	12.05	10.34	Y	2.07	12.41	3.0%	0.30
• Automatic Number Plate Recognition Camera (per camera per day) (including transmission fees and connection to ANPR network)	8.66	10.39	8.92	Y	1.78	10.70	3.0%	0.26
NOTE: The Service does not undertake active live monitoring on private space systems.								
CCTV DEVELOPMENT SERVICES								
CCTV ADVICE AND CONSULTANCY								
• Private Sector (per hour)	68.43	82.12	70.49	Y	14.10	84.59	3.0%	2.06
• Up to 4 Camera System (per camera per annum)	1,728.53	2,074.24	1,780.38	Y	356.08	2,136.46	3.0%	51.85
• 5-8 Camera System (per annum)	6,090.70	7,308.84	6,273.42	Y	1,254.68	7,528.10	3.0%	182.72
• 9-12 Camera System (per annum)	8,528.96	10,234.75	8,784.82	Y	1,756.96	10,541.78	3.0%	255.86
• 13-19 Camera System (per annum)	10,966.12	13,159.34	11,295.11	Y	2,259.02	13,554.13	3.0%	328.99
• 20 or over Camera System (per annum)	14,619.66	17,543.59	15,058.24	Y	3,011.65	18,069.89	3.0%	438.58
• Non Public Space	Variable	Variable	Variable	Y	Variable	Variable	N/A	N/A
RADIO COMMUNICATIONS EQUIPMENT								
• Radio Equipment and hire fee	15.45	18.54	15.91	Y	3.18	19.09	3.0%	0.46
• Radio Equipment (airtime)	15.45	18.54	15.91	Y	3.18	19.09	3.0%	0.46
REMOTE SECURITY SERVICES								
• Remote Operation of Traffic Control Barriers (per barrier)	4,503.45	5,404.14	4,638.55	Y	927.71	5,566.26	3.0%	135.10
• Remote Operation of Visual Display Signage (including Snow Signs) (per sign)	1,913.97	2,296.76	1,971.39	Y	394.28	2,365.67	3.0%	57.42
CONCIERGE SERVICE								
• Concierge Service per unit (Vetting by tenant)	210.82	252.98	217.15	Y	43.43	260.58	3.0%	6.33
• Concierge Service per unit (Vetting by Control Room)	422.75	507.30	435.44	Y	87.09	522.53	3.0%	12.69
EMERGENCY CONTROL CENTRE								
• Provision of Emergency Control Centre, Emergency Response and Command Rooms (per year)	8,489.22	10,187.06	8,743.90	Y	1,748.78	10,492.68	3.0%	254.68

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CCTV, SECURITY AND FIRST RESPONSE SERVICES								
ALARM RECEIVING CENTRE - PROTECTOR PACKAGES								
• GOLD – Including alarm and sound monitoring, alarm response and patrols, primary key holding, Line Guard and visual verification,	4,808.26	5,769.91	4,952.50	Y	990.50	5,943.00	3.0%	144.24
• SILVER – Including alarm and sound monitoring, alarm response and patrols, secondary key holding and Line Guard.	3,857.70	4,629.24	3,973.43	Y	794.69	4,768.12	3.0%	115.73
• BRONZE 1 – Including conventional alarm monitoring, alarm response and patrols and secondary key holding.	2,990.68	3,588.82	3,080.40	Y	616.08	3,696.48	3.0%	89.72
• BRONZE 2 – Including alarm and sound monitoring, alarm response and patrols and primary key holding.	3,631.46	4,357.75	3,740.40	Y	748.08	4,488.48	3.0%	108.94
ALARM MONITORING								
• Sonitrol Alarm Monitoring	1,485.26	1,782.31	1,529.82	Y	305.96	1,835.78	3.0%	44.56
• Galaxy Gold Alarm Monitoring	1,131.35	1,357.62	1,165.29	Y	233.06	1,398.35	3.0%	33.94
• Conventional Alarm Monitoring	859.33	1,031.20	885.11	Y	177.02	1,062.13	3.0%	25.78
STAFF HOME ALARM MONITORING								
• Monitoring and Advisor Only	113.30	135.96	116.70	Y	23.34	140.04	3.0%	3.40
• Monitoring with Police Response	278.10	333.72	286.44	Y	57.29	343.73	3.0%	8.34
• Monitoring with Police, Fire and Panic Attack Modes	432.60	519.12	445.58	Y	89.12	534.70	3.0%	12.98
• Line Guard (was Paknet – replaced with a cheaper system)	293.55	352.26	302.36	Y	60.47	362.83	3.0%	8.81
• Visual Verification	875.50	1,050.60	901.77	Y	180.35	1,082.12	3.0%	26.27
• Trap Alarm Hire (per week)	29.36	35.23	30.24	Y	6.05	36.29	3.0%	0.88
SMOKE ALARMS								
• Smoke Alarm not returned or damaged beyond repair	42.23	42.23	43.50	N	0.00	43.50	3.0%	1.27
KEYHOLDING								
• Primary key holder	432.60	519.12	445.58	Y	89.12	534.70	3.0%	12.98
• Secondary key holder	298.70	358.44	307.66	Y	61.53	369.19	3.0%	8.96
• Alarm call out if FRS is secondary key holder, but primary key • holder unavailable within 30 minutes	33.48	40.18	34.48	Y	6.90	41.38	3.0%	1.00
• Alarm call out if FRS is not a key holder and no key holder is available within 30 minutes. After 30 minutes, charged at spot hire rate for static guard.	61.80	74.16	63.65	Y	12.73	76.38	3.0%	1.85
• Key cutting (standard key)	5.67	6.80	5.83	Y	1.17	7.00	2.8%	0.16
• Key cutting (specialist key – including master keys)	22.66	27.19	23.34	Y	4.67	28.01	3.0%	0.68
KEY SAFE								
• Key Safe - supply and installation (£10 discount if installed at the same time as the helpline)	66.95	66.95	68.96	N	0.00	68.96	3.0%	2.01
• Installation charges - Helpline	41.20	41.20	42.44	N	0.00	42.44	3.0%	1.24
• Base unit and pendant - recharge for equipment lost or not returned or damaged beyond repair	153.47	153.47	158.07	N	0.00	158.07	3.0%	4.60
• Replacement Pendants (lost or damaged)	51.50	51.50	53.05	N	0.00	53.05	3.0%	1.55
LONE WORKER PROTECTION								
• Mobile device set up fee	62.11	74.53	63.97	Y	12.79	76.76	3.0%	1.86
• GOLD risk device tracking (per month)	36.61	43.93	37.70	Y	7.54	45.24	3.0%	1.09
• SILVER risk device tracking (per month)	24.40	29.28	25.13	Y	5.03	30.16	3.0%	0.73
• BRONZE risk device tracking (per month)	13.32	15.98	13.72	Y	2.74	16.46	3.0%	0.40

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BUILDING CONTROL								
ERECTION OF UP TO 5 DWELLINGS								
Full Plans Application								
• Plan charge payable on submission								
1 dwelling	235.00	282.00	258.50	Y	51.70	310.20	10.0%	23.50
2 dwellings	301.67	362.00	331.84	Y	66.37	398.21	10.0%	30.17
3 dwellings	368.33	442.00	405.16	Y	81.03	486.19	10.0%	36.83
4 dwellings	435.83	523.00	479.41	Y	95.88	575.29	10.0%	43.58
5 dwellings	502.50	603.00	552.75	Y	110.55	663.30	10.0%	50.25
	10%							
• Inspection Charge Payable after First Inspection								
1 dwelling	335.00	402.00	368.50	Y	73.70	442.20	10.0%	33.50
2 dwellings	469.17	563.00	516.09	Y	103.22	619.31	10.0%	46.92
3 dwellings	569.17	683.00	626.09	Y	125.22	751.31	10.0%	56.92
4 dwellings	670.00	804.00	737.00	Y	147.40	884.40	10.0%	67.00
5 dwellings	770.00	924.00	847.00	Y	169.40	1,016.40	10.0%	77.00
Building Notice								
• Plan charge payable on submission								
1 dwelling	703.33	844.00	773.66	Y	154.73	928.39	10.0%	70.33
2 dwellings	970.83	1,165.00	1,067.91	Y	213.58	1,281.49	10.0%	97.08
3 dwellings	1,205.83	1,447.00	1,326.41	Y	265.28	1,591.69	10.0%	120.58
4 dwellings	1,439.17	1,727.00	1,583.09	Y	316.62	1,899.71	10.0%	143.92
5 dwellings	1,674.17	2,009.00	1,841.59	Y	368.32	2,209.91	10.0%	167.42
ALTERATIONS TO NON-DOMESTIC BUILDINGS								
Non-Domestic Window Replacement								
• Plan / inspection charge payable on submission								
Per installation up to 10 windows	103.33	124.00	113.66	Y	22.73	136.39	10.0%	10.33
Per installation 10 to 50 windows	271.67	326.00	298.84	Y	59.77	358.61	10.0%	27.17
Renovation of a Thermal Element								
• Plan / inspection charge payable on submission								
- Estimated cost of works up to £30,000	245.00	294.00	269.50	Y	53.90	323.40	10.0%	24.50
- Estimated cost of works £30,000 & up to £60,000	300.83	361.00	330.91	Y	66.18	397.09	10.0%	30.08
Alterations, installation of fittings and/or structural alterations not described elsewhere								
• Plan charge payable on submission								
- Estimated cost up to £2,000.00	183.33	220.00	201.66	Y	40.33	241.99	10.0%	18.33
- Exceeding £2,000 and up to £5,000	271.67	326.00	298.84	Y	59.77	358.61	10.0%	27.17
- Exceeding £5,000 and up to £30,000	199.17	239.00	219.09	Y	43.82	262.91	10.0%	19.92
- Exceeding £30,000 and up to £50,000	300.83	361.00	330.91	Y	66.18	397.09	10.0%	30.08
- Exceeding £50,000 and up to £75,000	339.17	407.00	373.09	Y	74.62	447.71	10.0%	33.92
- Exceeding £75,000 and up to £100,000	382.50	459.00	420.75	Y	84.15	504.90	10.0%	38.25

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• Inspection Charge Payable after First Inspection								
- Estimated cost up to £2,000.00	0.00	0.00	0.00		0.00	0.00	0.0%	0.00
- Exceeding £2,000 and up to £5,000	0.00	0.00	0.00		0.00	0.00	0.0%	0.00
- Exceeding £5,000 and up to £30,000	237.50	285.00	261.25	Y	52.25	313.50	10.0%	23.75
- Exceeding £30,000 and up to £50,000	335.83	403.00	369.41	Y	73.88	443.29	10.0%	33.58
- Exceeding £50,000 and up to £75,000	386.67	464.00	425.34	Y	85.07	510.41	10.0%	38.67
- Exceeding £75,000 and up to £100,000	443.33	532.00	487.66	Y	97.53	585.19	10.0%	44.33
NON-DOMESTIC WORK - EXTENSIONS & NEW BUILD								
Floor Area not exceeding 10m²								
• Plan charge								
Other residential	192.50	231.00	211.75	Y	42.35	254.10	10.0%	19.25
Assembly and recreation	192.50	231.00	211.75	Y	42.35	254.10	10.0%	19.25
Industrial and storage	192.50	231.00	211.75	Y	42.35	254.10	10.0%	19.25
All other use classes	192.50	231.00	211.75	Y	42.35	254.10	10.0%	19.25
• Inspection Charge								
Other residential	542.50	651.00	596.75	Y	119.35	716.10	10.0%	54.25
Assembly and recreation	464.17	557.00	510.59	Y	102.12	612.71	10.0%	46.42
Industrial and storage	310.83	373.00	341.91	Y	68.38	410.29	10.0%	31.08
All other use classes	464.17	557.00	510.59	Y	102.12	612.71	10.0%	46.42
Floor Area exceeding 10m² but not exceeding 40m²								
• Plan charge								
Other residential	271.67	326.00	298.84	Y	59.77	358.61	10.0%	27.17
Assembly and recreation	271.67	326.00	298.84	Y	59.77	358.61	10.0%	27.17
Industrial and storage	271.67	326.00	298.84	Y	59.77	358.61	10.0%	27.17
All other use classes	271.67	326.00	298.84	Y	59.77	358.61	10.0%	27.17
• Inspection Charge								
Other residential	617.50	741.00	679.25	Y	135.85	815.10	10.0%	61.75
Assembly and recreation	542.50	651.00	596.75	Y	119.35	716.10	10.0%	54.25
Industrial and storage	390.00	468.00	429.00	Y	85.80	514.80	10.0%	39.00
All other use classes	542.50	651.00	596.75	Y	119.35	716.10	10.0%	54.25
Floor Area exceeding 40m² but not exceeding 100m²								
• Plan charge								
Other residential	341.67	410.00	375.84	Y	75.17	451.01	10.0%	34.17
Assembly and recreation	333.33	400.00	366.66	Y	73.33	439.99	10.0%	33.33
Industrial and storage	319.17	383.00	351.09	Y	70.22	421.31	10.0%	31.92
All other use classes	333.33	400.00	366.66	Y	73.33	439.99	10.0%	33.33
• Inspection Charge								
Other residential	626.67	752.00	689.34	Y	137.87	827.21	10.0%	62.67
Assembly and recreation	555.83	667.00	611.41	Y	122.28	733.69	10.0%	55.58
Industrial and storage	418.33	502.00	460.16	Y	92.03	552.19	10.0%	41.83
All other use classes	555.83	667.00	611.41	Y	122.28	733.69	10.0%	55.58

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BUILDING REGULATIONS RELATED CHARGES								
Copies of Decision Notices or Completion Certificates	45.00	45.00	49.50	N	0.00	49.50	10.0%	4.50
Copies of Correspondence	12.00	12.00	13.20	N	0.00	13.20	10.0%	1.20
Dangerous Structures out of hours Call-out Charge	227.00	227.00	249.70	N	0.00	249.70	10.0%	22.70
Provision of a letter, confirming exemption of the proposals or work undertaken, from the procedural or substantive requirements of the Building Regs	45.00	45.00	49.50	N	0.00	49.50	10.0%	4.50
Provision of late completion inspections and issue of completion certificate	185.00	185.00	203.50	N	0.00	203.50	10.0%	18.50
Administrative processing cost for refunding Building Regulation fees is subject to the status of the application and the advancement of the works	65.00	65.00	71.50	N	0.00	71.50	10.0%	6.50
DOMESTIC PROPERTIES - ALTERATIONS; REPLACEMENT WINDOWS; ELECTRICAL WORK								
<u>Full Plans Submission</u>								
• Plan / inspection charge payable on submission								
- Mini pile underpinning or traditional underpinning up to 12 linear metres	310.83	373.00	341.91	Y	68.38	410.29	10.0%	31.08
- Renovation of a thermal element to a single dwelling	110.00	132.00	121.00	Y	24.20	145.20	10.0%	11.00
- Alterations to create a basement up to 60m ² not including underpinning	313.33	376.00	344.66	Y	68.93	413.59	10.0%	31.33
<u>Building Notice Submission</u>								
• Payable on submission								
- Mini pile underpinning or traditional underpinning up to 12 linear metres	341.67	410.00	375.84	Y	75.17	451.01	10.0%	34.17
- Renovation of a thermal element to a single dwelling	110.00	132.00	121.00	Y	24.20	145.20	10.0%	11.00
- Alterations to create a basement up to 60m ² not including underpinning	376.67	452.00	414.34	Y	82.87	497.21	10.0%	37.67
<u>Alterations, installation of fittings and/or structural alterations not described elsewhere</u>								
<u>Full Plans Submission</u>								
• Plan / inspection charge								
Estimated cost up to £1,000	103.33	124.00	113.66	Y	22.73	136.39	10.0%	10.33
Estimated cost exceeding £1,000 up to £2,000	183.33	220.00	201.66	Y	40.33	241.99	10.0%	18.33
Estimated cost exceeding £2,000 up to £5,000	221.67	266.00	243.84	Y	48.77	292.61	10.0%	22.17
Estimated cost exceeding £5,000 up to £10,000	271.67	326.00	298.84	Y	59.77	358.61	10.0%	27.17
Estimated cost exceeding £10,000 up to £30,000	330.83	397.00	363.91	Y	72.78	436.69	10.0%	33.08
Estimated cost exceeding £30,000 up to £50,000	199.17	239.00	219.09	Y	43.82	262.91	10.0%	19.92
Estimated cost exceeding £50,000 up to £75,000	223.33	268.00	245.66	Y	49.13	294.79	10.0%	22.33
Estimated cost exceeding £75,000 up to £100,000	250.83	301.00	275.91	Y	55.18	331.09	10.0%	25.08
• Inspection Charge								
Estimated cost exceeding £30,000 up to £50,000	232.50	279.00	255.75	Y	51.15	306.90	10.0%	23.25
Estimated cost exceeding £50,000 up to £75,000	370.00	444.00	407.00	Y	81.40	488.40	10.0%	37.00
Estimated cost exceeding £75,000 up to £100,000	440.83	529.00	484.91	Y	96.98	581.89	10.0%	44.08

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<u>Building Notice Submission</u>								
• Payable on submission								
Estimated cost up to £1,000	103.33	124.00	113.66	Y	22.73	136.39	10.0%	10.33
Estimated cost exceeding £1,000 up to £2,000	202.50	243.00	222.75	Y	44.55	267.30	10.0%	20.25
Estimated cost exceeding £2,000 up to £5,000	245.00	294.00	269.50	Y	53.90	323.40	10.0%	24.50
Estimated cost exceeding £5,000 up to £10,000	296.67	356.00	326.34	Y	65.27	391.61	10.0%	29.67
Estimated cost exceeding £10,000 up to £30,000	360.83	433.00	396.91	Y	79.38	476.29	10.0%	36.08
Estimated cost exceeding £30,000 up to £50,000	474.17	569.00	521.59	Y	104.32	625.91	10.0%	47.42
Estimated cost exceeding £50,000 up to £75,000	652.50	783.00	717.75	Y	143.55	861.30	10.0%	65.25
Estimated cost exceeding £75,000 up to £100,000	735.00	882.00	808.50	Y	161.70	970.20	10.0%	73.50
<u>Window replacements undertaken by contractors who are NOT registered with a Competent Persons Scheme (e.g. FENSA)</u>								
<u>Full Plans Submission</u>								
• Plan / inspection charge								
Per installation up to 10 windows	103.33	124.00	113.66	Y	22.73	136.39	10.0%	10.33
Per installation 11 to 20 windows	202.50	243.00	222.75	Y	44.55	267.30	10.0%	20.25
<u>Building Notice Submission</u>								
• Payable on submission								
Per installation up to 10 windows	103.33	124.00	113.66	Y	22.73	136.39	10.0%	10.33
Per installation 11 to 20 windows	202.50	243.00	222.75	Y	44.55	267.30	10.0%	20.25
<u>Electrical work undertaken by non-Part P accredited electricians:</u>								
(a) Electrical work undertaken by a competent (non Part P) electrician capable of demonstrating up to date qualifications and providing all required installation and test certificates								
<u>Full Plans Submission</u>								
• Plan/ inspection charge								
Any electrical work other than re-wiring a dwelling	75.83	91.00	83.41	Y	16.68	100.09	10.0%	7.58
The re-wiring of a dwelling	130.83	157.00	143.91	Y	28.78	172.69	10.0%	13.08
			0.00					
<u>Building Notice Submission</u>								
• Payable on submission								
Any electrical work other than re-wiring a dwelling	75.83	91.00	83.41	Y	16.68	100.09	10.0%	7.58
The re-wiring of a dwelling	130.83	157.00	143.91	Y	28.78	172.69	10.0%	13.08

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(b) Person undertaking electrical work not satisfying the competency listed in (a) above								
Full Plans Submission								
• Plan/ Inspection charge								
Any electrical work other than re-wiring a dwelling	303.33	364.00	333.66	Y	66.73	400.39	10.0%	30.33
The re-wiring of a dwelling	405.00	486.00	445.50	Y	89.10	534.60	10.0%	40.50
Building Notice Submission								
• Payable on submission								
Any electrical work other than re-wiring a dwelling	303.33	364.00	333.66	Y	66.73	400.39	10.0%	30.33
The re-wiring of a dwelling	405.00	486.00	445.50	Y	89.10	534.60	10.0%	40.50
Installation of a solid fuel heating appliance by a contractor not registered with a competent persons scheme (e.g. HETAS)								
Full Plans Submission								
• Plan Inspection charge	262.50	315.00	288.75	Y	57.75	346.50	10.0%	26.25
Building Notice Submission								
• Payable on submission	303.33	364.00	333.66	Y	66.73	400.39	10.0%	30.33
DOMESTIC EXTENSIONS; GARAGES; LOFT CONVERSIONS; GARAGE CONVERSIONS								
Full Plans Submission								
• Plan charge payable on submission								
Single storey extension, floor area not exceeding 10m ²	323.33	388.00	355.66	Y	71.13	426.79	10.0%	32.33
Single storey extension, floor area exceeding 10m ² but not exceeding 40m ²	167.50	201.00	184.25	Y	36.85	221.10	10.0%	16.75
Single storey extension, floor area exceeding 40m ² but not exceeding 80m ²	199.17	239.00	219.09	Y	43.82	262.91	10.0%	19.92
• Inspection Charge payable after first inspection								
Single storey extension, floor area exceeding 10m ² but not exceeding 40m ²	256.67	308.00	282.34	Y	56.47	338.81	10.0%	25.67
Single storey extension, floor area exceeding 40m ² but not exceeding 80m ²	350.83	421.00	385.91	Y	77.18	463.09	10.0%	35.08
Building Notice Submission								
• Payable on submission								
Single storey extension, floor area not exceeding 10m ²	355.83	427.00	391.41	Y	78.28	469.69	10.0%	35.58
Single storey extension, floor area exceeding 10m ² but not exceeding 40m ²	466.67	560.00	513.34	Y	102.67	616.01	10.0%	46.67
Single storey extension, floor area exceeding 40m ² but not exceeding 80m ²	600.00	720.00	660.00	Y	132.00	792.00	10.0%	60.00

DESCRIPTION OF FEES	2022/23 CHARGES		PROPOSED 2023/24 CHARGES				NET VARIANCE FROM	
	NET FEES (£)	TOTAL INCL. VAT (£)	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)	% CHANGE	£ CHANGE EXCL. VAT
Full Plans Submission					0.00			
• Plan charge								
Two storey extension not exceeding 40m ²	167.50	201.00	184.25	Y	36.85	221.10	10.0%	16.75
Two storey extension, exceeding 40m ² but not exceeding 80m ²	199.17	239.00	219.09	Y	43.82	262.91	10.0%	19.92
• Inspection Charge								
Two storey extension not exceeding 40m ²	350.83	421.00	385.91	Y	77.18	463.09	10.0%	35.08
Two storey extension, exceeding 40m ² but not exceeding 80m ²	395.00	474.00	434.50	Y	86.90	521.40	10.0%	39.50
Building Notice Submission								
• Payable on submission								
Two storey extension not exceeding 40m ²	569.17	683.00	626.09	Y	125.22	751.31	10.0%	56.92
Two storey extension, exceeding 40m ² but not exceeding 80m ²	653.33	784.00	718.66	Y	143.73	862.39	10.0%	65.33
Full Plans Submission								
• Plan charge								
Loft conversion that does not include the construction of a dormer (max 50m ²)	339.17	407.00	373.09	Y	74.62	447.71	10.0%	33.92
Loft conversion that includes the construction of a dormer (max 50m ²)	199.17	239.00	219.09	Y	43.82	262.91	10.0%	19.92
• Inspection Charge								
Loft conversion that includes the construction of a dormer (max 50m ²)	255.83	307.00	281.41	Y	56.28	337.69	10.0%	25.58
Building Notice Submission								
• Payable on submission								
Loft conversion that does not include the construction of a dormer (max 50m ²)	374.17	449.00	411.59	Y	82.32	493.91	10.0%	37.42
Loft conversion that includes the construction of a dormer (max 50m ²)	500.83	601.00	550.91	Y	110.18	661.09	10.0%	50.08
Full Plans Submission								
• Plan / Inspection charge								
Erection or extension of a non-exempt <u>detached</u> domestic garage (or similar) up to 80m ²	227.50	273.00	250.25	Y	50.05	300.30	10.0%	22.75
Erection or extension of a non-exempt <u>attached</u> domestic garage (or similar) up to 40m ²	270.83	325.00	297.91	Y	59.58	357.49	10.0%	27.08
Conversion of an attached/integral garage of a dwelling into an habitable room(s)	230.00	276.00	253.00	Y	50.60	303.60	10.0%	23.00

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DESCRIPTION OF FEES	2022/23 CHARGES		PROPOSED 2023/24 CHARGES				NET VARIANCE FROM	
	NET FEES (£)	TOTAL INCL. VAT (£)	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)	% CHANGE	£ CHANGE EXCL. VAT
Building Notice Submission								
• Payable on submission								
Erection or extension of a non-exempt <u>detached</u> domestic garage (or similar) up to 80m ²	270.83	325.00	297.91	Y	59.58	357.49	10.0%	27.08
Erection or extension of a non-exempt <u>attached</u> domestic garage (or similar) up to 40m ²	325.00	390.00	357.50	Y	71.50	429.00	10.0%	32.50
Conversion of an attached/integral garage of a dwelling into an habitable room(s)	252.50	303.00	277.75	Y	55.55	333.30	10.0%	25.25
FLEET MOT CHARGES								
• MOT of Car	45.00	45.00	49.50	N	0.00	49.50	10.0%	4.50
• MOT of Minibus	55.00	55.00	60.50	N	0.00	60.50	10.0%	5.50
TRADE WASTE								
REFUSE COLLECTION								
• Sacks: 52 sacks (per year)	125.00	125.00	137.50	N	0.00	137.50	10.0%	12.50
• 140 Litre Wheeled Bins (per bin per year)	177.00	177.00	194.70	N	0.00	194.70	10.0%	17.70
• Second And Subsequent Bins (per bin per year)	131.00	131.00	144.10	N	0.00	144.10	10.0%	13.10
• 240 Litre Wheeled Bins (per bin per year)	261.00	261.00	287.10	N	0.00	287.10	10.0%	26.10
• Second And Subsequent Bins (per bin per year)	216.00	216.00	237.60	N	0.00	237.60	10.0%	21.60
• 360 Litre Wheeled Bins (per bin per year)	355.00	355.00	390.50	N	0.00	390.50	10.0%	35.50
• Second And Subsequent Bins (per bin per year)	315.00	315.00	346.50	N	0.00	346.50	10.0%	31.50
• 770 Litre Wheeled Bins (per bin per year)	749.00	749.00	823.90	N	0.00	823.90	10.0%	74.90
• Second And Subsequent Bins (per bin per year)	631.00	631.00	694.10	N	0.00	694.10	10.0%	63.10
• 1100 Litre Wheeled Bins (per bin per year)	962.00	962.00	1,058.20	N	0.00	1,058.20	10.0%	96.20
• Second And Subsequent Bins (per bin per year)	849.00	849.00	933.90	N	0.00	933.90	10.0%	84.90
RECYCLING (Trade Waste)								
• 140 Litre Wheeled Bins (per bin per year)	87.00	87.00	95.70	N	0.00	95.70	10.0%	8.70
• Second And Subsequent Bins (per bin per year)	65.00	65.00	71.50	N	0.00	71.50	10.0%	6.50
• 240 Litre Wheeled Bins (per bin per year)	128.00	128.00	140.80	N	0.00	140.80	10.0%	12.80
• Second And Subsequent Bins (per bin per year)	107.00	107.00	117.70	N	0.00	117.70	10.0%	10.70
• 360 Litre Wheeled Bins (per bin per year)	175.00	175.00	192.50	N	0.00	192.50	10.0%	17.50
• Second And Subsequent Bins (per bin per year)	156.00	156.00	171.60	N	0.00	171.60	10.0%	15.60
• 770 Litre Wheeled Bins (per bin per year)	371.00	371.00	408.10	N	0.00	408.10	10.0%	37.10
• Second And Subsequent Bins (per bin per year)	312.00	312.00	343.20	N	0.00	343.20	10.0%	31.20
• 1100 Litre Wheeled Bins (per bin per year)	478.00	478.00	525.80	N	0.00	525.80	10.0%	47.80
• Second And Subsequent Bins (per bin per year)	421.00	421.00	463.10	N	0.00	463.10	10.0%	42.10

DESCRIPTION OF FEES	2022/23 CHARGES		PROPOSED 2023/24 CHARGES				NET VARIANCE FROM	
	NET FEES (£)	TOTAL INCL. VAT (£)	NET FEES (£)	SUBJECT TO VAT	VAT (£)	TOTAL INCL. VAT (£)	% CHANGE	£ CHANGE EXCL. VAT
DOMESTIC WASTE								
REPLACEMENT BINS								
• New Wheeled Bin 140l (Refuse)	32.00	32.00	35.20	N	0.00	35.20	10.0%	3.20
• New Wheeled Bin 140l (Recycling)	FREE	FREE	FREE	N	0.00	FREE	N/A	N/A
• New Wheeled Bin 240l (Refuse)	36.00	36.00	39.60	N	0.00	39.60	10.0%	3.60
• New Wheeled Bin 240l (Recycling)	FREE	FREE	FREE	N	0.00	FREE	0.0%	N/A
• New Wheeled Bin 360l (Refuse) Standard	65.00	65.00	71.50	N	0.00	71.50	10.0%	6.50
• New Wheeled Bin 360l (Refuse) Lockable	86.00	86.00	94.60	N	0.00	94.60	10.0%	8.60
• New Wheeled Bin 360l (Recycling) Standard & Lockable	FREE	FREE	FREE	N	0.00	FREE	N/A	N/A
• New Wheeled Bin 770l (Refuse)	336.00	336.00	369.60	N	0.00	369.60	10.0%	33.60
• New Wheeled Bin 770l (Recycling)	FREE	FREE	FREE	N	0.00	FREE	N/A	N/A
• New Wheeled Bin 1100l (Refuse)	345.00	345.00	379.50	N	0.00	379.50	10.0%	34.50
• New Wheeled Bin 1100l (Recycling)	FREE	FREE	FREE	N	0.00	FREE	N/A	N/A
• Reconditioned Wheeled Bin 140l (Refuse)	17.00	17.00	18.70	N	0.00	18.70	10.0%	1.70
• Reconditioned Wheeled Bin 140l (Recycling)	FREE	FREE	FREE	N	0.00	FREE	N/A	N/A
• Reconditioned Wheeled Bin 240l (Refuse)	22.00	22.00	24.20	N	0.00	24.20	10.0%	2.20
• Reconditioned Wheeled Bin 240l (Recycling)	FREE	FREE	FREE	N	0.00	FREE	0.0%	0.00
• Delivery Charge for all Bin Delivery	FREE	FREE	FREE	N	0.00	FREE	0.0%	0.00
BULKY ITEM COLLECTION								
• Upto 3 bulky items (additional charge for white goods below)	20.00	20.00	22.00	N	0.00	22.00	10.0%	2.00
• Fee per additional bulky item thereafter	7.00	7.00	7.70	N	0.00	7.70	10.0%	0.70
• Additional charge per item (white goods only)	10.00	10.00	11.00	N	0.00	11.00	10.0%	1.00
• One free collection per year for residents on the Council's assist list	FREE	FREE	FREE	N	0.00	FREE	N/A	N/A
WASTE ADMINISTRATION CHARGES								
• Redelivery of bin after suspension (trade waste)	40.00	40.00	44.00	N	0.00	44.00	10.0%	4.00
• Reducing contract (trade waste)	35.00	35.00	38.50	N	0.00	38.50	10.0%	3.50
Exclusions								
Markets								
As a result of economic and market conditions, market fees and charges will be set as per the usual charge but will be varied to take advantage of opportunities as and when they arise								
Leased out buildings								
To be reviewed in line with lease agreement								
OCLL								
OCLL charges for Swimming Pools and recreation facilities have been excluded from this report as they set their own fee levels.								

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Appendix 11 - 2024/25 to 2027/28 MTFS Summary

	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000
Prior Year Net Revenue Budget	274,064	279,205	283,349	287,932
Adjustments to the Base Budget	17,463	5,100	0	0
Revised Base Position	291,527	284,305	283,349	287,932
Expenditure Adjustments				
Pay Inflation	5,000	3,900	4,000	2,750
Contractual Inflation	1,000	500	0	0
Service Inflation	1,000	1,000	1,000	1,000
Adult Social Care Demographics and other cost pressures	4,108	2,865	2,921	2,979
Adult Social Care - Introduction of Adult Social Care Reform	0	1,000	1,000	1,000
Adult Social Care – Market Sustainability and Fair Cost of Care Fund (BCF)	(1,324)	0	0	0
Adult Social Care – Adult Social Care Discharge Fund	(1,046)	0	0	0
Home to School Transport - Additional Costs	250	250	250	250
Investment Fund	3,478	4,500	3,500	3,500
Employer Pension Contribution Rate Reduction	0	0	1,500	0
Cessation of Pension Prepayment Flexibility	75	75	0	0
Cost of Living Support	(852)	0	0	0
Exceptional Hardship Payment Scheme	130	0	0	0
Development Fund / Political Priorities	3,000	3,000	3,000	3,000
Revised Parish Precept Expenditure (offset by Parish Precept income)	8	8	8	8
Total Expenditure Adjustments	14,827	17,098	17,179	14,487
Impact of Levies, the Statutory Charge and Contributions				
Projected Change to GMCA Levy budgets	2,851	1,384	1,254	1,291
Environment Agency Levy	2	2	2	2
Total Impact of Levies, the Statutory Charge and Contributions	2,853	1,386	1,256	1,293
Total Expenditure	309,207	302,789	301,784	303,712
Funded By:				
Government Grant				
Business Rates Top Up Grant	(48,113)	(41,021)	(41,021)	(41,021)
Grant in Lieu of Business Rates	(27,596)	(19,870)	(19,870)	(19,870)
Revenue Support Grant	0	(21,209)	(21,209)	(21,209)
Public Health Grant	0	(17,699)	(17,699)	(17,699)
Improved Better Care Fund Grant	(11,188)	(11,188)	(11,188)	(11,188)
Social Care Support Grant	(24,783)	(24,783)	(24,783)	(24,783)
Adult Social Care Reform Grant	0	(1,000)	(2,000)	(3,000)
Housing Benefit Administration Grant	(796)	(782)	(768)	(754)
Revenues and Benefits Service New Burdens Grant	(9)	(7)	(5)	(3)
New Homes Bonus Grant	(125)	0	0	0
Services Grant	(1,056)	(1,056)	(1,056)	(1,056)
Total Government Grant Funding	(113,666)	(138,615)	(139,599)	(140,583)
Locally Generated Income				
Retained Business Rates	(50,164)	(26,074)	(26,302)	(26,530)
Council Tax Income - General Purposes	(97,738)	(100,869)	(104,086)	(107,389)
Adult Social Care Precept	(17,311)	(17,457)	(17,603)	(17,750)
Parish Precepts	(326)	(334)	(342)	(350)
Total Locally Generated Income	(165,539)	(144,734)	(148,333)	(152,019)
Total Funding	(279,205)	(283,349)	(287,932)	(292,602)
Budget Reduction Requirement	30,002	19,440	13,852	11,110
2021/22 Approved Budget Reductions	(300)	(303)	0	0
2022/23 Approved Budget Reductions	(1,150)	0	0	0
Return on Children's Investment		(2,186)	(1,293)	(998)
Revisions / Reprofile of Approved Budget Reductions	(4,250)	(747)	(100)	0
Total Flexible Use of Capital Receipts	(2,600)	0	0	0
2023/24 Proposed Budget Reductions	(6,969)	(1,135)	0	0
Reserves				
Bus Reform - Approved 2022/23 Budget	(1,432)	0	0	0
General Use of Reserves (Approved 2022/23)	(2,500)	0	0	0
Total Use of Reserves	(3,932)	0	0	0
Net Gap/Budget Reduction Requirement	10,801	15,069	12,459	10,112

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PAY POLICY STATEMENT 2023/24

Introduction & Purpose

1. This Pay Policy Statement (the 'Statement') sets out the Council's approach to pay policy in accordance with the requirements of Section 38 to 43 of the Localism Act 2011.
2. The purpose of the Statement is to provide transparency and accountability with regard to the Council's approach to setting the pay of its employees. It excludes teaching and other school staff working for the Local Authority under the scope of a School Governing Body. It identifies;
 - the methods by which salaries of employees are determined;
 - the detail and level of remuneration of its most senior staff, i.e. 'chief officers', as defined by the relevant legislation; and
 - the Committee(s) responsible for ensuring the provisions set out in this statement are applied consistently throughout the Council and recommending any amendments to the full Council.

Publication

3. This statement will be reviewed and prepared for each financial year then approved by full Council, usually by the end of March each year, or at the earliest Council in the financial year for which it applies. It will be published on the Council's website as soon as it is reasonably practical following any amendment and approval. For 2023/24 the approval will be at the Budget Council meeting of 01 March 2023.
4. This Statement is linked to Council's Annual Statement of Accounts where we are required to publish the full-time equivalent salaries which are at least £50,000 per annum. It should be noted that an updated version of the appendices attached to this Statement may be published during 2022/23 to allow for any pay award that is agreed at a national level and therefore, other roles across the organisation may be subject to inclusion at a later stage.

Other Legislation Relevant To Pay And Remuneration

5. In determining the pay and remuneration for all of its employees, the Council will comply with all relevant employment legislation. This includes legislation such as the Equality Act 2010, inclusive of the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 which specifies Gender Pay Gap Reporting for public bodies with 250 employees or more, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, and where relevant, the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE).
6. The Council is committed to the principles of equal pay for all employees, and to ensure consistency and fairness within its pay structures. Differentials in grades can be objectively justified using analytical job evaluation mechanisms, which determine the relativities between posts according to the requirements, demands, skills and responsibilities of the role.

Pay Structure

7. The Council uses nationally negotiated pay spines with a defined list of salary points as the basis for its local pay structure. These salary scales determine the salaries of the majority of its non-schools workforce, together with the use of locally determined grades where these do not apply. The current salary scales in use by the Council are available to view on the Council's website.
8. The Council adopts the national pay bargaining arrangements in respect of the establishment and revision of the national pay spines. All other pay related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining processes.
9. Most staff at Oldham Council are employed under the National Joint Council (NJC) terms and conditions (Green Book) and salaries for job roles are determined by the points score associated with the job role through the appropriate job evaluation scheme. For employees within grades 1 to 10, the NJC Job Evaluation Scheme is used, created specifically for jobs within Local Government. Employees on senior management grades are evaluated through the HAY Scheme, widely used for evaluating senior jobs, in both the private and public sector, nationally and internationally. Single Status, harmonising former officers and former manual workers, was implemented by the Council on 1 January 2011.
10. In determining its grading structure and setting remuneration levels for any posts which fall outside this scope, the Council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees who are able to meet the requirements of providing high quality services to the community, delivered effectively and efficiently and at times when those services are required.
11. New appointments will normally be made at the minimum of the grade for the relevant pay scale, although this can be varied where the successful candidate is

currently on a spinal column point/salary that is higher than minimum of the grade/salary of the job being recruited to. Where this occurs, there is guidance in the Council's Starting Salary Policy to ensure consistency of application across the organisation.

12. From time to time it may be necessary to take account of the external pay levels in the labour market in order to attract and retain employees with particular experience, skills and capability. Where necessary, the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators and benchmark information, using data sources available from within the Local Government sector and outside, as appropriate. The past year has shown a rise in demand for certain skills and expertise in a variety of public sector roles and so it is important that we understand how best to respond to that in order to attract and retain the expertise we need to be competitive with comparable organisations. The pandemic has also created more opportunities for staff to look for roles across a broader geography because of hybrid working and so we need to ensure our working arrangements reflect this.

Pension Contributions

13. Where employees have exercised their statutory right to membership of the Local Government Pension Scheme, the Council is required to contribute to the scheme representing a percentage of the pensionable remuneration due under the contract of employment for that employee. The rate of contribution is set by Actuaries advising the Greater Manchester Pension Fund and is reviewed on a triennial basis in order to ensure the scheme is appropriately funded. The new triennial period started on 1 April 2020, and rates for employer's contributions can be found in the Actuarial Valuation Reports on the Greater Manchester Pensions Fund (GMPF) website. The employee contribution rates are banded at 5.5% to 12.5%, depending on the level of annual salary.
14. Oldham Council has a flexible retirement scheme which is run in accordance with the Local Government Pension Scheme and Regulation 18 of the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (SI 2007/1166) as amended by the Local Government Pension Scheme (Miscellaneous) Regulations 2012 (SI 2012/1989).
15. There are other pension schemes which are in operation at the Council. There is a separate pension scheme for Teachers and a separate pension scheme for transferred NHS staff that still remain on their existing TUPE terms and conditions.

Senior Salaries

16. Under the Accounts and Audit Regulations 2015 (Statutory Instrument 2015/234), the Council already publishes the number of employees where their remuneration was at least £50,000 over the year, in brackets of £5,000, in line with the Local Government Transparency Code 2015.
17. In recognition of the competitive market and demand for experienced senior officers as well as a need to rationalise the salary scales for senior managers the Appointments Committee of the Council proposed a new banding for posts at Director level within the range £95-£105k and on a spot salary, effective from 1 April 2022. New appointments will be made to a spot salary within this banding. Future pay awards will be added as for all other posts to reflect the national agreements. This change does not affect the Chief Officer salary range. All new appointments over £100k require full Council approval.

Chief Officer Remuneration

18. For the purposes of this statement, senior management means ‘chief officers’ as defined within the Localism Act. This includes the Chief Executive, as Head of Paid Service, Deputy Chief Executives, statutory chief officers, plus chief officers reporting directly to the Chief Executive.
19. It is the policy of the Council to establish a salary for each chief officer post that is sufficient to attract and retain an employee with the appropriate knowledge, experience, skills and abilities that are needed, at that time, by the Council.
20. The arrangements and factors considered in determining, where appropriate, an individual’s progression through the relevant grade pay scale are set out at the time of appointment, with the individual ‘chief officer’. The level of remuneration does not vary depending on the achievement of defined targets, although progression through the incremental scale of the relevant grade is subject to satisfactory performance, which is assessed on an annual basis. Oldham Council does not pay bonus payments.
21. To meet specific operational requirements, it may be necessary for an individual chief officer to temporarily take on additional duties to their identified role. The Council authorises such additional payments which may be relevant to those duties through the Selection Committee, or other constitutionally approved mechanism.
22. Some chief officer posts carry additional payments. These additional payments are supplementary to basic salary and may represent a contractual obligation.
23. The Chief Executive’s salary does include payment for local election duties and no additional remuneration is made for those duties. Separate payments are received for any returning officer duties arising from parliamentary elections, regional elections and referendums. It should be noted that payments for such elections are not funded by the Council.

24. The Chief Executive is employed on JNC Chief Executive terms and conditions. Other chief officers are employed on JNC Chief Officer terms and conditions, as are other senior management posts within the Council. These conditions of service have national collective bargaining to determine their pay rise for the cost of living, which is applied when awarded.

Recruitment Of Chief Officers

25. The Council's procedure with regard to the recruitment of chief officers is outlined within Part 4, Officer Employment Procedure Rules within the Council's Constitution and is undertaken by the Appointments Committee, or other constitutionally approved body. There is a copy of the Council's Constitution on the Council's website to view for further details.
26. When recruiting to all posts, the Council will take full and proper account of all provisions of relevant employment and equality law and its own Recruitment and Redeployment Policies.
27. When recruiting to a chief officer vacancy the Council may engage a recruitment agency to provide external objectivity to the process. In that event, the agency may be used to: determine the market rate for the role, in the market quartile the Council is seeking to compete in at that time; generate interest in the role from potential applicants from inside and outside the sector; conduct the long listing exercise; co-ordinate any personality assessment, group and technical exercises; conduct the short listing exercise with members of the Appointments Committee, or other constitutionally approved mechanism, and facilitate the interview sessions, providing a technical advisor to the interview panel when necessary.
28. The selection of a chief officer is made by a panel of Elected Members operating as the Appointments Committee, or other constitutionally approved mechanism, and has delegated authority to appoint through the Council's Scheme of Delegation. The only exception to this is the appointment of the Chief Executive (Head of Paid Service) whose appointment must be recommended to and approved by full Council. The Appointments Committee, or other constitutionally approved mechanism, is supported by the line manager of the post being recruited to and supported by the Assistant Director of HR & Organisational Development as the technical adviser in all matters relating to recruitment.
29. Full Council will consider the case for any salary in excess of £100,000, prior to any appointment to the 'chief officer' post to which it relates. The salary package will be defined as basic salary, any performance related pay, fees, routinely payable allowances and benefits in kind, that are due under the contract.
30. Where the Council is unable to recruit to a Chief Officer position, or there is a need for interim support to provide cover for a substantive chief officer post, the Council may, where necessary, consider engaging individuals under a 'contract for services' rather than making a temporary appointment. These individuals will be sourced through a relevant procurement process ensuring the Council is able to demonstrate the maximum value for money in securing the relevant expertise. In

assessing such it should be noted that in respect of such engagements the Council will be fully compliant with the 'off payroll' working rules and will only engage such workers where an arrangement is in place to deduct tax and national insurance contributions in line with 'off payroll' working rules.

Payments On Termination

31. The Council's approach to statutory and discretionary payments on termination of employment of chief officers and its other employees, prior to reaching normal retirement age, and is covered within the Redundancy Policy, in accordance with regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 and Regulation 12 of the Local Government Pension Scheme (Benefits, Membership and Contribution) Regulations 2007. This excludes teachers where there are different pension arrangements. The Council's current Redundancy Policy is available to view on the Council's website.
32. Any payments falling outside these provisions or the relevant periods of notice within the contract of employment shall be subject to a rigorous risk assessment, as they would be for any member of staff within the Council, and a formal decision will be made by the Assistant Chief Executive /Assistant Director of HR and Organisational Development and the Director of Legal Services of the Council. The Council is fully compliant on regulations and frameworks regarding exit payments, which ensures a fair and appropriate level of compensation is provided for employees who are required to leave public sector jobs. Payments on termination in relation to a severance package that would exceed £100,000 are subject to approval of full Council.

Lowest Paid Employees

33. Oldham Council is committed to tackling positively the socio-economic and health inequalities associated with low pay. The Council has chosen to pay the Living Wage since April 2015 and is accredited as a Living Wage Employer by the Living Wage Foundation. Increases in the Foundation Living Wage are announced each November, in line with the latest research, and the Council implements the rise in its minimum hourly rate (if required) within six months.
34. Full time hours at Oldham Council are 36 hours and 40 minutes per week for employees on NJC terms and conditions.
35. The relationship between the rate of pay for the lowest paid and the Chief Executive is determined by the processes used for determining pay and grading structures, as set out earlier in this policy statement. The Council runs a successful apprenticeship and paid traineeship programme, offering opportunities in a number of different careers across the Council, and these roles are not considered to be within the definition of the 'lowest paid' employees. This relationship is expressed as a ratio in Table 2, which also shows the multiple between the median full-time equivalent earnings and the earnings of the Chief Executive.

Accountability And Decision Making

36. In accordance with the constitution of the Council, the Appointments Committee, or other constitutionally approved mechanism, is responsible for decision making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to chief officers. Accountability and decision making for all other employees of the Council is the responsibility of the Chief Executive, Deputy Chief Executives, Managing Directors and Assistant Chief Executive / Assistant Director of HR and Organisational Development as set out in the Council's Scheme of Delegation.

Re-Employment / Re-Engagement Of Former Employees

37. Oldham Council has an obligation to ensure that it is managing public monies responsibly against any requirements to achieve savings and reductions in posts through voluntary or compulsory redundancy, efficiency release or employer consent retirement which results in a cost to the Council.

38. The Council will not re-engage ex-employees who have left their prime employment with the Council on the grounds of voluntary or compulsory redundancy, efficiency release or employer consent retirement (where there is a cost to the Council) for a period of 12 months with effect from the date of leaving. This policy does not cover those employees who access their pension via the Council's Flexible Retirement Scheme, as those employees remain employed by the Council, or to employees who early retire where there is no cost to the Council.

39. The Council permits the practice of recruitment of experienced talent who are in receipt of a public service pension, although their total remuneration will be taken into account when determining their individual salary. This is to optimise the allocation of resources to underpin excellence in service delivery, balanced with value for public finances. Then, following their departure, the remuneration for the role when re-advertised would revert back to the original package.

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Oldham Council		
Staff earning in excess of £50,000 per annum – March 2023		
Salary Bracket (in £5000's)	Number of Employees	Details (of Staff earning over £150,000)
£50,001 - £55,000	84	N/A
£55,001 - £60,000	41	N/A
£60,001 - £65,000	6	N/A
£65,001 - £70,000	21	N/A
£70,001 - £75,000	0	N/A
£75,001 - £80,000	9	N/A
£80,001 - £85,000	10	N/A
£85,001 - £90,000	0	N/A
£90,001 - £95,000	0	N/A
£95,001 - £100,000	6	N/A
£100,001 - £105,000	2	N/A
£105,001 - £110,000	0	N/A
£110,001 - £115,000	1	N/A
£115,001 - £120,000	0	N/A
£120,000 - £125,000	2	N/A
£125,001 - £130,000	0	N/A
£130,001 - £135,000	1	N/A
£135,001 - £140,000	1	N/A
£140,001 - £145,000	0	N/A
£145,001 - £150,000	0	N/A
£150,001 - £155,000	0	N/A
£155,001 - £160,000	0	N/A
£160,001 - £165,000	1	Harry Catherall, Chief Executive

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Executive Management Team					2022/23
Job Title	Grade	Salary Range	Contract Type	Additional Payments	Responsibilities:
Chief Executive, Oldham Council	Chief Executive	£164,325	Fixed Term	–	Executive direction for the Council to achieve its co-operative vision through: - Accountable for the overall performance of the Council and the Council's net revenue budget - Head of Paid Service - Returning Officer for the Elections
Deputy Chief Executive - People Services	Deputy Chief Executive	£135,001 - £140,000	Permanent	–	Executive direction for the following services: - Adult Social Care - Children & Young People (Social Care and Education) - Public Health, Libraries and Heritage & Arts - Youth, Leisure & Communities - Education, Skills and Early Years
Executive Director - Place & Economic Growth	Executive Director	£120,001 - £125,000	Permanent	–	Executive direction for the following services: - Environmental Management - Economy - Regeneration
Assistant Chief Executive	Assistant Chief Executive	£95,001 - £100,000	Permanent	–	Executive direction for the following services: - Communications, Strategy and Performance - HR and Organisational Development

Senior Managers

2022/23

Directorate	Job Title	Grade	Salary Range	Contract Type	Additional Payments	Responsibilities:
Chief Executive's and Corporate Services	Director of Childrens Social Care and Family Connect	Director	£95,001 - £100,000	Fixed Term	-	Strategic direction for the following services: <ul style="list-style-type: none"> ▪ Early Help & Family Connect ▪ Children's Social Care Management ▪ Children's Commissioning ▪ Children's Safeguarding
Chief Executive's and Corporate Services	Director of Education, Skills & Early Years	Director	£95,001 - £100,000	Permanent	-	Strategic direction for the following services: <ul style="list-style-type: none"> ▪ Education Improvement ▪ Inclusion ▪ SEND & SEN Support ▪ Employment & Skills ▪ Education Provision - Post 16 ▪ Post 16 & Business Development
Chief Executive's and Corporate Services	Director of Public Health	Director	£95,001 - £100,000	Permanent	-	Holds the Statutory role for the Director of Public Health, plus: <ul style="list-style-type: none"> ▪ Heritage, Libraries & Arts
Chief Executive's and Corporate Services	Director of Economy	Director	£95,001 - £100,000	Permanent	-	Strategic direction for the following services: <ul style="list-style-type: none"> - Strategic Property, Housing and Regeneration - Planning and Building Control - Strategic Investment and Partnerships - Catering, Cleaning and Facilities Management
Chief Executive's and Corporate Services	Director of Environment	Director	£95,001 - £100,000	Permanent	-	Strategic direction for the following services: <ul style="list-style-type: none"> - Environment, Highways, Operational Services, Transportation, Public Protection & Streetlighting
Chief Executive's and Corporate Services	Director of Customer, Digital, Technology & Transformation	Chief Officer	£120,001 - £125,000	Permanent	-	Executive direction for the following services: <ul style="list-style-type: none"> - ICT, Customer Services & Transformation
Chief Executive's and Corporate Services	Director of Finance (S151 Officer)	Director	£100,001 - £105,000	Permanent	-	Holds the Statutory role for the Chief Finance and Section 151 Officer and Strategic direction for the following services: <ul style="list-style-type: none"> - Financial Planning & Financial Management - Traded service for Schools Budget Support - Internal Audit, Fraud, Risk Management & Insurance - Corporate Complaints - Information Governance - Client function for Unity Exchequer Services - Welfare Rights - Revenues and Benefits
Chief Executive's and Corporate Services	Director of Legal Services	Director	£100,001 - £105,000	Permanent	-	Executive direction for the following services: <ul style="list-style-type: none"> ▪ Legal Service ▪ Statutory Monitoring Officer ▪ Constitutional & Democratic Services ▪ Registrars ▪ Elections & Member Services
Chief Executive's and Corporate Services	Managing Director of Children and Young People (DCS)	Chief Officer	£130,001 - £135,000	Permanent	-	Executive direction for the following services: <ul style="list-style-type: none"> - Statutory Officer for Children's Services (DCS) - Children's Social Care, Family Connect and Commissioning & Partnerships - Education, Skills and Early Years
Chief Executive's and Corporate Services	Director of Adults Social Care (DASS)	Chief Officer	£110,001 - £115,000	Permanent	-	Executive direction for the following services: <ul style="list-style-type: none"> - Statutory Officer for Adult Social Care (DASS) - Community health and social care services including specialist services, i.e. Learning Disabilities & Mental Health - Integrated Commissioning of Adult Social Care (Joint responsibility) - Community Business Services

Pay Policy Statement table two: Chief Executive's salary expressed as a ratio of other salaries



Table Two

CHIEF EXECUTIVE'S SALARY EXPRESSED AS A RATIO OF OTHER SALARIES

	£	RATIO
CHIEF EXECUTIVE	£164,325	-
MEDIAN SALARY	£27,852	1 : 5.89
MEAN SALARY	£31,793	1 : 5.16
LOWEST SALARY	£20,850	1 : 7.88

Figures are based on full time equivalent salaries and last updated for January 2023



Report to Policy Overview and Scrutiny Committee

Council Tax Reduction Scheme 2023/24

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: Adam Parsey, Exchequer Client Manager (Revenues)

26 January 2023

Reason for Decision

The purpose of this report is to present the proposed Council Tax Reduction Scheme for 2023/24 for scrutiny prior to its consideration by Cabinet and recommendation to full Council on 1 March 2023.

Executive Summary

Members will recall that there is a requirement to have a local Council Tax Reduction (CTR) scheme to support residents of working age on a low income who qualify for assistance in paying Council Tax. The Local Government Finance Act 2012 places a requirement that each year a Billing Authority must consider whether to revise its Council Tax Reduction scheme or to replace it with another scheme. Any change to the 2023/24 scheme must be agreed by full Council in line with budget setting and no later than 10 March 2023. For Oldham, this requires the Council to agree a revised 2023/24 scheme at the 1 March 2023 Council meeting. Any proposed change must be subject to prior consultation with the major preceptors (for Oldham this is the Greater Manchester Combined Authority), and with the public. The scheme for those of pensionable age is set by the Government and cannot be changed.

The Committee will need to consider whether it is appropriate to change the CTR scheme and as a consequence undertake a major consultation, which would be very time constrained. The Council has provided further relief to CTR claimants via the Household Support Fund, its response to the Cost of Living Crisis, together with other initiatives funded from Council resources. In addition, announced within the Provisional Local Government Finance Settlement on 19 December 2022 was a new Council Tax Support Fund of £100m nationally for 2023/24. The Government expects Local

Authorities to use the majority of their funding allocations to reduce bills for current working age and pension age Local Council Tax Support (LCTS) claimants by up to £25. Councils can use their remaining allocation as they see fit to support vulnerable households with Council Tax bills and a local scheme will be prepared to ensure the maximum benefit to Oldham residents. On 23 December 2022 it was announced that Oldham's allocation for this ringfenced grant is £0.573m.

A major consultation exercise undertaken at this point would risk deflecting attention from the successful delivery of other initiatives. Furthermore, the full roll out of Universal Credit (UC) is not yet completed and this adds further uncertainty when assessing the likely impact of changes to CTR relief. The Government has recently delayed the full UC roll out to 2028, but as Oldham was a pilot Authority for the scheme, the movement to the new regime within the borough is more advanced than many other areas.

Options considered in this report are leaving the scheme unchanged, increasing the maximum relief by 2.5% and reducing maximum relief by 2.5%. A 2.5% change in the relief impacts the overall Council tax collected by some £0.356m but has a marginal impact upon CTR claimants (increasing/reducing the benefit per resident by £0.68 per week).

In view of the continued uncertainty concerning Universal Credit and the marginal impact of any practical change to the CTR scheme at this stage, it is recommended that the Council maintains the current CTR scheme during 2023/24. This will provide continuity about entitlement to those residents on the lowest incomes and allow time for the impact of the roll out of UC to become clearer.

Please note the figures included in the report will change as the financial year progresses and will be updated accordingly in advance of the Council meeting on 1 March 2023.

Recommendation

It is recommended that the Policy Overview and Scrutiny Committee considers the proposal to keep the Council Tax Reduction Scheme unchanged in 2023/24.

Council Tax Reduction Scheme 2023/24

1 Background

- 1.1 Prior to April 2013, Council Tax payers who qualified for assistance could apply for Council Tax Benefit (CTB) to help pay their Council Tax. The CTB scheme was administered by Local Authorities on behalf of the Department for Work and Pensions (DWP) and was assessed on a means tested basis. Under this national scheme, Council Tax payers could receive benefit of up to 100% of their Council Tax liability. The Council then received full funding from the Government for all correct CTB awards made. Changes introduced by the Government abolished CTB from 1 April 2013 and made Local Authorities responsible for setting up their own local Council Tax Reduction schemes (CTR) for working age residents. The Government also reduced the amount of funding given to Councils to pay for the schemes in 2013/14 by 10%. The CTR scheme for pensioners is set by the Government and is not subject to the changes applied to those of working age. In devising new CTR schemes, many Local Authorities adopted schemes that replicated the old CTB schemes and then applied a minimum payment for working age customers to make up the funding difference.
- 1.2 Since 2014/15, the amount of grant received from Government to pay for CTR has been included within the general grant (Revenue Support Grant) that the Council receives and the amount to support CTR schemes is not specifically identified year on year. With the introduction of the pilot of 100% Business Rates Retention and the subsuming of RSG into the Council's Business Rates Top Up Grant, the link between Central Government funding and Central Government support for CTR has been cut and therefore the Council funds the cost of the CTR scheme through the Collection Fund i.e., the income collected from Council Tax and Business Rates.
- 1.3 The legislation confers an obligation on the Council to consider whether to review the CTR scheme on an annual basis. The scheme cannot be amended in-year and can only be changed following consultation with the public and the major preceptor, the Greater Manchester Combined Authority (GMCA) on behalf of the Mayor of Greater Manchester and the Greater Manchester Police and Crime Commissioner. The review of the proposed CTR scheme by the Policy Overview and Scrutiny Committee is part of the consultation process.
- 1.4 A change to the scheme in 2023/24 would require approval by full Council prior to the deadline for the setting of the Council's budget (which is no later than 10 March 2022). The last Council meeting before this date is 1 March 2023.
- 1.5 When evaluating changes to the scheme for 2023/24, the current operation and costs of the scheme can be taken into account. In recommending options for 2023/24, particular consideration has been given to the legacy of the COVID-19 pandemic, and the cost of living crisis and its impact on residents, the economy, the impact on Council resources and caseload, together with the other support that is available to those in receipt of CTR including the recently announced Council Tax Support Fund.
- 1.6 The recommended approach is that the Council maintains the current CTR scheme during 2023/24.

2 Current Position

- 2.1 The Council currently has a CTR scheme that awards a maximum payment of 85% of a Band A rate of Council Tax and has removed the provision to award second adult rebate for claimants of working age. From April 2019, the Council also introduced changes to support CTR claimants in receipt of Universal Credit (UC) including the application of some earnings disregards and the use of DWP information as a claim for CTR.
- 2.2 The Council has maintained the same maximum level of support for working age claimants at 85% since 2015/16. The table below illustrates that the minimum weekly payment has risen from £3.64 in 2019/20 to £4.07 in 2022/23, as a result of increases in Council Tax charges.
- 2.3 The table below shows a comparison of CTR charges over recent years

Table 1: Minimum Council Tax Reduction Charges 2019/20 to 2022/23.

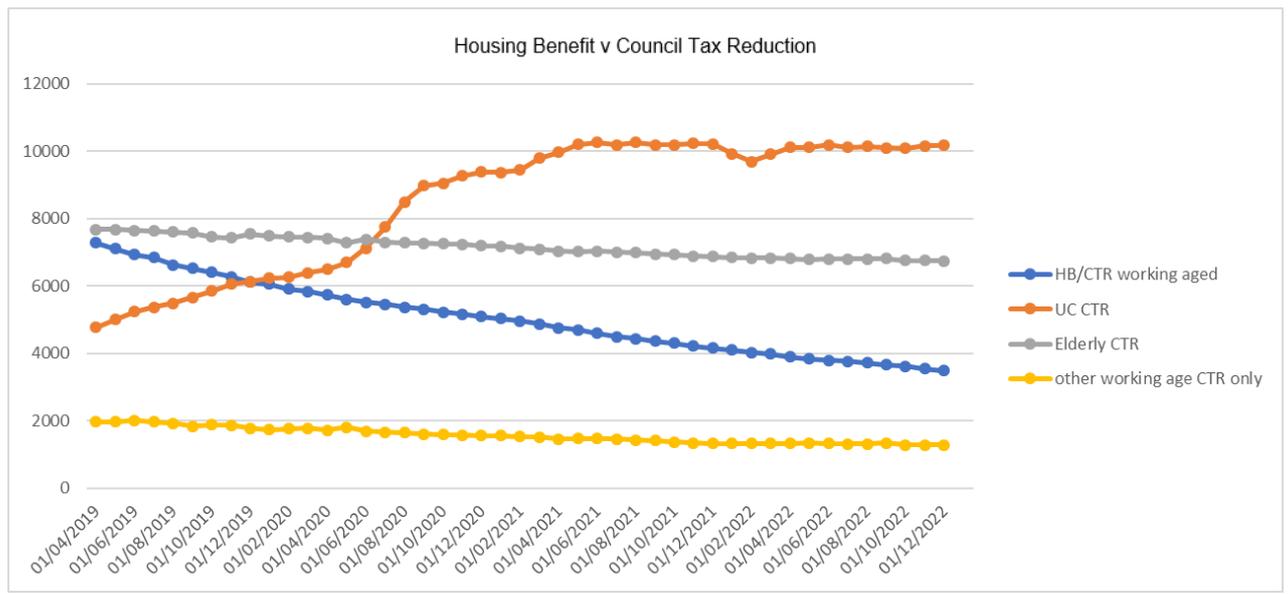
Financial Year	Council Tax Band A	Maximum Support %	Annual Charge At Band A	Monthly (12 Months)	Monthly (10 Months)	Minimum Weekly Payment if in receipt of Full CTR
2019/20	£1,266.39	85%	£189.96	£15.83	£19.00	£3.64
2020/21	£1,314.77	85%	£197.22	£16.43	£19.72	£3.78
2021/22	£1,354.78	85%	£203.22	£16.93	£20.32	£3.90
2022/23	£1,415.28	85%	£212.29	£17.69	£21.23	£4.07

- 2.4 At the time of preparing this report there were 14,930 working age CTR claimants each receiving an average benefit of £840.20 per annum.
- 2.5 Current projections for the annual collection rates for CTR cases due in 2022/23 suggest a collection rate of approximately 78%. This is a lower CTR collection rate to that recovered in 2021/22 (80.24%) but higher than 2020/21 (77.76%) which was impacted by the major social and economic effect of the COVID-19 pandemic. A reduced collection rate of 2% of CTR debt could result in a reduction of £0.126m in Council Tax receipts for 2022/23 and hence reduce the resources available to support the financial position of the Council in future years (it should be noted that changes in relation to Council Tax income impact one year in arrears given the accounting arrangements that must be applied).
- 2.6 The roll out of the full service of Universal Credit commenced in Oldham from April 2017. Universal Credit (UC) is a single monthly payment which replaces six working age benefits (known as legacy benefits). These are Housing Benefit (HB), Income Support (IS), Working Tax Credits (WTC), Child Tax Credit (CTC), Employment and Support Allowance (Income-related) and Job Seekers Allowance (Income-related). The current roll out of UC follows a process of natural migration i.e. as a claimant experiences a relevant change of circumstances such as becoming fit for work, entitlement to legacy benefits ends and UC must be claimed instead. Oldham was an early adopter of UC full service and in August 2022 (the latest available figures), rollout was 73% complete in Oldham East and Saddleworth and 69% in Oldham West and Royton.
- 2.7 The Government has stated that managed migration (the bulk transfer of all eligible working age HB cases to UC by Local Authority) will not be completed nationally until 2028. However, they expect that all legacy cases in receipt of tax credits (including ESA), Income Support, Jobseekers Allowance, and all cases in receipt of Housing Benefit will transition by the end

of 2024/25. Some claimants in receipt of ESA without tax credits will remain until 2028. The slow migration of HB to UC has resulted in the emergence of UC/CTR as a new CTR working age scheme, with some discrete differences in calculation methods to determine needs and income from those used for legacy claims such as Housing Benefit.

2.8 As at 1 December 2022, the overall CTR caseload was 21,679. The caseload for those of pensionable age remains relatively static but Table 2 below demonstrates how CTR claims from those who are in receipt of UC are increasing as other working age CTR cases are reducing, for example, from those who are in receipt of HB. The management of UC/CTR creates an administrative burden for Local Authorities as data files are received each month confirming changes to entitlement however small.

Table 2: CTR Caseload Changes



2.9 The rapidly changing environment created by the COVID-19 Pandemic and the cost of living crisis has presented difficulties in accurately modelling financial impacts of both retaining the existing CTR scheme for 2023/24 or introducing a revised scheme.

2.10 The Council continues to make awards to residents who are experiencing severe financial hardship under the Exceptional Hardship Payments (EHP) scheme and resource is available to support those who have difficulty in paying Council Tax.

3 Options/Alternatives

3.1 Given the current economic climate, the financial position of the Authority and the uncertainty prevailing, there are 3 main options presented for consideration. These are:

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

Option 2: Increasing the maximum level of support from 2023/24 to 87.5% of Council Tax for a Band A property

Option 3: Limiting the maximum level of support from 2023/24 to 82.5% of Council Tax for a Band A property

The key issues in relation to each of these options are set out below.

Option 1 - Maintain the current 85% of a Band A maximum scheme

3.2 The current scheme limits the maximum CTR award to 85% of Council Tax for a Band A property. The scheme is understood and established in Oldham. This scheme requires a minimum payment towards Council Tax for all those of working age. Oldham's scheme requires a minimum payment of 15% of a Band A Council Tax charge which is set out in the table below. The payments made by eligible households in properties from Bands B to H are therefore reduced by a maximum of £1,202.99 (the difference between the Band A charge and the minimum payment).

3.3 A comparison of the maximum levels of support for 2022/23 for Local Authorities is set out below although there are differences in eligibility criteria between Councils which is not evident from the headline numbers.

Table 3: Greater Manchester Local Authority Council Tax Reduction Charges 2022/23

Local Authority	Council Tax Band A 2022/23	Maximum Support %	Annual Charge At Band A	Monthly (12 Months)	Monthly (10 Months)	Minimum Weekly Payment if in receipt of Full CTR
Bolton	£1,255.35	87.50%	£156.92	£13.08	£15.69	£3.01
Bury	£1,333.94	80%	£266.79	£22.23	£26.68	£5.12
Manchester	£1,203.89	82.50%	£210.68	£17.56	£21.07	£4.04
Oldham	£1,415.28	85%	£212.29	£17.69	£21.23	£4.07
Rochdale	£1,357.74	85%	£203.66	£16.97	£20.37	£3.91
Salford	£1,343.29	88%	£161.19	£13.43	£16.12	£3.09
Stockport	£1,372.76	100%	£0.00	£0.00	£0.00	£0.00
Tameside	£1,275.60	75%	£318.90	£26.58	£31.89	£6.12
Trafford	£1,146.71	100%	£0.00	£0.00	£0.00	£0.00
Wigan*	£1,076.71	80%	£215.34	£17.95	£21.53	£4.13

*except for households with Children under 5

3.4 CTR is a demand led scheme so costs can fluctuate as the caseload changes. The Council saw an increase in the working age caseload during the COVID crisis as more residents claimed Universal Credit and this saw a reduction in the Council Tax Taxbase and a reduction in income that could be collected. The caseload is expected to increase further as a result of the cost of living crisis meaning that the Council Tax that can be collected will reduce.

- 3.5 The financial impact is not only in relation to the Tax Base compared to 2022/23 levels. Also foregone is the Taxbase growth that had been anticipated within the budget setting estimates. This impact was illustrated by for the setting of the Tax Base for 2021/22 and 2022/23 which, due to the increase in CTR claimants as a result of the pandemic, was well below previously anticipated levels. The Tax Base for 2022/23 remains 213 below that of 2020/21, even though in 2020/21 it was assumed that by 2022/23, the Taxbase would be 966 Band D equivalents higher than 2020/21. This therefore has a compound effect for future years, thus impacting on the budget reduction requirement.
- 3.6 The Council will need to consider whether it is appropriate to undertake a major consultation exercise to change the CTR scheme. Undertaking a consultation exercise at this point will potentially impact on other consultation exercises or communications in relation to initiatives that are helping residents cope with the cost of living crisis. Further support for CTR claimants is currently being provided via the Household Support Fund: Phase 3 of the scheme runs from September through to March 2023 and a new round of Household Support Fund for the full year 2023/24 has been announced although the Government grant details have yet to be provided. In addition, the Provisional Local Government Finance Settlement of 19 December 2022 announced a new Council Tax Support Fund of £100m which is to be used to support the most vulnerable households in England. The Government expects Local Authorities to use the majority of their funding allocations to reduce bills for current working age and pensionable age CTR claimants by up to £25. Councils can use their remaining allocation as they see fit to support vulnerable households with Council Tax bills and a local scheme will be prepared to ensure the maximum benefit of the new grant funding for Oldham residents. On 23 December 2022 the Council was notified that its allocation of this ringfenced grant is £0.573m for 2023/24.

Option 2 – Increase the maximum support to 87.5% of a Band A Rate of Council Tax

- 3.7 At current levels of CTR claimants, increasing the maximum discount by 2.5% to 87.5% would reduce the Council Tax collected by approximately £0.356m (of which the Council's share would be £0.285m). This would be on top of the reduction identified in 3.4 above due to the lowered Council's Tax Base. However, as identified above, the CTR scheme is demand led and the financial impact would be much higher if the number of claimants should increase significantly.
- 3.8 Increasing the maximum support would reduce the minimum weekly payment for a Band A property from £4.07 to £3.39 as illustrated in the table below:

Table 4: Difference if maximum support for 2022/23 has been increased to 87.5%

Council Tax Band A	Maximum Support %	Annual Charge At Band A	Monthly (12 Months)	Monthly (10 Months)	Minimum Weekly Payment if in receipt of Full CTR
£1,415.28	85%	£212.29	£17.69	£21.23	£4.07
£1,415.28	87.5%	£176.91	£14.74	£17.69	£3.39
	Difference +/-	-£35.38	-£2.95	-£3.54	-£0.68

- 3.9 In considering the option to increase the level of CTR, Members are reminded that the Council has seen a significant increase in working age claims between April 2020 and August 2022. The increases in the cost of living, and subsequent the potential impact on residents and the economy means there is much uncertainty about the demand for Council Tax Reduction over the coming months.

3.10 There is also a significant level of risk associated in assuming the level of collection rates will remain steady. The current projections for the annual collection rates for CTR cases due in 2022/23 suggest a collection rate of approximately 78%. This is a lower CTR collection rate to that recovered in 2021/22 (80.24%) but higher than 2020/21 (77.76%) which was impacted by the major social and economic impact of the COVID-19 pandemic. As referred to in paragraph 2.5 above, a reduced collection rate of 2% of CTR debt could result in a further reduction of £0.126m in Council Tax receipts for 2022/23.

3.11 Members are also reminded that the Household Support Fund is being continued into 2023/24 and the new Council Tax Support Fund will also be available (as outlined at 3.6)..

Option 3 – Reducing the maximum support to 82.5% of a Band A Rate of Council Tax

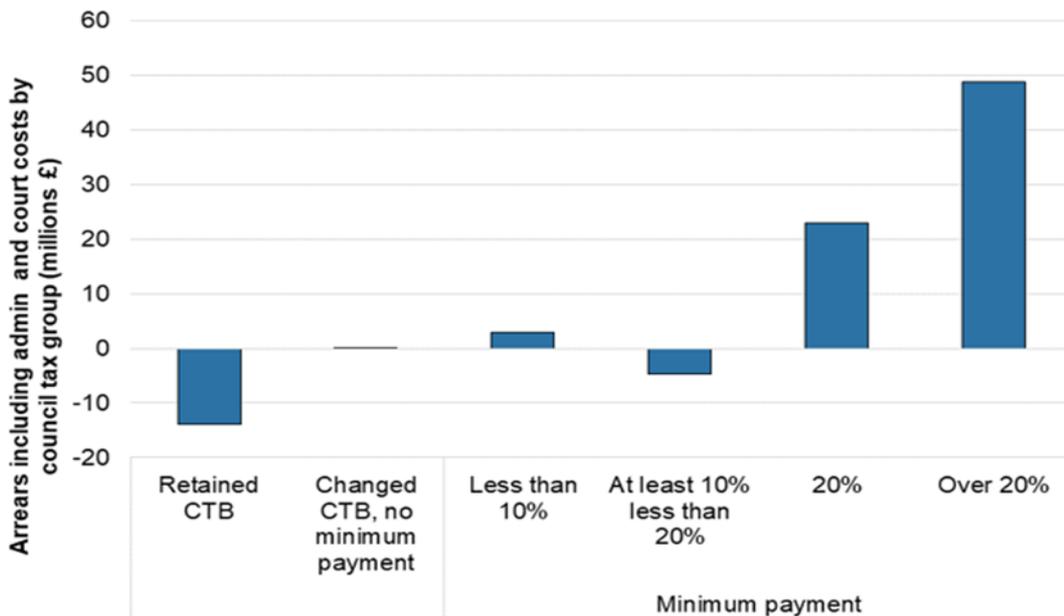
3.12 Increasing the Council Tax charge by reducing the support available for those in receipt of Council Tax Reduction has been a common approach taken by Local Authorities since 2013. Many of those with high minimum payments also have cut CTR in other ways e.g. removing earnings disregards. The Council may wish to reduce the level of maximum support offered to counteract any rising costs of the scheme as a result of increases in caseload.

3.13 For Oldham, based on the 2022/23 position, Council Tax income would potentially increase in 2023/24 by £0.356m for a 2.5% reduction in Council Tax support assuming a collection rate of 80%. Oldham's share of this income would be £0.240m, once the Greater Manchester Combined Authority (GMCA) has received its share for the Mayoral Police and Crime Commissioner precept and Mayoral General Services precept including Fire Services.

3.14 It is important to note that an increase in minimum payments can impact collection levels and result in Council Tax becoming a more regressive tax for residents in receipt of low incomes than for those on higher incomes. An increase in Council Tax for those on low incomes at a time when the cost of living is increasing will have a detrimental impact on the local economy and the availability of jobs.

3.15 A New Policy Institute study in 2017 considered the change in the Council Tax bases between years to calculate the additional amounts of uncollected taxes in 2016/17 compared with 2012/13 - the last year of CTB. The study identified that the 67 Councils that had a minimum payment of over 20% in 2016/17 had the largest overall increase in uncollected tax for that year.

Table 4: Minimum Payments and Arrears



Source: www.counciltaxreduction.org (New Policy Institute)

3.16 A minimum payment of 17.5% for Oldham would still place the Council at the lower end of minimum payments required from residents across the country.

3.17 Council Tax was increased by 3.99% by Oldham Council in 2022/23. There are wider current economic impacts of the cost of living increases and the legacy of COVID-19 restrictions. An increase in the minimum payment from 15% to 17.5% may result in Council Tax becoming less affordable for residents and result in increased Council Tax arrears from this group.

3.18 It is important to note that if the maximum support was reduced to 82.5% it would have the impact of raising the amount of Council Tax to be collected and hence potentially reducing some of the losses and issues outlined at paragraphs 3.4 to 3.5; however, it may lead to a further increase in arrears.

4 Preferred Option

- 4.1 The preferred option is Option 1 – to retain the current 85% scheme in 2023/24.
- 4.2 Assuming there is Member approval of the 2023/24 scheme at Budget Council on 1 March 2023 and following the inclusion of Prescribed Scheme regulations for 2023/24, the Council's CTR scheme will be published on the Council's website.
- 4.3 It is important to note that the Council's CTR scheme relies on the incorporation of Prescribed Scheme regulations which are published by Central Government each year. These regulations for 2023/24 were published on 13 January 2023.
- 4.4 Members will be aware that the Exceptional Hardship Payment scheme is available to assist those residents in most need and support can be awarded under Section 13a(1)(c) of the Local Government Finance Act 1992 (as amended).
- 4.5 The Government has confirmed the extension of Household Support Fund Grant up to 31 March 2024, however further clarity is required as to the detailed allocation and any revisions to grant conditions. As advised at 3.6, the new Council Tax Support Fund in the sum of £0.573m will be available to provide financial support for those in receipt of CTR in 2023/24 having regard to Government guidance.

5 Consultation

- 5.1 Any changes to the 2023/24 scheme require prior consultation with the major preceptor, the GMCA, with regard to the Mayoral Police and Crime Commissioner precept and Mayoral General Services precept including Fire Services. There would also be a requirement to carry out a public consultation.
- 5.2 No public consultation has been launched and should the Policy Overview and Scrutiny not accept the recommended approach and consider a change to the 2023/24 scheme was appropriate, then the timeline for such a consultation exercise would be limited. The Council has provisionally notified GMCA of its intention not to amend the CTR scheme in 2023/24.

6 Financial Implications

- 6.1 The direct grant previously paid by the Ministry of Housing, Communities and Local Government (now the Department for Levelling Up Housing and Communities) for Council Tax Reduction Support has now been subsumed within the Council's Settlement Funding Assessment and Revenue Support Grant (RSG) figure which has itself been incorporated within Business Rate Top Up grant under the piloting of 100% Business Rate Retention. The link between CTR arrangements and grant compensation is no longer evident, given the reduction in the level of grant funding from 2010 until 2019/20 (pre-pandemic).
- 6.2 As at the time of preparing this report, 87.7% of CTR claimants have had some contribution towards their 2022/23 Council Tax bills, suggesting a collection rate at the end of the financial year of approximately 75%-80%. As outlined above, data is not available to assess how many of these claimants making payments will fall into arrears during the rest of the year, however it is envisaged that the Council will continue to collect an amount of approximately 75%-80% of the amount due in 2022/23. Weekly monitoring of the collection rate is being maintained to manage the risk of non-collection. One perceived risk at this stage is that the present collection rate will reduce throughout the remainder of the financial year and beyond as a result of the lingering impact of COVID-19 on the local economy and the ongoing cost of living crisis. The amount of disposable income many of the scheme's claimants will have available to meet Council Tax and other financial commitments is likely to reduce. This would have the impact of increasing the risk of arrears from those who are currently paying their Council Tax.

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

Scheme Options	% Band A Property	CTR Billed	Collection Rate	CTR Income
	%	£m	%	£m
	87.5	5.967	80	4.774
	85.0	6.323	80	5.058
	82.5	6.679	80	5.343
	80.0	7.035	80	5.628

- 6.4 For each 2.5% movement of CTR benefit, based on 2022/23 Council Tax levels, Council Tax income shifts by approximately £0.356m. However, this is the Council Tax income figure prior to apportionment over the appropriate precepting percentages and projected collection rates of 80%. In 2022/23, the present allocation percentages are Oldham Council 84.44%, GMCA for Mayoral Police and Crime Commissioner Services 10.73% and finally GMCA for Mayoral General Services including Fire Services at 4.83%. Therefore a £0.356m movement would benefit Oldham Council's available funding by approximately £0.285m after projected collection losses. It is then further reduced following the apportionment to the Council to £0.240m.
- 6.5 The average impact to claimants assuming December 2023 caseload numbers of 21,679 claimants of which there are 14,930 working age cases, and providing these remain constant, for each 2.5% CTR move, a claimant is likely to see a +/-£24.07 adjustment to their CTR benefit depending on whether the CTR scheme is made more or less beneficial.
- 6.6 Given all the information presented above, the maintenance of an unchanged CTR scheme can be managed within the context of the current financial position of the Council.

(Anne Ryans/John Hoskins)

7 Legal Services Comments

- 7.1 The legislation states that each year an authority must consider whether to revise its Council Tax Reduction scheme.
- 7.2 The revision of a scheme is a decision that the legislation reserves to full Council. Any revision to apply to the scheme for the following year must be made no later than 10 March of the preceding financial year.
- 7.3 No revision of a scheme can occur unless the authority has, in the following order:
1. Consulted with the major precepting authority – The Greater Manchester Combined Authority for Police and Fire services
 2. Published a draft proposed scheme
 3. Consulted with others likely to have an interest in the scheme
- 7.4 In order to discharge its duties under the Equality Act 2010, the authority will need to consider the effects of proposals on people with a protected characteristic as defined by the Act, which can be done by way of an equality impact assessment as happened before the present scheme was made.
- 7.5 In this circumstance, vulnerable residents and residents generally will benefit from the option proposed. It would therefore be unlikely that any legal challenge would ensue from this action.

(Alex Bougatef)

8 **Co-operative Agenda**

8.1 The approval of support for residents who are of working age and on low incomes is consistent with and embraces the principles of the co-operative agenda.

9 **Human Resources Comments**

9.1 None

10 **Risk Assessments**

10.1 There are several risks to be managed in this process:

- Ensuring the revised scheme is not subject to a legal challenge on the basis of equality legislation
- Developing a scheme which is both fair and affordable to the Council in 2022/23 particularly as it will only be based on limited collection rates information early in the financial year
- A more challenging financial environment with greater uncertainty than in previous financial years through which an early decision needs to be made on the make-up of the scheme for the next financial year.
- Linking in Council Tax Collection processes to the Council's Council Tax Collection Strategy,

(Mark Stenson)

11 **IT Implications**

11.1 None

12 **Property Implications**

12.1 None

13 **Procurement Implications**

13.1 None

14 **Environmental and Health & Safety Implications**

14.1 None

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

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

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

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

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

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

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

15.4 As with previous Council Tax Reduction Schemes from 2013/14, an Equality Impact Assessment (EIA) has been prepared to try to identify any potential disproportionate adverse impacts arising from the proposed scheme and to identify any actions which might mitigate these impacts. Given the CTR scheme is operative for one year before it must be re-evaluated, any mitigation measures can only have a short-term impact and the EIA reflects this.

16 **Equality Impact Assessment Completed?**

16.1 An Equalities Impact Assessment is set out at Appendix 1.

17 **Key Decision**

17.1 Yes

18 **Key Decision Reference**

18.1 FLC-20-22

19 **Background Papers**

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

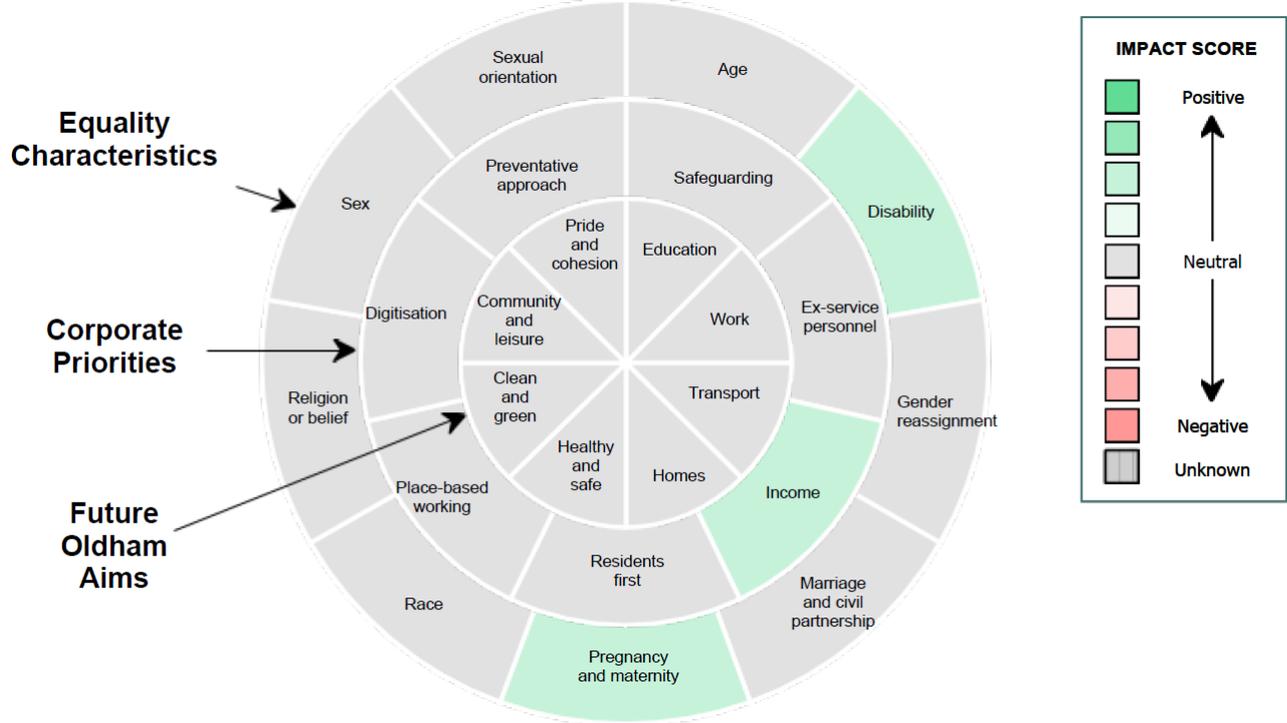
File Ref: The background papers to this report are both available on
www.oldham.gov.uk
2 March 2022 Council Report Council Tax Reduction Scheme 2022/23

Officer Name: Adam Parsey and Anne Ryans
Contact no: 0161 770 1656/4902

20 **Appendices**

- 20.1 Appendix 1 – Equality Impact Assessment

Council Tax Reduction Scheme 2023-34



Council Tax Reduction Scheme 2023-34

	Impact	Like- lihood	Duration	Comment
		Equality Characteristics		
Age	Neutral	Very Likely	Short Term	<p>The Council has the discretion to design criteria through Council Tax Reduction to support low income working age residents only. Oldham's scheme allows a maximum entitlement equivalent to 85% of a band A.</p> <p>The Government has protected the entitlement of pensioners, whose maximum entitlement is 100%.</p>
Disability	Moderate Positive	Very Likely	Short Term	Residents in receipt of disability premium will have an increased applicable amount (See income), and may be eligible for further Council Tax Reduction.
Gender reassignment	Neutral	Very Likely	Short Term	No comments
Marriage and civil partnership	Neutral	Very Likely	Short Term	No Comments
Pregnancy and maternity	Moderate Positive	Very Likely	Short Term	Residents subject to reduced income due to maternity may be entitled to Council Tax reduction if the house income drops below the applicable amount a set by the Department for Work and Pensions (See income)
Race	Neutral	Very Likely	Short Term	No Comments
Religion or belief	Neutral	Very Likely	Short Term	No Comments
Sex	Neutral	Very Likely	Short Term	No Comments
Sexual orientation	Neutral	Very Likely	Short Term	No comments

	Impact	Like- lihood	Duration	Comment
		Corporate Priorities		
Safeguarding	Neutral	Very Likely	Short Term	No Comments
Ex-service personnel	Neutral	Very Likely	Short Term	No Comments
Income	Moderate Positive	Very Likely	Short Term	<p>The CTR Scheme benefits working-age residents who receive Universal Credit. The amount awarded depends on how much a household's income is less than or equal to their Applicable Amount.</p> <p>The Applicable Amount is the amount of monthly income the government calculates that different categories of household need to live off.</p>
Residents first	Neutral	Very Likely	Short Term	No Comments
Place-based working	Neutral	Very Likely	Short Term	No Comments
Digitisation	Neutral	Very Likely	Short Term	Residents are able claim Council Tax reduction online.
Preventative approach	Neutral	Very Likely	Short Term	No Comments

		Future Oldham Aims		
Education	Neutral	Very Likely	Short Term	No Comments
Work	Neutral	Very Likely	Short Term	No Comments
Transport	Neutral	Very Likely	Short Term	No Comments
Homes	Neutral	Very Likely	Short Term	No Comments
Healthy and safe	Neutral	Very Likely	Short Term	No Comments
Clean and green	Neutral	Very Likely	Short Term	No Comments
Community and leisure	Neutral	Very Likely	Short Term	No Comments
Pride and cohesion	Neutral	Very Likely	Short Term	No Comments

Report to Policy Overview and Scrutiny Committee



Capital Strategy and Capital Programme 2023/24 to 2027/28

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

Report Author: Anne Ryans, Director of Finance

Officer Contact: Lee Walsh, Finance Manager

26 January 2023

Reason for Decision

To set out the Capital Strategy for 2023/24 to 2027/28 and thereby the proposed 2023/24 capital programme, including identified capital investment priorities, together with the indicative capital programme for 2024/25 to 2027/28, having regard to the resources available over the life of the programme.

Executive Summary

The Capital Strategy

The Council's Capital Strategy and capital programme are set over a five year timeframe. The proposed Capital Strategy and programme for 2023/24 to 2027/28 takes the essential elements of the 2022/23 to 2026/27 and previous years' strategies and programmes and moves them forward in the context of the financial and political environment for 2023/24.

The Strategy does however include a longer-term vision, a forward look at those projects that are likely to run beyond the five year strategy and programme period or be initiated subsequently. This covers a timeframe for the 10 years from 2028/29 to 2037/38.

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

- A high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services.

- An overview of how the associated risk is managed; and
- The implications for future financial sustainability.

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

1. Aims of the Capital Strategy and its links to the Council's Corporate Plan and the Oldham Plan (Our Future Oldham), Creating a Better Place (CaBP) Programme, Medium Term Property Strategy (MTPS), Housing Strategy (HS) and Budget and Policy Framework
2. The Principles of the Capital Strategy
3. Priority Areas for Investment
4. Supporting Greater Manchester Devolution and Accessing Levelling Up, UK Shared Prosperity Fund (UKSPF) and Decarbonisation Resources
5. Affordability, Delivery and Risk Associated with the Capital Strategy
6. Knowledge and Skills
7. Treasury Management
8. Long Term Loans
9. Other Non-Treasury Investments
10. Capital Resources to Support Capital Expenditure
11. Capital Investment and Disposal Appraisal
12. The Prioritisation of Capital Requirements
13. The Procurement of Capital Projects
14. The Measurement of the Performance of the Capital Programme
15. The Capital Investment Programme Board (CIPB)

The Strategy is aligned with the Creating a Better Place programme which is focused on building more homes for the borough's residents, creating new jobs through regeneration and ensuring Oldham is a great place to visit with lots of family friendly and accessible places to go. This also incorporates the Medium-Term Property Strategy and Housing Strategy and aims to deliver its ambition in ways that contribute to a reduction in carbon emissions in support of the Council's Green New Deal strategy.

Section 1 of the Capital Strategy highlights the aims of the Capital Strategy and its links to the Council's Corporate Plan and the Oldham Plan (Our Future Oldham). This section of the report also describes more fully the Creating a Better Place programme (encompassing the Medium-Term Property Strategy and Housing Strategy) which is a significant element of the Council's planned Capital Expenditure over the five-year period 2023/24 to 2027/28.

Annex C of Appendix 1 sets out the proposed capital expenditure and financing for the period covered by the Capital Strategy, 2023/24 to 2027/28.

The Strategy also advises that the Council is proposing to continue the use the flexibility provided by the Government to use capital receipts to fund the revenue cost of

transformation. The 2023/24 revenue budget will rely on up to £2.600m of such funding from capital receipts.

Capital Programme 2022/23 to 2026/27

The 2022/23 month 8 capital monitoring position presented alongside this report includes expenditure projections that are a key determinant of the 2023/24 programme. As many schemes span more than one year, the anticipated level of reprofiling between years sets the underlying position.

The projected outturn spending position for 2022/23 is £59.113m. The People and Place Directorate which manages all of the major regeneration projects, constitutes the main area of expenditure. Grants and Other Contributions (£37.327m) followed by Prudential Borrowing provide the main source of financing (£15.533m).

Actual expenditure to 30 November 2022 was £29.531m (49.96% of the forecast outturn). This spending profile is in line with that in previous years, however the position will be kept under review and budgets will continue to be managed in accordance with forecasts.

Capital Programme 2023/24 to 2027/28

The Council has set out its capital programme for the period 2023/24 to 2027/28 based on the principles of the Capital Strategy. The Capital Programme and Capital Strategy have been influenced by the level of resources considered available. The level of prudential borrowing included reflects the financing available in the revenue budget, capital receipts align with forecasts and grant funding and other contributions are based on already notified allocations or best estimates at time of preparation. If additional resources become available, projects that meet the Council's strategic capital objectives will be brought forward for approval.

As at the month 8 capital monitoring position, the anticipated expenditure over the five year life of the 2022/23 to 2026/27 strategy was £354.898m, taking 2022/23 aside (£59.113m) leaves £295.785m for the remainder of the approved 2023/24 to 2026/27 capital programme. Following the refresh of existing strategies and the Creating a Better Place programme, and moving forward the planning period by one year, the Capital Strategy for 2023/24 to 2027/28 totals £300.335m.

The capital programme includes proposed expenditure for 2023/24 of £96.509m of which £71.148m, is the largest area of expenditure being on regeneration, schools, transport and infrastructure projects within Place and Economic Growth Directorate. Total expenditure increases/decrease to £98.838m, £44.872m, £55.562m and £4.554m in 2024/25, 2025/26, 2026/27 and 2027/28 respectively.

Resources Available to Support the Capital Programme

The Government is continuing to provide significant levels of grant funding. The main sources of grant income are the Towns Fund at £11.266m, along with Education-related Basic Need Capital grant provision of £4.662m over the life of the programme. There are also considerable resources allocated to the Council via the Greater Manchester Combined Authority (GMCA) including the Mayors Cycling and Walking Challenge Fund

(£10.232m) and estimated Local Transport Programme - Highway Maintenance Grant totals £17.968m over the strategy period.

The grant funding provided by Government can be split into two categories: un-ringfenced and ringfenced resources, as explained in Section 10 of the Capital Strategy. The majority of capital Government Grant funding is un-ringfenced. Resources classified as ringfenced have to be utilised to finance particular categories of expenditure and therefore are restricted in their use. The 2023/24 capital programme relies on £18.668m of ringfenced and £10.853m of un-ringfenced grants.

As in previous years, a major source of financing remains prudential borrowing. The amount required in 2023/24 (£59.041m) includes borrowing attributed to schemes that have slipped from prior years as well as new borrowing associated with the regeneration programme. The timing of the borrowing is linked to the cash position of the Council and may therefore not mirror the spending/financing profile set out above.

On-going Review of the Capital Programme

There will be a continued review of capital spending requirements as the Council has further regeneration ambitions, but affordability and deliverability will be a key consideration in this regard. It is, however, possible that the capital position may change prior to the start of 2023/24 and during the year as:

- The outcome of specific grant bids may be announced during the last quarter of 2022/23.
- The outcome of specific grant bids will be announced during 2023/24.
- It is also likely that there will be new initiatives announced in 2023/24.
- There may also be the opportunity to bid for additional funding.
- The Council may identify other funding sources, including capital receipts, to finance additional capital expenditure.

Therefore, the overall capital programme position will be kept under review and any new information regarding funding allocations will be presented to Members in future reports.

Consultation

There has been consultation with the Members of the Capital Investment Programme Board on the proposed Capital Strategy and Capital Programme for 2023/24 to 2027/28. The consideration of the proposed Capital Strategy and Capital Programme for 2023/24 to 2027/28 by the Policy Overview and Scrutiny Committee on 26 January 2023 is a key element of the consultation process. Any comments from the Committee will be incorporated into the report presented to Cabinet on 13 February 2023 and Council on 1 March 2023.

Recommendations

That the Policy Overview and Scrutiny Committee considers and comments upon:

- i) The Capital Strategy for 2023/24 to 2027/28 at Appendix 1 of this report and summarised at section 2.1.
- ii) The capital programme for 2023/24 and indicative programmes for 2024/25 to 2027/28 at Annex C of Appendix 1 and summarised at sections 2.2 to 2.6 of this report.
- iii) The Flexible Use of Capital Receipts Strategy as presented at Annex D of Appendix 1.

Capital Strategy and Capital Programme 2023/24 to 2027/28

1. Background

- 1.1 In accordance with good practice, the Council has traditionally prepared a Capital Strategy, the overarching aim of which is to provide a framework within which the Council's capital investment plans will be delivered. This Capital Strategy for 2023/24 to 2027/28 has been prepared to cover an initial five year time-frame. Recognising that there is some uncertainty, especially in relation to funding in later years, the Strategy therefore focuses on 2023/24 and 2024/25 in detail.
- 1.2 The Strategy does however include a longer term vision, which also covers the time frame for 10 years from 2028/29 to 2037/38. This takes a forward look at those projects that are likely to run beyond the initial five year strategy and programme period.
- 1.3 The format of the Capital Strategy reflects the requirements of the latest Prudential and Treasury Management Codes issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) in December 2021. The Strategy therefore presents :
- A high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
 - An overview of strategic policy objectives, governance procedures and how associated risks are managed;
 - The implications for future financial sustainability.
- 1.4 This report therefore summarises the key elements of the Capital Strategy which are outlined in more detail at Appendix 1.
- 1.5 The report also presents the proposed 2023/24 to 2027/28 capital spending plans of the Council. This, taken together with an update on spending in 2022/23, has a significant influence over the profiling of expenditure into future years.
- 1.6 The proposed Capital Strategy and Capital Programme for 2023/24 to 2027/28 therefore takes the essential elements of previous Capital Strategies and programmes and moves them forward in the context of the financial, economic and political environment for 2023/24 onwards. The Capital Strategy is attached at Appendix 1, with the capital programme, which reflects the principles of the Strategy, attached at Annex C of Appendix 1.

2 Current Position

2.1 Capital Strategy 2023/24 to 2027/28

- 2.1.1 The overarching aim of the Oldham Capital Strategy is to provide a framework within which the Council's capital investment plans will be delivered over a five-year timeframe, 2023/24 to 2027/28, but as advised above, the format and content of the Capital Strategy reflects the requirements of the latest guidance issued by CIPFA as part of the Prudential and Treasury Management Codes.
- 2.1.2 The 2023/24 to 2027/28 Capital Strategy is influenced by the principles which shape the overarching budget process for 2023/24 and is driven by the ethos of a Co-operative Council. The Council is therefore aiming to take a strategic view in relation to capital

investment so that it can be directed to make a real and demonstrable impact on the economy of Oldham by:

- a) Regenerating the borough, building on the established investment programme, by attracting and securing significant amounts of external investment to supplement Council resources and deliver an enhanced borough-wide regeneration offer.
- b) Prioritising regeneration schemes to develop the local economy through for example:
 - Taking forward the vision for Oldham town centre, facilitated by the acquisition and redevelopment of the Spindles and Town Square Shopping Centres;
 - Implementing key strands of the Housing Strategy to improve the housing offer;
 - Improving connectivity across the borough;
 - Supporting job creation and the Get Oldham Working initiative which are key to the economic and social recovery of the borough as it addresses the legacy from the COVID-19 pandemic and the challenges facing the economy arising from national and international developments.
- c) Using regeneration schemes to drive up Gross Value Added (GVA) and increase the yield from Business Rates, taking advantage of the Greater Manchester 100% Business Rates Retention Pilot scheme which commenced across Greater Manchester on 1 April 2017. This has provided additional resources which have been used to support the revenue budget in previous years and will continue to do so in 2023/24.

Creating a Better Place Programme

- 2.1.3 The Creating a Better Place programme (originally approved January 2020) sets out a vision for the borough which is focused on building more homes for the borough's residents, creating new jobs through town centre regeneration and ensuring Oldham is a great place to visit with lots of family friendly and accessible places to go. The strategy aims to deliver these ambitions in ways that contribute to a reduction in carbon emissions in support of the Council's Green New Deal strategy.
- 2.1.4 The Creating a Better Place strategy was reviewed and updated in August 2020, in light of the COVID-19 pandemic, to place more emphasis on economic recovery and accelerating the potential for generating revenue budget savings. The programme envisages delivering an already approved £8.058m of revenue budget savings between 2022/23 and 2026/27.
- 2.1.5 Key programme areas and schemes included within the Creating a Better Place programme are set out below:
 - Housing – The Council's Housing Strategy aims to provide a diverse housing offer that is attractive and meets the needs of different sections of the population at different points in their lives and focusses on the dynamics between people, homes and the wider economy. A key strand of this approach remains the provision of a Flexible Housing Fund (FHF) which will support external partners and the Council to self-develop housing in less viable areas. It will ensure developments are brought forward and support the delivery of the required number of new homes within the borough. Investment in building new homes is a priority at key town centre sites and sites around the borough.

- Town Centre and Borough-Wide Regeneration – The Council's plans for investment in schemes which will support economic regeneration across the borough as well as in the town centre. These schemes are aligned with wider objectives to rationalise the Council's corporate estate and asset management commitments as well as deliver against its Green New Deal Strategy to achieve carbon neutrality for Council buildings and street lighting (by 2025) and for the borough (by 2030). Key regeneration schemes such as the Spindles & Town Square shopping Centres, Future High Street Fund schemes, Making Space for Live Performance, Northern Roots and the Old Library Building are detailed in Appendix 1 in Annex A.
- Asset Management – Implementing the Medium Term Property Strategy to achieve both cost savings and a more efficient use of the corporate estate, contributing to the delivery of £8.058m of annual revenue budget savings and a reduced requirement for backlog maintenance as well as informing the development of an asset disposal programme to reduce Council holdings of surplus assets and generate additional capital receipts.
- Green Initiatives and Decarbonisation – The Council's Green New Deal Strategy envisages a mix of Council, private sector and national / third sector grant funding to finance the achievement of carbon reduction. The Council has set carbon neutrality targets for Council Buildings and Street Lighting (by 2025) and for the borough (by 2030). The principles of the Green New Deal Strategy are reflected in all schemes across the Creating a Better Place programme.

2.1.6 The Creating a Better Place programme incorporates a wide range of schemes which are either in train or will be started over the period 2023/24 to 2027/28.

The Principles of the Capital Strategy

2.1.7 The Capital Strategy has 16 principles outlined in Appendix 1 Section 2. The principles are largely unchanged from previous years and emphasise the role of the Capital Investment Programme Board (CIPB) in leading the strategic direction for capital investment with the Terms of Reference of the CIPB included at Annex B of the Appendix 1. The principles include:

- The requirement for all capital schemes to have a sponsor and to undergo a rigorous options appraisal process
- The demonstration that a capital project must contribute to one or more of the Council's objectives and also regional strategies before a decision to invest is made
- The pooling of all un-ringfenced funds but having regard to two specific obligations
- No ringfencing of capital receipts but with some specified exceptions
- Utilising resources to work collaboratively with the Greater Manchester Combined Authority (GMCA) and other public sector agencies to support the evolving devolution agenda
- Supporting greater Health and Social Care integration with NHS partners by making Council capital resources available for joint projects linked to the creation of an Integrated Care System for Oldham.

2.1.8 These principles frame decision making on capital expenditure and underpin the Council's approach to capital investment.

Priority Areas for Investment

- 2.1.9 Section 3 of Appendix 1 advises of the priority investment areas identified for the 2023/24 to 2027/28 period that will be taken forward subject to the availability of resources and the approval of a full business case.
- 2.1.10 There is an ongoing requirement for continued funding of existing programmes of work on:
- Corporate Major Repairs /Disability Discrimination Act (DDA) Adaptations/ Legionella / Health and Safety Projects (Corporate Landlord Function)
 - School Condition Works
 - ICT Strategy
 - Social Care
 - Environmental Services
- 2.1.11 In addition to the projects specifically referred to above, the following is a list of further/new projects for which funding may be required grouped by key strategies underpinning the programme:

Creating a Better Place

- a) Housing
- b) Town Centre and Borough-Wide Regeneration (incorporating Spindles and Town Square Shopping Centres, Wider Town Centre Redevelopment, Future High Street Fund Schemes, Making Space for Live Performance, Oldham Coliseum Theatre, Northern Roots, Old Library Building and Royton Town Centre Development and other regeneration schemes)
- c) Asset Management (including Medium Term Property Strategy, Surplus Sites and Working with NHS Partners)
- d) Green Initiatives and Decarbonisation

Highways and Transport

- a) City Region Sustainable Transport Settlement (CRSTS) annual highways maintenance allocation;
- b) Greater Manchester's (GM) Mayor's Cycling and Walking Challenge Fund;
- c) Department for Transport Highway Maintenance Challenge Fund;
- d) TfGM Active Travel Fund 2;
- e) CRSTS funding for the Rochdale - Oldham – Ashton Quality Bus Transit (QBT) Corridor.

Other Programmes and Schemes

- a) Housing Initiatives (funded by Housing Revenue Account resources) including working with the Councils PFI partners to ensure that the condition of the housing stock is maintained
- b) Social Care (Including Better Care Fund (Disabled Facilities Grant) and responding to the Adult Social Care reform agenda
- c) Fleet Replacement
- d) Local Improvement Fund
- e) Greater Manchester (GM) Investment Fund Loans
- f) GM Devolution and Related Initiatives
- g) Opportunities arising from Levelling Up

- h) Matched Funding for Grant Bids
- i) Funding for Emerging Priorities

- 2.1.12 Included within the Capital Strategy is an unallocated resource to provide funding for emerging priorities. This resource can be deployed to support existing priority schemes or new initiatives. This is considered a prudent approach to allow flexibility, revision and reassessment of priorities. The Capital Strategy also includes an additional unallocated resource to mitigate against the risk of scheme cost increases resulting from supply chain issues in the construction sector and associated inflationary pressures.
- 2.1.13 The Strategy does however include a longer term vision, a forward look at those projects that are likely to run beyond the five year strategy and programme period or be initiated subsequently. This covers a timeframe for the 10 years from 2028/29 to 2037/38.

Supporting Greater Manchester Devolution and Accessing National Infrastructure Strategy Resources

- 2.1.14 Section 4 of Appendix 1 advises that the Greater Manchester Strategy remains the key policy document that will shape the future of Greater Manchester. The plan explains the region's ambitions for the future of those who live in the towns, cities, communities and neighbourhoods that make up Greater Manchester. The strategy for Greater Manchester sets out a route, over the next decade, to deliver this vision for the benefit of people, places and planet.
- 2.1.15 Working collectively across the city region, with partner Authorities and their communities, the focus is on improved wellbeing for the 2.8m who live in Greater Manchester, with better homes, jobs and transport.
- 2.1.16 Priorities of the strategy are making Greater Manchester a great place to visit, invest and study, with thriving businesses which are UK and world leading, in sectors including low carbon and digital. It's important that key strategies adopted in Oldham reflect the aims and aspirations of the GM strategy as this will be the key decision document for future funding that might be allocated through GMCA.
- 2.1.17 The Council will strive through its capital programme, to continue to support devolution activities.

Affordability, Delivery and Risk Associated with the Capital Schemes

- 2.1.18 In accordance with the requirements of the Prudential and Treasury Management Codes of Practice, the Council must state how the Council will ensure that its capital spending plans are affordable, how projects will be delivered and how risks associated with the capital programme are managed. This is outlined at Section 5 of Appendix 1. Included within this section is the concept of Proportionality, which demonstrates the Council has minimal exposure from income generating assets that supports the Council's net revenue budget.

Knowledge and Skills

- 2.1.19 It is essential to advise of the knowledge and skills of the staff who have responsibility for the preparation and on-going management of the capital and treasury management strategies and other key activities in relation to the management of the capital programme. Members can be assured that the Council has suitably skilled and experienced staff and appropriate governance arrangements are in place, as set out more fully in Section 6 of Appendix 1.

Treasury Management

- 2.1.20 The Capital and Treasury Management Strategies of the Council are closely linked and Section 7 of Appendix 1 therefore sets out how each are prepared to have regard to the key issues and ensuring a complementary and fully aligned approach.

Long Term Loans

- 2.1.21 Section 8 of Appendix 1 advises that the Council has the ability, should it choose to exercise its powers, to enter into loan arrangements to support delivery of strategic corporate priorities. It also advises that the Council has chosen to make some but limited use of its ability to enter into loan arrangements.

Other Non-Treasury Investments

- 2.1.22 Section 9 of Appendix 1 advises that a number of years ago the Council invested in the Churches, Charities and Local Authorities (CCLA) property fund and holds historical commercial property assets that were acquired prior to the introduction of revised Public Works Loan Board (PWLB) lending criteria. These assets are located throughout the borough but were purchased primarily to support local policy objectives including the acquisition of strategic sites to support long term redevelopment and regeneration.

Capital Resources to Support Capital Expenditure

- 2.1.23 Section 10 of Appendix 1 sets out the range of resources that the Council will rely on to support capital spending. In addition to prudential borrowing and Government grants, which together are the main financing source for the capital programme, the Council will, depending on the circumstances, consider using a range of resources and opportunities to finance capital expenditure and will continue to monitor the availability and suitability of alternative sources of financing. Financing decisions will, however, be made in the context of the schemes being considered for approval and the financial position of the Council at the time a decision is required.
- 2.1.24 This section also highlights the circumstances where capital receipts will be ringfenced to support specific purposes. This includes ringfencing of up to £2.600m to support the Council's use of flexibility in the utilisation of the capital receipts in 2023/24 and 2024/25 (see section 2.1.30).

Capital Investment and Disposal Appraisal

- 2.1.25 Section 11 of Appendix 1 advises that all capital investment will be commissioned on the recommendation of the CIPB which will enable any expenditure and its funding to be better aligned with corporate priorities, partners and funding sources. It also advises that the:
- Governance of the Council's land and property portfolio is provided via the Land and Property Protocols which form part of the Council's Constitution; and
 - Corporate Property Board oversees the acquisition and disposal of land and property assets and monitors the progress of the asset rationalisation programme and performance of the investment portfolio.

The Prioritisation of Capital Requirements

- 2.1.26 Section 12 of Appendix 1 advises that once a bid for capital expenditure has passed through the Gateway Review process, has demonstrated that it meets Council

objectives, and links to the Greater Manchester Strategy (if appropriate), and it has been agreed that it is suitable for capital investment, the strategic requirements will be prioritised using a range of criteria which are not mutually exclusive or in ranking order. Detailed in full at Section 12, these include:

- The relationship to mandatory, contractual or legislative service delivery requirements.
- Whether the project is required to achieve the delivery of a specific revenue budget saving within the revenue budget setting process.

The Procurement of Capital Projects

- 2.1.27 Section 13 of Appendix 1 advises that the structure of the Council's procurement and strategic relationship management function includes designated Commercial Procurement Managers whose focus is to support all capital projects and can therefore take advantage of opportunities for greater efficiency by selection of the most effective procurement processes to ensure the best commercial solution.

The Measurement of the Performance of the Capital Programme

- 2.1.28 Section 14 of Appendix 1 highlights the approach to managing the performance of the Capital Programme. It advises that the Council's strong programme management approach is modelled on the PRINCE 2 project management methodology and based on best current practice. This ensures that investments are planned, managed and delivered prudently. In addition, the CIPB has a remit to review the financial performance of the capital programme and it receives a monthly monitoring report and undertakes a detailed annual review of the capital programme.

The Capital Investment Programme Board

- 2.1.29 Section 15 of Appendix 1 advises that the CIPB will continue in its role as an Advisory Board chaired by the Deputy Leader and Cabinet Member for Finance and Low Carbon. The Board is supported by a range of key officers. The CIPB will make recommendations which can be approved under delegated powers as appropriate. Its terms of reference are presented at Annex B to Appendix 1.

Flexible use of Capital Receipts Strategy

- 2.1.30 The Council is proposing to utilise the flexibility provided by the Department for Levelling Up, Housing and Communities (DLUHC) to use capital receipts to fund the revenue cost of transformation. The 2023/24 revenue budget will rely on up to £2.600m of such funding from capital receipts. Annex D sets out the required Flexible Use of Capital Receipts Strategy which advises how the capital receipts will be used and the transformation programme that will deliver savings.

2.2 Capital Programme 2023/24 to 2027/28

- 2.2.1 The Council is required to set out its capital programme for the period 2023/24 to 2027/28 based on the principles of the Capital Strategy. As previously advised, an initial timeframe of five years has been adopted. The level of prudential borrowing included reflects the financing available in the revenue budget and through anticipated income streams, capital receipts align with forecasts and grant funding and other contributions are based on already notified allocations or best estimates at time of preparation. If

additional resources become available, projects that meet the Council's strategic capital objectives will be brought forward for approval.

- 2.2.2 Clearly, the capital programme for 2023/24 is influenced by the performance of the capital programme for 2022/23. A review has taken place of planned spending in 2022/23 and the programme has been re-profiled as necessary with future years estimates updated.

Update on the 2022/23 Capital Programme

- 2.2.3 The 2022/23 draft month 8 capital monitoring position includes projections that are a key determinant of the 2023/24 programme. As many schemes span more than one year, the anticipated level of reprofiling between years sets the underlying position.
- 2.2.4 The capital programme for 2022/23 was approved at the Council meeting of 2 March 2022, with expenditure of £100.248m and supporting financing. This has been reduced downwards throughout the year and has subsequently been amended month on month to reflect agreed changes. This includes the actions arising from the findings of the 2022/23 annual review of the capital programme, a comprehensive project by project scrutiny of all schemes in the programme which was reported in detail to Cabinet within the month 6 Financial Monitoring report approved at Cabinet on 12 December 2022.
- 2.2.5 The latest available capital monitoring position for the 2022/23 to 2026/27 Capital Programme at month 8 included projected capital expenditure totalling £59.113m for 2022/23 matched with corresponding financing. The People and Place Directorate which manages all of the major regeneration projects, constituted the main area of expenditure (£43.639m). Grants and Other Contributions (£37.327m) provided the main source of financing followed by Prudential Borrowing (£15.533m).
- 2.2.6 Actual expenditure to 30 November 2022 was £29.531m (49.96% of forecast outturn). This spending profile is lower than previous years. The position will be kept under review and budgets will continue to be managed in accordance with forecasts.
- 2.2.7 The month 8 2022/23 capital spending and financing position is set out in the table below.

Table 1 - Revised 2022/23 Capital Programme

Directorate Expenditure	2022/23 Capital Programme as at M08 £000
Community Health and Adult Social Care	2,366
Children's Services	6,712
Communities	196
Place and Economic Growth	43,639
Housing Revenue Account (HRA)	-
Corporate/ Information Technology (IT)	3,701
Capital, Treasury & Technical Accounting	2,500
Funding for Emerging Priorities	-
Total Expenditure	59,113
Ringfenced Grants	(23,931)
Un-ringfenced Grants	(13,396)
Capital Receipts	(6,163)
Prudential Borrowing	(15,533)
Revenue (HRA & General Fund)	(90)
Total Resources	(59,113)

2.2.8 The forecast capital receipts position as at 30 November 2022 is as follows:

Table 2 - Capital Receipts Position

Capital Receipts Position	£000
Forecast Capital Receipts Available by 31 March 2023	(5,071)
Expenditure to be Funded from Capital Receipts	6,163
Forecast Shortfall in Capital Receipts	1,092

2.2.9 The revised capital programme requires the availability of £6.163m of capital receipts in 2022/23 for financing purposes. The total net usable capital receipts currently received in year is £2.663m with an additional estimate of £2.408m to be received by 31 March 2023 therefore the total estimated capital receipts for 2022/23 is £5.071m. A decision on the funding the shortfall in capital receipts will be taken as part of the year end 2022/23 financing of the Capital Programme. Members should note that the first £2.500m of capital receipts will be used to fund the Flexible Use of Capital Receipts initiative which supports transformational expenditure and therefore supports the revenue budget in 2022/23.

2.2.10 As referred to at 2.2.4 above, the annual review of the capital programme examined all schemes to give Members confidence that planned expenditure remained relevant and aligned with corporate objectives. The capital programme for 2023/24 (and future years) reflects the results of the review.

2.2.11 It is anticipated that the 2022/23 position will still continue to change as Cabinet reports are approved and with amendments reviewed by the CIPB and approved under delegated authority as a result of the on-going monitoring process.

2.3 Proposed Expenditure for 2023/24 to 2027/28

2.3.1 The table below sets out the summary of the anticipated expenditure and matched financing of £300.335m, which incorporates resources expected to be carried forward from 2022/23. The proposed 2023/24 to 2027/28 programme reflects the 2022/23 month 8 position (summarised previously) together with an enhanced projection of expenditure for 2023/24 to 2027/28 incorporating anticipated spending on new initiatives and an allowance, at funding for emerging priorities for new initiatives/projects to be supported. The detailed programme is set out at Annex C of Appendix 1 on a Portfolio basis with the summary in Table 3 below.

Table 3 - Capital Programme 2023/24 to 2027/28

Proposed Capital Spending	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000
Community Health and Adult Social Care	2,343	2,343	1,826	400	
Children's Services	9,930	4,522	1,691	1,500	1,500
Communities	400	100			
Place and Economic Growth	71,148	69,051	24,540	36,507	3,054
Housing Revenue Account (HRA)	1,000	500	95		
Corporate/ Information Technology (IT)	5,958	3,960	2,650	2,150	
Capital, Treasury & Technical Accounting	4,238	2,738	234	10,120	
Funding for Emerging Priorities	1,492	15,624	13,836	4,885	
Total Expenditure	96,509	98,838	44,872	55,562	4,554
Funding	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000
Ringfenced Grants	(18,668)	(21,696)	(133)		
Un-ringfenced Grants	(10,853)	(9,434)	(3,580)	(5,554)	(3,054)
Capital Receipts	(6,946)	(3,488)	(1,056)	(970)	
Prudential Borrowing	(59,041)	(63,721)	(40,008)	(49,038)	(1,500)
Revenue (HRA)	(1,000)	(500)	(95)		
Total Funding	(96,509)	(98,838)	(44,872)	(55,562)	(4,554)

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

2.4 Resources Available to Support the Capital Programme

2.4.1 The Government is providing significant levels of grant funding. Some new funding initiatives have been introduced, some of which carry through to 2023/24 and beyond. Grants have been awarded/anticipated for Education, Social Care and Transport projects. The Council has not yet received all grant allocations for 2023/24. The grants will be incorporated into the capital programme when the notifications have been received.

2.4.2 The main source of grant income in 2023/24 is associated with the Transport Capital Programme. Included within the Transport budget are the ringfenced Mayors Cycling and Walking Challenge fund of £5.696m, Growth Deal 3 funding £0.510m, General Challenge Fund allocation of £2.211m and the unringfenced Highways Maintenance Grant of £3.509m. Within the schools capital programme are allocations for the School

Condition Allocation of £1.749m and Basic Need Capital grant of £3.252m. The resources available to support the programme are described in more detail in the following sections.

Government Grant Funding

- 2.4.3 The Government resources available to the Council can be split into two categories: un-ringfenced and ringfenced resources, as explained in Section 10 of the Capital Strategy.
- 2.4.4 Some Government grant resources have been moved between financial years in order to support re-profiled expenditure as detailed in Annex C of Appendix 1.
- 2.4.5 The resources available can also be split between those which do not have revenue consequences and those that do have revenue consequences and therefore require financing through the revenue budget.

Funding With No Revenue Consequences

1) Government Grants and other external grants and contributions

This is funding provided directly by Government or other external providers. It can be ringfenced, specific and un-ringfenced. Un-ringfenced resources are those that can be utilised to finance any project (albeit there is usually an expectation of use for a specific purpose). Resources classified as ringfenced have to be utilised to finance particular categories of expenditure and therefore are restricted in their use. The 2023/24 capital programme relies on £18.668m of ringfenced and £10.853m of un-ringfenced grants.

2) Capital Receipts

This is income received from the sale of Council assets and is usually un-ringfenced. The 2023/24 programme relies on £6.946m of capital receipts.

In general, it should be noted that a prudent approach has been taken in relation to the anticipated level of receipts with no resources assumed in excess of the requirement to support already approved schemes. However, taking advantage of flexibilities around the use of capital receipts introduced by the Government, the Council anticipates using up to £2.600m of capital receipts in 2023/24 and 2024/25 to support transformational projects which would otherwise be financed by revenue resources.

Funding With Revenue Consequences

1) Prudential Borrowing

This is borrowing undertaken by the Council for specific projects. It is financed by revenue resources and is entirely at the discretion of the Council. Prudential borrowing has been used to support the major investment programmes which could not otherwise have been funded. The 2023/24 programme relies on £59.041m of prudential borrowing which has been fully financed.

- 2.4.6 As in previous years, the major source of financing remains prudential borrowing; the amount required in 2023/24 includes borrowing attributed to schemes that have been reprofiled from prior years. The Council will aim to reduce the amount of borrowing and associated financing costs by maximising grant income and capital receipts. The timing of the borrowing is linked to the cash position of the Council and may therefore not mirror the spending/financing profile set out above.

2.5 Capital Requirements for 2023/24

Resources Committed in 2023/24 to 2027/28

- 2.5.1 A review of the capital programme has highlighted that there is already a full range of commitments for the period 2022/23 to 2026/27 with net funding allocations totalling £354,898m. This decreases by £54.563m to £300.335m when considering the period 2023/24 to 2027/28. The table below shows the associated financing:

Table 4 – Change in Resources Included in the Capital Programme 2023/24 to 2027/28

Financing	2022-2027 Capital Strategy Position (@ M08) £000	2023-2028 Capital Strategy Position (Proposed) £000	Movement £000
Prudential Borrowing	(227,341)	(213,308)	14,033
Capital Receipts	(18,622)	(12,460)	6,162
Revenue Contributions	(1,685)	(1,595)	90
Grants & Contributions	(107,250)	(72,972)	34,278
Total	(354,898)	(300,335)	54,563

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

- 2.5.2 The capital commitments are set out in the following paragraphs and are shown in detail at Annex C of Appendix 1 of this report. There will be a continued review of capital spending requirements as the Council has further regeneration ambitions. This will however require a further phase of investment and the preparation of a new investment programme.

Community Health and Adult Social Care Directorate

- 2.5.3 There is planned Community Health and Adult Social Care Directorate expenditure of £6.912m phased over the 5 year programme as set out below:

Table 5 – Community Health and Adult Social Care Directorate Expenditure over the Capital Strategy 2023/24 to 2027/28

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000
Community Health and Adult Social Care Services Directorate	2,343	2,343	1,826	400	-

- 2.5.4 This area of spending is focused on Social Care. The major areas of expenditure in relation to 2023/24 is the Disabled Facilities Grant for which indicative grant funding has been assumed.

Children's Services

- 2.5.5 There is planned Directorate expenditure of £19.143m over the period 2023/24 to 2027/28 as shown below:

Table 6 – Children’s Services Expenditure over the Capital Strategy 2023/24 to 2027/28

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000
Children’s Services Directorate	9,930	4,522	1,691	1,500	1,500

2.5.6 The main focus of spending is, as would be expected, the school building and development programme largely funded by the Government’s Basic Need grant allocation

Communities Directorate

2.5.7 There is planned Directorate expenditure of £0.500m over the 5 year life of the programme as shown below.

Table 7 - Communities Directorate Expenditure over the Capital Strategy 2023/24 to 2027/28

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000
Local Investment Fund	400	100	-	-	-
TOTAL	400	100	-	-	-

2.5.8 All the spending in the Communities Directorate reflects spending in relation to the Local Investment Fund.

Place and Economic Growth Directorate

2.5.9 There is planned Place and Economic Growth Directorate expenditure of £204.300m over the period 2023/24 to 2027/28 as shown below:

Table 8 - Place and Economic Growth Directorate Expenditure over the Capital Strategy 2022/23 to 2026/27

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000
People and Place Directorate	71,148	69,051	24,540	36,507	3,054

2.5.10 The major areas of expenditure in relation to 2023/24 are as follows:

Table 9 – People and Places Directorate Expenditure 2023/24

Service Area	£000
Asset Management - Backlog Maintenance	4,119
Asset Management – Other	3,300
Asset Management - Education Premises	1,749
Boroughwide Developments	14,742
Environment – Cemeteries/Crematorium	37
Environment - Countryside / Parks	135
Private Housing - HMRF	150
Public Realm	50
Strategic Acquisitions	2,000
Town Centre Developments	31,513
Transport - Accident Reduction	198
Transport - Bridges & Structures	3,889
Transport - Fleet Management	298
Transport - Major Works/Drainage schemes	7,659
Transport - Minor Works	781
Transport - Miscellaneous	528
TOTAL	71,148

2.5.11 The Creating a Better Place expenditure accounts for the majority of spend within the Place and Economic Growth directorate. The major regeneration schemes such as the Spindles and Town Square shopping centres are included within the Town Centre Developments budget line. Further details of the regeneration schemes are detailed in Annex A of Appendix 1. However, it must be noted that some of this spending allocated to the Creating a Better Place programme maybe re-profiled into future years as individual schemes move from the development to construction stages.

Housing Revenue Account

2.5.12 Projected spending on Housing Revenue Account (HRA) projects of £1.595m over the life of the programme is phased as follows:

Table 10 - Housing Revenue Account Expenditure over the Capital Strategy 2023/24 to 2027/28

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000
Housing Revenue Account	1,000	500	95	-	-

2.5.13 The planned spending of HRA resources on capital project is much reduced from previous years, largely as a result of the impact of inflationary cost increases on the availability of HRA balances to invest in capital projects. The investment that is planned will focus on:

- **Developing the Purchase and Repair and Lease and Repair pilot schemes in the private rented sector** - The Council has launched a pilot empty homes intervention project to work with owners of empty homes to bring their properties

back into use through one of the two options available from the Council. A combination of HRA funding and Homes England Grant funding has enabled the development of Purchase & Repair and Lease & Repair options, designed to financially support landlords in bringing their properties back into use. It is envisaged that this scheme will be widened post the pilot phase.

- **Future Housing Purchases** – The Council has made provision to purchase additional housing which will be added to the Council’s HRA stock and will provide a new social housing option for families within Oldham.

Corporate/ Information Technology (IT)

2.5.14 There is planned Information Technology expenditure of £14.718m over the period 2023/24 to 2027/28 as shown below:

Table 11 – Corporate/Information Technology Expenditure over the Capital Strategy 202/24 to 2027/28

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000
Information Technology (IT)	5,958	3,960	2,650	2,150	-

2.5.15 The six key areas for ICT investment including those linked to invest to save opportunities have been identified as:

- Digital & Technology Foundations
- Line of Business Systems
- Business Support, HR/OD foundations
- Workforce Collaboration and Productivity
- Customer Experience
- Business Insight Performance, Strategy & Policy Foundations

Further details on the ICT Strategy over the life of the Capital Programme is included within Annex 1 of the Capital Strategy.

Capital, Treasury & Technical Accounting

2.5.16 Capital, Treasury & Technical Accounting expenditure is not specifically assigned or under the direct control of a service department. It relates to schemes that are corporate in nature rather than service specific. Total projected spending on Capital, Treasury & Technical Accounting projects is £17.330m over the strategy period. Planned spending is phased as set out below:

Table 12 - Capital, Treasury & Technical Accounting Expenditure over the Capital Strategy 2023/24 to 2027/28

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000
Strategic Investments	1,638	138	234	-	-
Provision for Inflation Pressures	-	-	-	10,120	-
Flexible Use of Capital Receipts	2,600	2,600	-	-	-
TOTAL	4,238	2,738	234	10,120	-

Funding for Emerging Priorities

2.5.17 Within the programme, there is currently an unallocated resource of £35.838m over the five years of the capital programme as highlighted below:

Table 13 – Funding for emerging priorities to be allocated over the Capital Strategy 2023/24 to 2027/28

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000
Funding for Emerging Priorities	1,492	15,624	13,836	4,885	-

2.5.18 This unallocated resource can be deployed to support existing priority schemes or new initiatives, including those for which no specific allocation exists, for example Greater Manchester Devolution and Related Initiatives and Matched Funding for Grant Bids.

2.3.19 This is considered a prudent approach to allow flexibility, revision and reassessment of priorities. Provision of £1.492m is available in 2023/24 with a further £34.345m available over the rest of the Capital Programme period.

2.5.20 The use of these unallocated resources will be prioritised by the CIPB including any realignment into future years. It is expected that all of these resources will be used over the life of the programme.

2.6 Proposed Capital Programme

2.6.1 Annex C of Appendix 1 of this report details the proposed 2023/24 Capital Programme and the indicative programme for the period 2024/25 to 2027/28. The strategy of the Council is to prepare a capital programme that balances over the life of the programme so that resources equal overall expenditure. Therefore, over the five years there is planned expenditure of £300.335 with corresponding financing.

2.6.2 Total expenditure in 2023/24 is planned at £96.509m. However, the in-year position is anticipated to evolve as:

- There may be further Government funding allocations announced prior to the start of 2023/24.
- The outcome of specific grant bids will be announced during 2023/24.
- It is also likely that there will be new initiatives announced later in the financial year.
- There may also be the opportunity to bid for additional funding.
- The Council may identify other funding sources, including capital receipts, to finance additional capital expenditure.

2.6.3 Therefore the overall capital programme position will be kept under review and any new information about funding allocations will be presented to Members in future reports.

3. Options/Alternatives

3.1 The two options that Members are asked to consider are that:

- a) Members accept the proposed Capital Strategy and Capital Programme for 2023/24 to 2027/28
- b) Members suggest an alternative approach to capital investment for 2023/24 to 2027/28, including the revision of capital priority areas.

4. Preferred Option

4.1 The preferred option is 3.1 (a) that the Select Committee accepts the proposed Capital Strategy and Capital Programme for 2023/24 to 2027/28.

5. Consultation

5.1 Consultation has taken place with the members of the CIPB which includes Cabinet Members. The members of the CIPB have contributed to the preparation of the 2023/24 to 2027/28 Capital Strategy and Capital Programme. Consideration of the Capital Strategy by the Policy Overview and Scrutiny Committee is a key part of the consultation process.

6. Financial Implications

6.1 By the very nature of this report, it contains financial details of the capital expenditure and financing associated with the delivery of the 2023/24 capital programme.

6.2 In overall terms, the planned programme for 2023/24 to 2027/28 totals £300.335m which is fully financed. The revenue consequences of the anticipated prudential borrowing of £213.308m is included within the estimates underpinning the proposed revenue budget and MTFS.

7. Legal Services Comments

7.1 Under the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 the responsibility for approving any plan or strategy for the control of Local Authority borrowing, investment or Capital Strategy or for determining the Minimum Revenue Provision is a decision of the full Council. The function of the Executive is to prepare and propose the relevant Strategy to the Council. The Council may require the Cabinet to reconsider, amend, modify, revise, vary, withdraw or revoke the strategy.

8. Co-operative Agenda

8.1 The Capital Strategy and capital programme have been prepared so that they embrace the Council's co-operative agenda with resources being directed towards projects that support the aims, objectives and co-operative ethos of the Council.

9. Human Resources Comments

9.1 None.

10. Risk Assessments

10.1 The main risk foreseen at this stage is whether the planned level of capital receipts can be achieved to finance the current capital programme. In order to minimise the risk, a prudent estimate of capital receipts has been made, having regard to the prevailing economic climate which may have an impact on both the timing and level of receipts that can be achieved. The overall level of capital receipts is therefore kept under review and any significant changes are reflected in capital programme forecast outturn figures.

10.2 Actual and potential revisions to Government policy present new risks. The Council must ensure that these are successfully managed, over and above those that are a consequence of any traditional capital programme. In particular these cover risks around expenditure that has already been committed in future years where there is no certainty

of continued funding, potential unfunded ongoing legal liabilities, potential overspending requiring an unbudgeted allocation of resources and the general risks around the uncertainty over the nature and level of the 2023/24 and future years' capital funding.

10.3 In line with the revised Prudential and Treasury Management Codes, a section on the risks associated with the Capital Programme must be included within the Capital Strategy document. The risk section can be found in Appendix 1, paragraph 5.13 to 5.17.

11. **IT Implications**

11.1 Other than the delivery implications of the specific IT projects being put forward there are no IT implications. The programme of ICT investment contained within the capital programme will enable the Council to transform many of its operations and introduce new ways of working. This will contribute to the potential achievement of savings which will materialise from services areas that benefit from digital change activity (i.e., demand reduction should enable cost reduction and / or productivity gain in the Customer environment, Business Support and Operational service areas).

12. **Property Implications**

12.1 The level of capital receipts generated from reductions in the corporate estate and the asset rationalisation programme is a major contributor to the financing of the capital programme. An aim of the Creating a Better Place programme – Asset Rationalisation theme is to maximise capital receipts while delivering outcomes that support corporate priorities.

13. **Procurement Implications**

13.1 None.

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

14.1 The Capital Programme includes resources that will enable corporate health and safety, legionella, asbestos and Disability Discrimination Act projects to be undertaken in accordance with identified priorities.

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

15.1 None.

16. **Equality Impact Assessment Completed?**

16.1 Not applicable.

17. **Key Decision**

17.1 Yes

18. **Forward Plan Reference**

18.1 FLC-21-22

19. **Background Papers**

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

File Ref: Background papers are contained within Appendix 1
Officer Name: Lee Walsh
Contact No: 0161 770 6608

20. **Appendices**

20.1 Appendix 1 – Capital Strategy 2023/24 to 2027/28

Oldham Council

Capital Strategy
2023/24 to 2027/28

Capital Strategy 2023/24 to 2027/28

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Annex D	Flexible Use of Capital Receipts Strategy

1 Aims of the Capital Strategy and its Links to the Council's Corporate Plan and the Oldham Plan (Our Future Oldham), Creating a Better Place Programme, Medium Term Property Strategy, Housing Strategy and Budget and Policy Framework

1.1 In accordance with good practice, the Council has traditionally prepared a Capital Strategy, the overarching aim of which has been to provide a framework within which the Council's capital investment plans will be delivered. This Capital Strategy for 2023/24 to 2027/28 has been prepared to cover a five-year timeframe to allow sufficient opportunity for strategic capital planning. The Council's Medium Term Financial Strategy (MTFS) is aligned with the Capital Strategy as it also covers a five-year timeframe. However, it should be noted that the Government's Autumn Statement 2022 of 17 November 2022, subsequent Policy Statement of 12 December 2022 and the Provisional Local Government Finance Settlement of 19 December, provided some funding certainty up to 2024/25, the end of the current Spending Review period. Recognising that funding estimates beyond 2024/25 are indicative, this Strategy is aligned to the revenue budget and therefore also focuses on 2023/24 and 2024/25 in detail with indicative estimates for 2025/26 and future years.

1.2 The Strategy does however include a longer term vision, which also covers the time frame for 10 years from 2028/29 to 2037/38. This takes a forward look at those projects that are likely to run beyond the initial five year strategy and programme period.

1.3 The format of the Capital Strategy reflects the requirements of both the latest Prudential Code for Capital Finance in Local Authorities and the Treasury Management in Public Services Code issued by the Chartered Institute of Public Finance and Accountancy (CIPFA). The strategy therefore presents:

- A high-level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
- An overview of how the associated risk is managed;
- The implications for future financial sustainability.

1.4 The Capital Strategy is therefore prepared to ensure that all Council Members are presented with the overall long-term capital investment policy objectives and resulting Capital Strategy requirements, governance procedures and risk appetite.

1.5 The Capital Strategy incorporates specific information on historic non-treasury investments. This information is aligned to, but reported separately from the Treasury Management Strategy Statement. This ensures the separation of any historic commercial investment from the core treasury function which operates under the principles of security of capital, liquidity, yield and an ethical approach. To comply with current Public Works Loan Board (PWLB) lending criteria and the latest CIPFA Prudential Code for Capital Finance in Local Authorities, this strategy does not provide for new investment in commercial activities solely to generate additional income.

1.6 CIPFA's current Prudential Code requires the Capital Strategy to demonstrate the concept of proportionality between the treasury operations and the non-treasury operations. High-level indicators are referred to in Section 5.

COVID-19 Pandemic Legacy

1.7 Although the direct impact of the COVID-19 pandemic has receded, there is still an on-going legacy for the borough, its residents and the economy.

- 1.8 The delivery of schemes included within the Capital Programme has also been affected. As the construction industry has been impacted by supply chain issues and material shortages which are causing inflationary pressures and extensions of delivery timescales. Provision has therefore had to be made within the strategy to help the Council manage the impact of these pressures so it can continue to deliver planned schemes.

CIPFA Prudential and Treasury Management Codes of Practice

- 1.9 In response to concerns about high levels of borrowing to fund commercial investment in a small number of local authorities, CIPFA consulted on revisions to the Prudential Code for Capital Finance in Local Authorities and the Treasury Management in the Public Services Code of Practice. After taking account of consultation comments, the final Codes were strengthened by CIPFA as follows:

- Making it clear that borrowing solely for debt-for-yield investment is not permissible under the Prudential Code.
- Ensuring that any commercial investment undertaken is consistent with statutory provisions, proportionate to service and revenue budgets and consistent with effective treasury management practice.
- Requiring the assessment of the affordability of commercial activity within Local Authorities' capital strategies.
- Ensuring that capital expenditure is consistent with a Local Authority's corporate objectives.
- Introducing new 'affordability' prudential indicators.
- Introducing the liability benchmark to promote good practice and understanding of a Local Authority's debt management position in relation to capital investment.
- Strengthening arrangements for maintaining and monitoring Treasury Management knowledge and skills.
- Adding a new practice statement covering Environmental, Social and Governance Risk Management alongside related proposals to strengthen Treasury Management governance arrangements.

Both the Council's Treasury Management Strategy and Capital Strategy for 2023/24 have incorporated the requirements of the Codes.

Co-operative Council

- 1.10 The 2023/24 to 2027/28 Capital Strategy is influenced by the principles which shape the overarching budget process for 2023/24 and is driven by the ethos of a Co-operative Council. The Council is therefore aiming to take a strategic view in relation to capital investment so that it can be directed to make a real and demonstrable impact on the economy of Oldham by:

- a) Regenerating the borough, building on the established investment programme, by attracting and securing significant amounts of external investment to supplement Council resources and deliver an enhanced borough-wide regeneration offer.
- b) Prioritising regeneration schemes to develop the local economy through for example:
 - Taking forward the vision for Oldham town centre, facilitated by the acquisition and redevelopment of the Spindles and Town Square Shopping Centres;

- Implementing key strands of the Housing Strategy to improve the housing offer;
 - Improving connectivity across the borough;
 - Supporting job creation and the Get Oldham Working initiative which are key to the economic and social recovery of the borough as it addresses the legacy from the COVID-19 pandemic and the challenges facing the economy arising from national and international developments.
- c) Using regeneration schemes to drive up Gross Value Added (GVA) and increase the yield from business rates, taking advantage of the Greater Manchester 100% Business Rates Retention Pilot scheme which commenced across Greater Manchester on 1 April 2017. This has provided additional resources which have been used to support the revenue budget in previous years and will continue to do so in 2023/24.

1.11 The Council will continue to:

- a) Work with partners as a co-operative and commissioning borough particularly with regard to the integration of health and social care to take advantage of joint investment opportunities, co-location and the release of surplus assets through initiatives such as One-Public Estate and by taking a Place-Based approach to joint working.
- b) Instigate further transformational change to the delivery of services with and by communities and staff, that maximise involvement and delivery at a more local level, working with residents to reset priorities, manage expectations and promote self-help.
- c) Get the basics right, drive improved business performance with more flexible ICT systems and instigate new delivery models with place-based working.
- d) Work with a resident focus to ensure effective service delivery, achieving social value and maximising the impact of the resources invested.

The Council's Corporate Plan and the Oldham Plan (Our Future Oldham)

1.12 Capital investment plans are driven by the Council's Corporate Plan. The Corporate Plan is the Council's key strategic document and outlines the Council's contribution to achieving the vision and outcomes detailed in the Oldham Plan, as well as priority areas of focus and delivery aimed at taking forward our vision of a co-operative future where everyone does their bit to create a confident and ambitious borough. All capital investment proposals will therefore be evaluated in accordance with a range of criteria, a key one of which is the contribution to the delivery of the aims of the Corporate Plan.

1.13 The Council's previous Corporate Plan ran from 2017 to 2020, establishing the Council's values and behaviours, and the co-operative approach to working with residents. This plan expired at the start of the COVID-19 pandemic so as an interim measure a Covid Recovery Strategy was produced as a roadmap to supporting residents in response to the pandemic. This Covid Recovery Strategy has now been replaced with a new Corporate Plan which was approved at the Council meeting of 7 September 2022

1.14 Alongside the development of the Corporate Plan, the Council worked with partners to develop a new Oldham Partnership's vision document (Our Future Oldham). This was endorsed by the Council alongside the Corporate Plan at the Council meeting of 7 September 2022 and has subsequently been approved by members of the Oldham Partnership.

- 1.15 Our Future Oldham and the Council's Corporate Plan were developed in parallel to ensure that the Council's priorities over the next five years align as far as possible with our residents' broader vision for the future. This ensures the most effective and efficient use of resources to supporting the improvement of our residents lives.
- 1.16 The Council's Corporate Plan 2022-27 describes how the Council will maximise the impact of efforts and resources to improve the lives of residents in the borough. The Plan focuses specifically on the impact of the Council's work on children and young people. The Plan acknowledges the present and future challenges created by the cost of living crisis, and describes how services across the Council will be improved for residents. It sets out five policy priorities:
- healthy, safe and well supported residents;
 - A great start and skills for life;
 - Better jobs and dynamic businesses;
 - Quality homes for everyone;
 - A clean and green future.
- 1.17 It also highlights the Councils new operational priorities as:
- Residents first;
 - Placebased working;
 - Digital;
 - Working with communities to reduce need
- 1.18 Our Future Oldham outlines the vision for the future of the borough shared by the Oldham Partnership and informed by the views and priorities of residents. The document establishes a set of aims – the core elements of a good life in Oldham, that every resident should expect. These range from basics like a good education and a home that meets needs, to contributing to creating a richer life and place, such as opportunities to meet/work with neighbours/community. It also establishes the central governance model for the Oldham Partnership, including the functioning of the Partnership itself and its key delivery boards: the Economic Development Board, the Health and Wellbeing Board and the Communities Board.
- 1.19 The 2023/24 budget process has been heavily influenced by the aims of the Corporate Plan and Oldham Plan and the capital strategy has regard to the five policy and four operational priority areas above and how these can be delivered.

Creating a Better Place Programme

- 1.20 The Creating a Better Place programme (originally approved January 2020) sets out a vision for the borough which is focused on building more homes for the borough's residents, creating new jobs through town centre regeneration and ensuring Oldham is a great place to visit with lots of family friendly and accessible places to go. The strategy aims to deliver these ambitions in ways that contribute to a reduction in carbon emissions in support of the Council's Green New Deal strategy.
- 1.21 The Creating a Better Place strategy was reviewed and updated in August 2020, in light of the COVID-19 pandemic, to place more emphasis on economic recovery and accelerating the potential for generating revenue budget savings. The programme envisages delivering an already approved £8.058m of revenue budget savings between 2022/23 and 2026/27.

- 1.22 The programme includes several schemes which are approaching or are already at the delivery stage including the redevelopment of the Spindles and Town Square Shopping Centres, the Alexandra Park Depot and Eco Centre, the refurbishment of the Old Library building on Union Street and the development and letting of the Egyptian Room in the Old Town Hall complex. Other schemes which are at an earlier stage of development include Northern Roots, the redevelopment of a historic building in the town centre and the delivery of a new performance space for the town.
- 1.23 The Spindles and Town Square Shopping Centre scheme will release other town centre sites for redevelopment including the Civic Centre and Queen Elizabeth Hall complex as well as Tommyfield Market.
- 1.24 The Council is currently in the process of procuring a Private Sector Partner to deliver transformation in the Town Centre working with the Council under a joint venture partnership. Once procured, the partner, in partnership with the Council will deliver a Town Centre Masterplan/Strategic Regeneration Framework that will cover the existing Tommyfield Market site, former Magistrates Court, former Leisure Centre and the current Civic Centre and Queen Elizabeth Hall, with the potential for other sites to be included. The proposals will be residential-led and are expected to significantly contribute to the Council's target to deliver 2,000 residential units within the Town Centre.
- 1.25 The Council has succeeded in securing an allocation of £10.75m of Future High Street Fund (FHSF) grant and £24.4m of Towns Fund grant to support the Creating a Better Place programme. FHSF funding is supporting the delivery of three schemes (the development and letting of the Egyptian Room in the Old Town Hall Complex, the redevelopment of a historic building in the town centre and the Accessible Oldham project) whilst Towns Fund grant is supporting four schemes (the relocation of Tommyfield Market, the provision of flexible workspace within Spindles, the 'Making Space for Live Performance' project and Northern Roots).
- 1.26 In July 2022, the Council submitted a bid for £40m of Levelling Up Funding to for two, separate projects for a Cultural Improvement District and to develop Green Technology and Innovation Network in the Borough. The Council is currently awaiting confirmation to determine if its application has been successful. Should the bids be successful, the Cultural Improvement District bid would see the development of the Oldham Greenway including the Jubilee Park; the Green Shoots Centre, a new incubation centre for environmental technology start-ups and a Learning Centre as part of the Northern Roots project. The Cultural Improvement District bid would see the refurbishment of the Lyceum building and Masonic Hall, works to the Old Library and the Flexible Events space developed for use by creative industries.
- 1.27 The Council will seek to bid for and secure as much external funding as possible for the benefit of the Borough as new funding streams become available.

Medium Term Property Strategy

- 1.28 In August 2018, the Council adopted a Medium Term Property Strategy (MTPS). This, at a high level, incorporates a detailed Asset Management Plan for every group of the Council's assets. This plan was agreed at Cabinet for the term 2018 to 2022 and more recently has been incorporated into the Creating a Better Place programme of works.
- 1.29 For any organisation such as the Council, with a diverse property portfolio, best practice recommends that the Property Strategy describes the general direction that the organisation's property portfolio will take over the next 5-10 years, the approach to be adopted in getting there and the policies that will be applied to decision making. The

refreshed Property Strategy will be presented for consideration in the next financial year to present such a vision and reflect the operational and emerging new business strategy of the organisation.

- 1.30 The implementation of the Creating a Better Place programme and the MTPS is key to the Council achieving both cost savings and a more efficient use of the corporate estate, contributing to the delivery of approved budget reductions.
- 1.31 Given the current economic position and its impact on current and future demand for property, the MTPS is currently under review as part of the Creating a Better Place programme. The MTPS is also at the centre of numerous inter-dependencies which will also shape future requirements including:
- The One Public Estate programme which seeks to deliver ambitious property-focused programmes in collaboration with Central Government and other public sector partners;
 - Place-Based Working centred around providing services from five districts / hubs within the borough;
 - The rationalisation of the Council's corporate estate and its contribution to the delivery of an already approved £8.058m of revenue budget savings between 2022/23 and 2026/27
- 1.32 In addition to facilitating the delivery of revenue budget savings, another objective of the property strategy is to reduce the requirement for backlog maintenance and inform the development of an asset disposals programme to reduce Council holdings of surplus assets and generate additional capital receipts.
- 1.33 The COVID-19 pandemic has undoubtedly had a major adverse impact on the economy, and this has inevitably disrupted the Council's asset disposal programme. Alongside the MTPS, the Council is currently reviewing its disposal programme to focus on 'fast tracking' a smaller number of assets for sale focusing on those with high management intensity and longer term liabilities/risks.

Housing Strategy

- 1.34 The Housing Strategy was approved in 2019 and was used to align priorities within the Creating a Better Place programme and the Oldham Plan, the GM Spatial Framework (replaced by 'Places for Everyone') and the GM Housing Strategy. It recognises the function that housing plays in supporting health and social care integration and wider public sector reform. A key objective of the housing strategy has been to reset the housing delivery framework that can start to tackle the challenges identified in the evidence based Local Housing Needs Assessment and help meet the housing priorities identified over the short, medium and long term. It is a strategic document to help shape the future service models and seeks to set housing and place shaping at the heart of the Oldham Partnerships collective vision for the borough.
- 1.35 Together with the Housing Strategy, a Strategic Housing Partnership has also been developed whereby the Council works collectively with key stakeholders to achieve the goals identified within the Housing Strategy Delivery plan.
- 1.36 The Housing Strategy:
- Enables the Council to determine priorities in each district or local housing market area as defined by the Local Housing Needs Assessment evidence base;
 - Informs bids for both public and private funding to support the development of new homes in Oldham;

- Supports the Council and its partners to make more informed People and Place making decisions about the targeting and future integrated commissioning priorities and underpins external funding bids to support investment in existing housing services and stock in Oldham;
- Enables the Council to focus and develop new policies and ways of working that better fit the operating environment; and
- Informs the Council to progress its energy conservation work, and to satisfy the Council's obligations under the Home Energy Conservation Act.

1.37 Delivery of Housing Strategy objectives has undoubtedly been disrupted by the current economic position. However, in line with the Creating a Better Place programme, work is underway to develop and deliver a programme of town centre housing development currently focused on the identification and assembly of suitable residential development sites. Work is also underway to determine a suitable delivery model for such development.

Working with Partners

1.38 The Council is a key member of and a driving force in the activities of the Oldham Strategic Estates Group (SEG). The Department of Health initially required all Clinical Commissioning Groups (CCG) to establish a SEG within their locality, and whilst the group initially had a 'Health' focus, this has been broadened to encompass a 'One Oldham Estate' approach, closely aligned to the Government's One Public Estate (OPE) principles which in essence seek to maximise the efficient use of the public sector estate by co-location/joint service delivery, releasing surplus land and property to support regeneration, residential development and inward investment. The Oldham SEG has a 'strategic' rather than 'operational' focus and has developed a Strategic Estates Plan (SEP), identifying development of integrated public sector hubs and mapping existing estate and utilisation as key priorities. The SEP is closely aligned to and supports delivery of Oldham's Locality Plan for Health and Social Care.

1.39 The Strategic Estates Group (SEG) in Oldham is attended by representatives from a wide range of public sector partners, including the Oldham Integrated Care Partnership (which has now replaced Oldham CCG), NHS Property Services Ltd (NHSPS), Greater Manchester Police (GMP), North West Ambulance Service (NWAS), North West Fire Service (NWFS), Community Health Partnerships (CHP), Action Oldham, and Pennine Care NHS Foundation Trust. The SEG is supported by the Operational Working Group which functions as the 'delivery arm' to ensure that the SEG remains strategic and One Public Estate focused. It reports to the SEG on key work areas, such as the project pipeline and increasing building utilisation.

2 The Principles of the Capital Strategy

2.1 The Capital Strategy is guided by a series of overarching principles. These principles seek to ensure capital resources are focused on gaining maximum benefit from their use in the context of supporting the delivery of the Council's vision and outcomes as described in the Corporate Plan. The sixteen principles of the Capital Strategy are summarised in paragraphs below and detailed in the rest of the document.

Principle 1

The Capital Investment Programme Board (CIPB) will lead the strategic direction of capital investment for the Council. The CIPB will operate on a commissioning basis. This will enable funding to be better aligned with other partners and funding sources and will link into the principles of the Co-operative Council. In accordance with the commissioning approach being championed within the Council, there continues to be a requirement for links to regional strategies and programmes. As such, the Council

must ensure that, when it applies for funds on a regional basis (either individually or as part of a collective bid), it uses its best endeavours to reflect local and regional priorities. The Council must therefore ensure that its Capital Strategy complements the Greater Manchester (GM) Strategy.

Principle 2

All schemes already approved in the Capital Programme or contractually committed will be supported and sufficient resources will be provided to enable them to proceed or complete. These schemes are presented in Annex A, Priority Areas for Investment.

Principle 3

A capital project sponsor must be able to demonstrate that a rigorous process of options appraisal has been followed, requiring evidence of need, cost, risk, outcomes and methods of financing. Capital investment proposals which will result in a revenue cost saving or efficiency are encouraged. The Creating a Better Place Project Management Office has a clear role in ensuring that all the key requirements have been addressed at the initiation stage of a project.

Principle 4

All capital investment decisions will be made with reference to Council objectives and regional strategies and, only after a positive contribution to one or more of the objectives has been demonstrated, is a project to be considered for resource allocation.

Principle 5

The CIPB will ensure that the Council can take full advantage of the freedom and flexibility afforded by the removal of ringfencing from most funding allocations to facilitate achievement of the Council's objectives. All un-ringfenced capital funding and other non-specific Council capital resources that are not required to support existing commitments will initially be pooled into one central fund. Regard will, however, be had to obligations around the:

- a) Delivery of the Council's Corporate Plan 2022 to 2027 and Our Future Oldham, the Oldham Plan agreed by the Oldham Partnership;
- b) Transport agenda and transport grant funding;
- c) Current pressure on primary and secondary school places in certain areas of Oldham and the lack of capacity in the current school stock and the Education Basic Need Government grant funding allocation to address such issues;
- d) Funding of adaptations to homes for the disabled and Disabled Facilities Grant funding;
- e) Social Care funding requirements arising from pooled funding arrangements
- f) Development of new policies for Social Care arising from the proposed (but currently delayed) reform of the Adult Social Care system;
- g) Development of new schemes from the opportunities arising from the levelling up agenda; and
- h) Implementation of the Housing Strategy.

Principle 6

Un-ringfenced grants received in support of the above initiatives will be passported in full to these eight areas.

Principle 7

There will be no ringfencing of capital receipts to specific projects, with the exception of those detailed in section 10.3.15.

Principle 8

For the purposes of preparing the Capital Strategy and Capital Programme for 2023/24, an assumption has been made that all resources that remain unallocated within the 2022/23 programme will be treated as though they are fully committed and carried forward into 2023/24 as a central pool for reallocation to other projects.

Principle 9

The Capital expenditure/investment plans of the Authority will be prepared to ensure the Council is able to access PWLB resources having regard to their lending criteria.

Principle 10

As well as using traditional funding mechanisms to finance capital schemes, the Council will also consider the use of alternative financing arrangements and, after appropriate due diligence reviews, develop these options if it is considered financially advantageous in the context of the Council achieving its capital investment objectives, but ensuring compliance with the Prudential and Treasury Management Codes of Practice.

Principle 11

Any public/private partnerships and initiatives requiring the deployment of Council capital resources or impacting in any way on the overarching capital investment policies or plans of the Council should be presented for consideration to the CIPB. The resources deployed to support such projects will also be subject to on-going review by the CIPB.

Principle 12

There will be a range of grant funding opportunities for which bids must be submitted; possibly at short notice and some of which may have a matched funding requirement. The Council will respond as it considers appropriate to bidding opportunities, ensuring that bids are submitted which align with its objectives and capital investment priorities and that matched funding requirements are considered on a scheme by scheme basis with resource requirements prioritised accordingly.

Principle 13

The development of new or replacement schools will be led by the Education and Skills Funding Agency (ESFA) and such schools will be created as academies. Mindful of its overarching responsibility for the provision of education, where necessary, the Council will support or enhance ESFA projects using its land assets and/or financial resources.

Principle 14

Given the devolution agenda and the collaborative way in which the Council is working with the Greater Manchester Combined Authority (GMCA) and NHS partners, bids to the GMCA, the NHS or other organisations which may have a matched-funding requirement will be prioritised. Regard will be had during the appraisal process to ensure that the Council's objectives and capital investment priorities are achieved.

Principle 15

As Health and Social Care reform continues to develop and the integration agenda moves forward with the creation of the Greater Manchester Integrated Care Partnership and at a local level the Oldham Integrated Care Partnership, the Council will prioritise the allocation of capital resources to support cross sector projects including facilities for joint service provision and the co-location of teams, with any consequent asset rationalisation.

Principle 16

The Council will have a range of capital investment priorities. Whilst these are initially determined on an annual basis, it will reviewed and update the priorities in accordance with in-year developments, responding to local and national emerging issues. The priorities for 2023/24 to 2027/28 are set out in Section 3.

3 Priority Areas for Investment

3.1 The priority investment areas identified for the 2023/24 to 2027/28 period are covered below. This section highlights potential priority investment areas for 2023/24 onwards. These will be taken forward subject to the availability of resources and the approval of a full business case.

3.2 As part of the annual Capital Strategy, there is an ongoing requirement for continued funding of existing programmes of work on:

- a) Corporate Major Repairs /Disability Discrimination Act (DDA) Adaptations/ Legionella / Health and Safety Projects (Corporate Landlord Function);
- b) School Condition Works;
- c) ICT Strategy;
- d) Social Care;
- e) Environmental Services.

3.3 However, an outcome of the review of the Capital Strategy 2023/24 to 2027/28, is that expenditure for the financial year 2027/28 has not been allocated to the programme for the above schemes as cumulatively, there is deemed to be sufficient unallocated resource to meet existing needs. The principle of continued funding for the above schemes remains and will be revisited as part of the 2024/25 Capital Strategy.

3.4 In addition to the projects specifically referred to above, the following is a list of further/new projects for which funding may be required grouped by key strategies underpinning the programme:

1) Creating a Better Place

- a) Housing
- b) Town Centre and Borough-Wide Regeneration (incorporating Spindles and Town Square Shopping Centres, wider Town Centre Redevelopment, Future High Street Fund Schemes, Making Space for Live Performance, Oldham Coliseum Theatre, Northern Roots, Old Library Building, Royton Town Centre Development and Other Regeneration schemes)
- c) Asset Management (including Medium Term Property Strategy, Surplus Sites and Working with NHS Partners)
- d) Green Initiatives and Decarbonisation

2) Highways and Transport

- a) City Region Sustainable Transport Settlement (CRSTS) annual Highways Maintenance allocation;
- b) GM Mayor's Cycling and Walking Challenge Fund;
- c) Department for Transport Highway Maintenance Challenge Fund;
- d) Future High Street Fund
- e) Active Travel Fund 2
- f) CRSTS funding for the Rochdale – Oldham – Ashton Quality Bus Transit (QBT) Corridor

3) Other Programmes and Schemes

- a) Housing Initiatives (funded by the Housing Revenue Account Resources) including working with the Councils Private Finance Initiative (PFI) partners to ensure the condition of the housing stock is maintained
- b) Social Care (including the Better Care Fund (Disabled Facilities Grant) and responding to the Adult Social Care reform agenda
- c) Fleet Replacement
- d) Local Improvement Fund
- e) GM Investment Fund Loans
- f) GM Devolution and Related Initiatives
- g) Opportunities arising from Levelling Up
- h) Matched Funding for Grant Bids
- i) Funding for Emerging Priorities

3.5 Included within the Capital Strategy is an unallocated resource to provide funding for emerging priorities. This resource can be deployed to support existing priority schemes or new initiatives. This is considered a prudent approach to allow flexibility, revision and reassessment of priorities. The Capital Strategy also includes an additional unallocated resource to mitigate against the risk of scheme cost increases resulting from supply chain issues in the construction sector and associated inflationary pressures.

3.6 The Strategy does however include a longer-term vision, a forward look at those projects that are likely to run beyond the five year strategy and programme period or be initiated subsequently. This covers a timeframe for the 10 years from 2028/29 to 2037/38.

3.7 Further details of the capital priorities can be found in Annex A of this Capital Strategy.

4 Supporting Greater Manchester Devolution and Accessing Levelling Up, UK Shared Prosperity Fund (UKSPF) and Decarbonisation Resources

4.1 Greater Manchester remains at the forefront of the city-region devolution agenda. The Greater Manchester Combined Authority has powers across a range of services and policy areas including health and social care integration, transport, strategic planning, housing, work and skills and the justice system.

4.2 The Greater Manchester Strategy (GMS) remains the key policy document that will shape the future of Greater Manchester. The plan explains the region's ambitions for the future of those who live in the towns, cities, communities and neighbourhoods that make up Greater Manchester. The strategy for Greater Manchester sets out a route, over the next decade, to deliver this vision for the benefit of people, places and planet.

4.3 Working collectively across the city region, with partner Authorities and their communities, the focus is on improved wellbeing for the 2.8m who live in Greater Manchester, with better homes, jobs and transport.

4.4 Priorities of the strategy are making Greater Manchester a great place to visit, invest and study, with thriving businesses which are UK and world leading, in sectors including low carbon and digital. It's important that key strategies adopted in Oldham reflect the aims and aspirations of the GM strategy as this will be the key decision document for future funding that might be allocated through GMCA (see UKSPF below).

4.5 One key area will be the move towards net zero carbon. GMCA has set a target of achieving net zero carbon status by 2038 but Oldham Council has adopted a stretched target for Oldham of 2030 via its Green New Deal strategy. Over the course of 2022

the Government launched a series of funding competitions to enable the public sector to bid for funds to support the decarbonisation of the public estate. The Public Sector Decarbonisation Scheme (PSDS) is a Government capital grant scheme aimed at enabling the future decarbonisation of public buildings, in particular the decarbonisation of heat through replacement of fossil fuelled heating systems with electrical heating. The fund is administered for the Government by Salix and has had a number of bidding phases (1-3b).

- 4.6 The Council submitted an unsuccessful bid for PSDS2 funding in partnership with the GMCA to secure grant funding towards energy efficiency measures during the remodelling of the Spindles project. Other aspects of the GMCA bid were accepted by Salix and overall funding of £17m was awarded to the GMCA.
- 4.7 Oldham Council was asked by GMCA to explore the potential for the inclusion of the carbon reduction measures planned at for the Spindles redevelopment within their approved PSDS2 award as other projects had not proceeded in line with original plans.
- 4.8 This opportunity for extra funding has given the Council the certainty that it will receive grant without having to submit a further bid to phase 3b of the Grant Programme. The challenge will be to spend the grant by the earlier deadline of 31 March 2024.
- 4.9 The Council has been successful in a bid for a Public Sector Decarbonisation Scheme (PSDS) 2 grant. Once the Council receives the final confirmation and grant terms and conditions the grant will be added to the Capital Programme in line with usual process. The grant will finance the capital works on wall insulation, roof insulation, double glazing, air source heat pumps to replace the current gas air handling units, and solar PV on the roof of the Spindles building. The detailed implications of accepting this grant have been incorporated into the on-going discussions with Spindles main contractor, to finalise the overall works required.
- 4.8 Further to this, the Council also submitted a proposal to Phase 3b for energy efficient measures at Chadderton Town Hall. A decision as to whether this bid will be successful is expected early in 2023 and if so, delivery will be 2023/24. The capital works to be financed from the grant if successful include double glazing, roof insulation, wall insulation, floor insulation, pipe insulation, Building Management System, LED lighting, lighting controls and air source heat pumps. If the grant bid is successful, the Capital Programme 2023/24 to 2027/28 will be amended accordingly.
- 4.9 Levelling up is at the heart of the Government's agenda to build back better after the pandemic and to deliver for citizens in every part of the UK. The Levelling Up White Paper highlighted that levelling up requires a multi-faceted approach and the Levelling Up Fund is part of a broad package of complementary UK-wide interventions including: The UK Community Renewal Fund, The UK Community Ownership Fund, the Plan for Jobs, the Freeports programme, the UK Infrastructure Bank, the Towns Fund, and the UK Shared Prosperity Fund (UKSPF).
- 4.10 The UK SPF has been allocated over a 3 year period to the GMCA. GMCA allocated some of this grant funding direct to the 10 Councils in GM and the rest can be accessed by a bidding process. As part of funding to be allocated directly, Oldham Council has submitted a proposal for a pre-identified allocation that covers activity under grant headings E1, E3 and E6 as detailed below.
- E1: Accessible Oldham - increase accessibility into and around the Town Centre – primarily on the Eastern Gateway and new park staff to maintain and improve the public realm

- E3: Active Travel Oldham - Increase the take up of active travel (modal shift away from car and increase the access to the Northern Roots Urban Farm and Eco-Park Northern Roots Bike Hub
 - E6: Co-design community led events including satellite sessions from Oldham Theatre Workshops and the exciting 'Illuminate festival'. These directly support Oldham's Place Marketing approach, a core element of the Cultural Strategy and will support the emerging Creative Improvement District and Night-Time Economy strategy and action plan
- 4.11 The challenge with this funding will be to spend the 2022/23 allocation which if not spent will be returned to Government.
- 4.12 In addition, Oldham Council has also submitted a proposal under the E11 theme of the UKSPF which is specifically funding investment in SME facilities. The objectives for this submission are based on redevelopment of a historic building in Oldham town centre.
- 4.13 The Government also recently announced the Levelling Up – Parks programme. The Government announced a £9m Leveling Up Parks Fund in September 2022 to improve both the equality of access and quality of green space in over 100 neighbourhoods across the UK. It was announced that grant would be awarded to places that Government identified as most in need of quality green space and would not be involve a competitive bidding process.
- 4.14 Oldham is one of the UK eligible Councils that were invited to opt-in to the programme to receive a grant of £0.085m consisting of: up to £0.047m for parks improvement, up to £0.019m revenue support and up to £0.019m for tree planting. The Council opted in before the October 2022 deadline.
- 4.15 The Council has been in discussion with the grant's managing authority to develop the final scheme that will focus on facilities at Chelmsford St and Greengate St and it is expected that these works would commence in 2022/23 and conclude early in the financial year of 2023/24.

5 Affordability, Delivery and Risk Associated with the Capital Strategy

- 5.1 In compliance with the requirements of the Prudential and Treasury Management Codes, the following paragraphs consider the Council's capital financing and treasury management activity and its contribution to the provision of services along with an overview of how associated risk is managed and the implications for future sustainability looking at Prudence, Affordability and Sustainability.
- 5.2 The table below shows the Council's current borrowing position and its borrowing need including the Council's Capital Financing Requirement (CFR). The CFR represents total historic outstanding capital expenditure which has not yet been financed from either revenue or capital resources (£501.132m for 2023/24). It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure, which is not immediately financed from cash backed resources, will increase the CFR. The CFR for 2023/24 is higher than for previous years due to the anticipated impact of the investment relating to the Creating a Better Place programme.
- 5.3 The Council has a number of on-going Private Finance Initiative (PFI) arrangements for the delivery of assets and services, presented at Other Long-Term Liabilities (OLTL) in the table below (£204.536m at the start of 2023/24) which has the effect of inflating the CFR. As can be seen, the Council's actual level of borrowing at the start of 2022/23 is expected to be £365.528m (the £204.531m plus debt at 1 April of £160.992m).

	2021/22 Actual £'000	Forecast position as at 31/3/23 £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
External Debt					
Debt at 1 April	172,843	167,597	160,992	200,987	235,982
Actual/Expected change in debt	(5,246)	(6,605)	39,995	34,995	14,995
Debt at 31 March	167,597	160,992	200,987	235,982	250,977
Opening OLTL* at 1 April	224,405	213,448	204,536	193,864	182,499
Actual/ Expected change in OLTL	(10,957)	(8,912)	(10,672)	(11,365)	(12,078)
Closing OLTL at 31 March	213,448	204,536	193,864	182,499	170,421
Actual/ Forecast gross debt (borrowing requirement) at 31 March	381,045	365,528	394,851	418,481	421,398
The Capital Financing Requirement	468,895	464,182	501,132	539,684	551,420
Under / (over) borrowing	87,850	98,654	106,281	121,203	130,022

* Other Long-Term Liabilities

- 5.4 The CFR does not increase indefinitely, as the Council makes 'prudent' provision for debt repayment which broadly reduces indebtedness in line with each asset's life and so charges the economic consumption of capital assets as they are used. The approach to making prudent provision is known as the Minimum Revenue Provision (MRP), in other words, making a direct charge to the Council's revenue budget to reflect the cost of repaying the borrowing. The Council's MRP Policy Statement is set out in Appendix 1 of the Treasury Management Strategy 2023/24.
- 5.5 It is important to note that the Council has for a number of years been projecting a borrowing requirement but has not needed to undertake any borrowing as there has been reprofiling of the Capital Programme and cash balances available, thus resulting in the under borrowed position. The Council did not fully borrow up to its CFR position therefore is still in an underborrowed position.
- 5.6 The Prudential Code states that it is the responsibility of the Council's Chief Finance Officer (Director of Finance) to explicitly report on the affordability, deliverability and the risks associated with this Strategy. These key elements are set out in the following paragraphs.
- Affordability**
- 5.7 Affordability is a key criterion when considering whether a project should be approved for inclusion within the Capital Programme. Before any decisions are made, new schemes are underpinned by a business case identifying the expenditure and funding, appraisal of alternative options and the risks and rewards associated with the scheme. The Business Case preparation and consideration process is set out fully in Section 11 of this Strategy.
- 5.8 All projects must also have a clearly identified capital funding source with a definite commitment of financial support if external funding, such as an external grant, is to be used. Also, there must be an identified source of funding to support any on-going

revenue costs associated with the use of a capital asset, and these must be built into future years financial projections.

- 5.9 Where borrowing is to be used, the affordability test is the ability to fund interest costs linked to the borrowing, together with the repayment of the borrowing (the MRP charge). This repayment is matched to a prudent asset life and any income streams estimated to fund this asset must be sustainable. The Prudential Code sets out the requirements for the appropriate governance of such borrowing and the Council's processes comply with the requirements of the Code.

Delivery

- 5.10 The delivery of the individual schemes within the Capital Programme is directly linked to the process of approving the capital scheme. Each scheme has a project sponsor and a project manager responsible for the delivery and the subsequent achievement of the scheme objectives.
- 5.11 Project updates are provided at the regular meetings of CIPB as well as an overarching update on the Capital Programme. This facilitates the review and challenge to the delivery of projects and any changes to both the timing and value of the programme. In addition, an Annual Review of the Capital Programme is completed each year in accordance with the terms of reference of CIPB. The Annual Review process ensures that all schemes are examined to determine whether they are still aligned to corporate priorities. The review also considers the deliverability and progress of schemes including any reasons for delayed starts or variations to approved budgetary allocations. It also considers rephrasing of planned expenditure and identifies any unutilised or underutilised resources which can be reallocated to other projects.
- 5.12 The Council's senior officers also have the opportunity to review and challenge project and programme delivery via monthly updates on the changes/re-profiling of expenditure.

Risks

- 5.13 The Council is exposed to a range of risks with regard to the continued affordability and delivery of the Capital Programme as follows:
- Financial risks related to the investment of the Council's assets, cash flow and market volatility;
 - Macroeconomic risks related to the growth or decline of the local economy, interest rates, inflation and the wider national and global economy. Of particular relevance in this regard is the legacy of the COVID-19 pandemic and the current Cost of Living crisis. There is also the long term effect of the Brexit which some economic commentators believe has contributed to significant increases in material prices and supply chain disruption across the construction industry;
 - Inflationary pressures currently being experienced may have adverse financial implications for other approved capital projects that are currently under development. The proposed capital programme includes specific provision to mitigate against the delivery impact of these inflationary pressures;
 - Insurance risks whereby some contractors are either unable or unwilling to put policies and cover levels in place which meet the Council's requirements. Equally, some insurers are broadening the scope of policy exclusions which may mean some construction risks are uninsurable;
 - Credit and counterparty risks related to investments, loans to public and private institutions;

- Operational risks related to operational exposures within its organisation, its counterparties, partners and commercial interests;
- Strategic risks related to key initiatives undertaken by the Council such as areas of organisational change deemed necessary to enable the Council to meet its goals and objectives, significant capital schemes, major acquisitions and new ventures;
- Reputational risks related to the Council's dealings and interests, and the impact of adverse outcomes on the Council's reputation and public perception;
- Environmental and social risks related to the environmental and social impact of the Council's strategy and interests. This is a risk that is becoming more high profile given the recent national and international publicity in relation to climate change;
- Governance risks related to ensuring that prudence and careful consideration are prominent in the Council's decision-making, augmented by quality independent advice and appropriate checks to ensure that the Council has the correct level of oversight, scrutiny and efficiency; and
- Risks arising from a financial commitment by the Council in line with Government policy when that policy is then changed mid-stream leaving the Council to manage the position.

5.14 Managing risk within the Council is an area of significant focus for senior management and Members. The Council adopts an integrated view to the management and qualitative assessment of risk. The Risk Management Strategy and Framework was approved by Cabinet at its meeting on 16 December 2019 and is subject to an annual review. The Strategy and Framework were reviewed in July 2022 and will be reviewed again in July 2023 unless there are any significant changes in legislation which need to be addressed within the Strategy. The Council aims to minimise its exposure to unwanted risks through a range of mitigation strategies that are considered with each service, business case or capital project.

5.15 However, it is important to recognise that there are significant risks associated with a large Capital Programme and associated borrowing, but these are mitigated as part of the Council's Treasury Management Practices and project management arrangements. As advised above, there is a robust capital business plan process, project management arrangements and/or project boards in place and all projects are delivered by suitably skilled staff. Appropriate consideration is given to tax planning, cash flow and the operational planning for the use of any asset. Governance is addressed by the establishment of officer/Member working groups with regular and transparent reporting. Due diligence is undertaken on loans and purchases and external advice is sought where necessary.

5.16 There are clear links from the Capital Strategy to the Treasury Management Strategy, prudential indicators, authorised borrowing limits and the revenue budget. These are also subject to review and oversight by Members at CIPB, Audit Committee, Cabinet and Council.

5.17 Members recognise that risk increases with any new borrowing and are mindful of this when considering funding arrangements. New borrowing will increase the Council's annual level of fixed interest and repayment costs which are already currently forecast to increase in the coming years and could have a borrowing liability of £419.901m by 2027/28.

Concept of Proportionality

5.18 In line with the Prudential and Treasury Management Codes and guidance from the Department for Levelling Up, Housing & Communities (DLUHC) the Codes require that

regard is had to the “concept of proportionality” and the resulting “level of debt and aggregate risk being proportionate to the size of the authority”. The Council has identified the following indicator (% of non-financial investment income as a contribution to the net revenue budget) to demonstrate the concept of proportionality as shown in the table below. This income relates to commercial activity which is generating additional income to support the financing of core services.

	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000
Total Net Non-Financial Investment Return	112	112	112	112	112
Net Revenue Budget	274,064	278,469	283,349	287,932	292,602
% of Net Non- Financial Investment Income as a contribution to Net Revenue Budget	0.041%	0.040%	0.040%	0.039%	0.038%

- 5.19 As can be seen in the table above, the net non-financial investment income as a contribution to the Net Revenue Budget is less than 1% over the life of the Capital Strategy. Within the Capital Strategy 2023/24 to 2027/28 there are no plans to invest in commercial activities solely to generate additional income in line with PWLB lending criteria.

6 Knowledge and Skills

- 6.1 The Capital and Treasury Finance Team has responsibility for both the preparation of and on-going management of the capital and treasury management strategies and Capital Programme. The team is staffed by professionally qualified accountants with extensive Local Government finance experience. Team members attend all relevant training courses, workshops and events to ensure that their knowledge and skills are up to date and the Council is in a position to address all new technical developments. They all follow a Continuous Professional Development Plan (CPD) as part their individual accountancy accreditation. The overall responsibility for capital and treasury activities lies with the Council’s Section 151 Officer who, in accordance with statute, is professionally qualified and is suitably experienced to hold the post.
- 6.2 The Council aims to provide training to Members on an annual basis, which is delivered by Council officers and external advisors. This ensures Members have a full understanding of key issues and have the appropriate knowledge and skills to make capital and treasury decisions. Members are updated on developments and any issues of significance throughout the year with information presented to the Audit Committee (responsible for Treasury Management), CIPB (responsible for the Capital Programme) and at Cabinet Member briefings.
- 6.3 The Council uses the Link Group, Treasury Solutions as its external Treasury Management advisors. The Council recognises that it is essential to engage with external providers of Treasury Management services in order to acquire access to specialist skills and resources. The Council also arranges for Treasury Management training to be provided to Members; particularly Audit Committee and Cabinet Members to facilitate robust scrutiny and decision making. The Council provided a training session for Members of these Committees on 5 October 2021 which was led by and external trainer. Also during 2022/23 externally facilitated general financial skills training was provided for Members on 22 June 2022 and also on 28 September 2022.

- 6.4 When looking at a commercial element within a particular capital scheme, where the primary focus is on public service, housing, regeneration, preventative objectives or treasury management investments, officers from relevant professional disciplines from across the Council are involved in conducting due diligence exercises. Alongside the internal teams, the Council also uses external advisors to complete the due diligence process.

7 Treasury Management

- 7.1 The Council produces a Treasury Management Strategy which is approved by full Council annually as part of the Budget Setting process.

- 7.2 The Capital Strategy and Treasury Management Strategy are closely linked as the Capital Programme determines the borrowing need of the Council, essentially the long term cash flow planning and ensures that the Council can meet its capital spending obligations. The Capital Strategy is integral to treasury management activities throughout the year in the management of long term cash that may involve arranging long or short term loans or investing longer term cash flow surpluses. A treasury action is to look for opportunities to restructure any existing borrowing in support of the Councils budget process.

- 7.3 At the end of the five year Capital Strategy period the Council's debt is forecast to be £423.470m. Included within the Council's CFR under long term liabilities are items such as Private Finance Initiative (PFI) and leasing arrangements. The Council is currently expected to have £204.536m of such liabilities at the start of 2023/24 which is expected to reduce to £158.498m by 2027/28. The Council's Operational Boundary for 2023/24 is forecast to be £508.500m. The Council's Authorised Borrowing limit will be £533.500m for 2023/24.

- 7.4 The Council is required to set aside 'prudent' provision for debt repayment where borrowing or credit arrangements have been used to finance capital expenditure. This is known as Minimum Revenue Provision (MRP). Over the Capital Strategy period the Council has an MRP provision of £78.684m.

- 7.5 The Audit Committee is responsible for the scrutiny and governance of Treasury Management activity within the Council. It reviews the Treasury Management policy and procedures and all Treasury Management reports. However, the Policy Overview and Scrutiny Committee also scrutinises the Treasury Management Strategy alongside the full suite of budget reports prior to their presentation to Cabinet and Council for final approval. As both the Treasury and Capital Strategies are reviewed together, it allows for a combined scrutiny process.

- 7.6 Throughout the year the Audit Committee receives regular updates on Treasury Management performance and emerging issues including the Mid-Year Review report which is also reported to full Council. It is also important to note that the Treasury Management function is subject to regular Internal and External Audit reviews. All recent reviews have highlighted the high standard by which the Treasury Management function is delivered.

- 7.7 Further detail can be found in the Treasury Management Strategy 2023/24.

8 Long Term Loans

- 8.1 The Council has the ability, should it choose to exercise its powers, to enter into loan arrangements to support the delivery of strategic corporate priorities.

8.2 The Council has chosen to make limited use of its ability to enter into loan arrangements, but in such instances, all loans have been and will be approved in line with the Council's Constitution under the Financial Procedure Rules which ensures that they are prudent and secured by:

- A full independent due diligence process;
- Ensuring adequate security for the loan is in place;
- Continuous monitoring of the loans and undertaking review meetings;
- Ensuring the financial exposure of the Council is proportionate to its size.

8.3 The Council may choose to provide assistance to organisations where they have experienced difficulty in securing funds from other sources at affordable interest rates. In order to deliver corporate priorities, loans to third parties may be offered at an interest rate below the market rate. Where the loan is advanced at less than a market interest rate there is an associated loss of investment return which would otherwise have been earned on these funds. The cost to the Council in this respect would be reflected in the Council's Annual Accounts.

8.4 Loans are treated as capital expenditure and will therefore be approved as part of the Capital Programme.

9 Other Non-Treasury Investments

9.1 For many years, the Council has been working in an environment of historically low interest rates (although recently the position has changed) and these low investment returns have contributed to pressure on the Council's revenue budget. Combined with the revenue budget shortfall the Council faces and the relatively low returns available on cash investments, plus Central Government financial support for local public services having been reduced significantly during the previous decade, the Council has investigated various options for generating enhanced returns.

9.2 The Council holds commercial property assets that were acquired prior to the introduction of the revised PWLB lending criteria. These assets are located throughout the borough but were purchased primarily to support local policy objectives including the acquisition of strategic sites to support long term redevelopment and regeneration. The fair value of these assets will be reviewed as part of the Council's Treasury Management activities. Should the valuation be lower than the purchase cost, the Council will report this in the Treasury Management Strategy, along with the consequences of the loss on security of investments and any revenue budget implications. To date, these investment property acquisitions have not resulted in any requirements to be disclosed in the Council's Treasury Management Strategy.

9.3 The Council has also invested in the Churches, Charities and Local Authorities (CCLA) property fund. As advised within the Treasury Management Strategy, due to the anticipated fluctuations in price this is an investment with a minimum time horizon of 5 years. The Council currently holds £15.000m in the property fund and the investment currently generates a return of approximately 4.5% per annum.

9.4 During 2022/23, the property fund has seen an increase in value as the markets continue to recover from the COVID-19 pandemic. As per previous years, occupier trends continued to be stable, and the dividends remained constant at a similar rate.

9.5 Any further investment in the CCLA or any such longer term investment funds/bonds will only be undertaken after detailed and thorough due diligence process has been completed and having regard to the Treasury Management principles of security of capital, liquidity, yield and ethical investments.

10 Capital Resources to Support Capital Expenditure

10.1 The Utilisation of Capital Resources

10.1.1 The Council's strategy is to ensure that all resources are deployed to support the achievement of the Council's objectives. The Council's Capital Strategy and capital planning arrangements are consistent with, and linked to, the Greater Manchester Strategy but also enhance the Council's own co-operative ethos and other corporate initiatives such as Get Oldham Working, with the devolution of some resources and decision-making to Districts and Neighbourhoods. As such, the aspirations of District Partnerships need to be considered and they will be consulted, as appropriate, over potential bids for any available funding. The District Investment Fund and its replacement the Local Investment Fund are included in the Capital Programme, currently at £0.400m in the financial year 2023/24 and £0.100m in 2024/25.

10.1.2 As most capital financing can be used for projects at the Council's discretion, the Council is able to address its own priorities and shape the Capital Programme to align with local, regional and national priorities.

10.2 Creation of a Central Pool of Capital Resources

10.2.1 The Council will ensure that it facilitates the achievement of Council objectives by taking full advantage of freedoms and flexibilities arising from the fact that most resources are un-ringfenced. All un-ringfenced capital funding and other non-specific Council capital resources, that are not required to finance existing commitments, will be pooled into one central fund. This corporate resource will then be managed so that only schemes which can demonstrate alignment with Council priorities will be allocated funds. The Capital Investment Programme Board (CIPB) will review all bids for resources, evaluate them and then make recommendations to:

- a) Cabinet/Council on the prioritisation of resources for the initial 2023/24 to 2027/28 Capital Programme.
- b) The appropriate decision-maker for any subsequent revisions to the Capital Programme.

10.2.2 The Budget Council will make the final decision on the overarching Capital Programme for 2023/24 to 2027/28 and will subsequently delegate (subject to the provisions in the Council's Constitution) the updating of the programme and revisions to projects following review and recommendations by the CIPB.

10.2.3 The CIPB will review the usage of any ringfenced resources to ensure alignment with other spending plans and the maximisation of benefits to the Council.

10.2.4 In determining the size of the central fund, the CIPB will have regard to the following:

- a) Delivery of the Council's Corporate Plan 2022 to 2027 and Our Future Oldham, the Oldham Plan agreed by the Oldham Partnership.
- b) The statutory fourth Greater Manchester Local Transport Plan (GMLTP4). This is part of the long-term transport strategy for Greater Manchester to 2040 with a five-year delivery plan.
- c) The current pressure on primary and secondary places in certain areas of Oldham and the lack of capacity in the current school stock.
- d) The Disabled Facilities Grant (DFG) is provided to meet the Council's obligation to finance adaptations to the homes of disabled residents and its commitments to wider social care. The Council receives the DFG funding via the Better Care

Fund (BCF) and this is included within the pooled funding arrangements with Oldham ICP

- e) Social Care funding requirements arising from pooled funding arrangements
- f) Development of new policies arising from the proposed (but currently delayed) reform of Adult Social Care.
- g) The development of opportunities for new schemes arising from the levelling up agenda.
- h) The Council's ambition to deliver its Housing Strategy.
- i) Any resources allocated by Central Government after approval of the Council's 2023/24 to 2027/28 Capital Strategy/Capital Programme.

10.2.5 The Council will therefore passport all of the un-ringfenced resources for schools (via the Education Basic Need grant), transport, Disabled Facilities Grant and housing related funding to support spending in each of these respective areas.

10.2.6 Grant funding allocations notified to the Council also include information regarding capital maintenance funding for Voluntary Aided (VA) schools. This grant is paid directly to the Church of England and Roman Catholic Diocesan authorities and is not therefore included within the Council's Capital Programme. Expenditure undertaken by the Council on VA schools is planned with regard to the availability of contributions from the VA grant and diocesan resources.

10.3 Methods of funding capital expenditure

10.3.1 There are a range of methods for funding capital expenditure. The methods that will be used by the Council are set out as follows:

a) Government Grants and Non-Government Contributions

10.3.2 Capital resources from Central Government can be split into two categories:

- i) Un-ringfenced – resources which are delivered through grant that can be utilised on any project (albeit that there may be an expectation of use for a specific purpose). This now encompasses the vast majority of Government funding.
- ii) Ring-fenced – resources which are ringfenced to particular areas and therefore have restricted uses.

10.3.3 Where there is a requirement to make an application to an external agency for external funding and, when appropriate, to commit Council resources as matched funding to any bid for external resources, a business case (following the three-stage process described at Section 11) must be presented to the CIPB for approval. This must justify the bid for external resources and any Council matched funding prior to submission of the bid.

b) Prudential Borrowing

10.3.4 The Council will consider financing capital projects using prudential borrowing where plans are sustainable, affordable and prudent. Full appraisal will take place to ensure that, where appropriate, sufficient revenue returns are generated to cover the cost of borrowing.

10.3.5 Where it is considered that Prudential Borrowing is the appropriate method of funding, but it requires additional revenue financing, the cost will be reflected in the revenue budget planning process.

10.3.6 The Council applied for and received the PWLB Certainty Rate reduction. This entitles the Council to receive a 20 basis points rate reduction on the prevailing rate of PWLB on any borrowing undertaken from 1 November 2022 to 31 October 2023. The obvious benefit to the Council of the certainty rate is reflected in reduced Treasury Management borrowing costs in relation to any PWLB borrowing undertaken. The Council will look at and assess all sources of external financing with a view to externally borrowing at an appropriate time when the borrowing need is identified. This will include, as appropriate, accessing funding through the UK Infrastructure Bank.

c) Capital Receipts

10.3.7 Section 9 (1) of the Local Government Act 2003 defines a capital receipt as “a sum received by the authority in respect of the disposal by it of an interest in a capital asset”.

10.3.8 Section 9 (2) of the Act states “an asset is a capital asset if, at the time of the disposal, expenditure on the acquisition of the asset would be capital expenditure”.

10.3.9 Capital receipts are usually restricted to use for:

- i) Financing new capital investment.
- ii) Reducing borrowing under the Prudential Framework.
- iii) Paying a premium charged in relation to any amounts borrowed.
- iv) Meeting any liability in respect of credit arrangements.
- v) Meeting disposal costs (not exceeding 4% of the receipt).

10.3.10 In general, capital receipts arising from the disposal of housing assets and for which account is made within the Housing Revenue Account (HRA), are governed by the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003. In summary the regulations require that receipts arising from:

- i) Right to Buy (and similar) sales may be retained to cover the cost of transacting the sales and to cover the debt on the properties sold, but a proportion of the remainder must be surrendered to Central Government; and
- ii) All other disposals may be retained in full provided they are spent on affordable housing, regeneration or the paying of housing debt.

10.3.11 Such receipts have reduced substantially since the transfer of the housing stock to First Choice Homes Oldham (FCHO).

Value Added Tax (VAT) Shelter

10.3.12 As part of the Housing Stock transfer that took place in February 2011 a Value Added Tax (VAT) shelter agreement was entered into with FCHO. This allows FCHO to obtain the same VAT exemption on its capital works as the Council. The shelter only applies for first-time improvements and is expected to cease in 2025/26 (the scheme will end in January 2026). FCHO retained all the benefits in the first four years and the savings thereafter have been split 50:50 with the Council, although the first £6.000m was top sliced to deal with outstanding FCHO asbestos liabilities.

10.3.13 FCHO has provided an indicative notification of the release of resources from the VAT shelter until the end of the scheme. These estimates are included in this current strategy and are being used to support the capital receipts requirement underpinning the overall Capital Programme.

Ringfencing of Capital Receipts

10.3.14 Where the sale of an asset leads to the requirement to repay grant, the capital receipt will be utilised for this purpose. Once this liability has been established and provided for, capital receipts will be available to support the Capital Programme as a corporate resource.

10.3.15 The only areas where the Council ringfences capital receipts are in respect of:

- i) The Equity Home Loan Initiative.
- ii) The Flexible Use of Capital Receipts Strategy – in 2023/24 and 2024/25, the first £2.600m of unallocated receipts will be used to support the revenue budget via the financing of transformational projects.

Flexible Use of Capital Receipts

10.3.16 As part of the Local Government Finance Settlement (LGFS) in March 2016, the Secretary of State for Housing, Communities and Local Government provided Local Authorities with the opportunity to use capital receipts to fund the revenue costs of transformation. This flexibility was then extended to 2021/22 as part of the 2018/19 LGFS. During the early part of the financial year 2022/23 confirmation was received from Government that this flexibility was extended for a further three year period (2022/23 to 2024/25) and a further revision was made in August 2022 to clarify qualifying disposals. As previously stated, the Council intends to utilise £2.600m of capital receipts to fund elements of Oldham's transformational agenda in line with the Directive guidance. Therefore in 2023/24 and 2024/25 the first £2.600m of qualifying disposals/ receipts will be used to support the revenue budget via the financing of transformational projects.

10.3.17 The Flexible Use of Capital Receipts is designed to offset the revenue cost of transformational projects which are expected to deliver future ongoing revenue savings for either the Council or other public sector delivery partners.

10.3.18 In order to take advantage of this freedom and flexibility, the Council must act in accordance with the statutory guidance issued by the Secretary of State. This guidance requires the Council to prepare, publish and maintain a Flexible Use of Capital Receipts Strategy. The Council's Flexible Use of Capital Receipts Strategy is included in Annex D.

Availability of Capital Receipts

10.3.19 In considering the 2023/24 Capital Programme, and given the position with regard to capital receipts, a prudent approach has been taken with capital receipts assumed in accordance with an anticipated timeline for asset disposal. However as advised above, the Council anticipates utilising £2.600m under the Flexible Use of Capital Receipts Strategy in 2023/24 and 2024/25 to support transformational projects.

10.3.20 The level of receipts upon which the programme relies to fund existing and new commitments has in the past been affected by the property market and more recently the COVID-19 pandemic (although the position is now moving to pre-pandemic conditions) which has impacted on the:

- i) Ability of the Council to sell assets within the timescale anticipated.
- ii) Level of receipt actually generated, which has sometimes been less than originally forecast.

10.3.21 The Council's objective to rationalise the corporate estate (as highlighted in the Medium Term Property Strategy and the Creating a Better Place programme), will lead to the marketing of increasing numbers of surplus assets. This has the potential to affect both (i) and (ii) above. This is being carefully managed to ensure that the Council receives the best disposal price possible. The Council has specific staffing resources to manage the phased disposal of former schools' sites, residual Housing Market Renewal sites and other strategic regeneration sites. External expertise has been engaged to supplement in-house teams if required when rationalisation activity increases.

10.3.22 The availability of sites for sale could potentially be reduced if there is earmarking of key plots for inclusion in any future Joint Venture opportunities or any regeneration projects throughout the Borough. Again, this position will be carefully managed in the context of the overall financial position of the Council and if required the Capital Programme will be amended accordingly.

10.3.23 Monitoring of capital receipts is undertaken through an officer sub-group that reports to the CIPB and the Corporate Property Board (CPB); follow-up actions are initiated to address any comments raised. The capital monitoring report is usually presented to Cabinet at months 3, 6, 8 and 9 and advises Members of receipts compared to target.

d) Revenue Contributions

10.3.24 A service or school may wish to offer some of its revenue budget or reserves to support the financing of a capital project. This is acceptable if it can be demonstrated that this funding is unfettered.

e) Use of Leasing

10.3.25 Some of the assets used by the Council have previously been financed by leasing arrangements. Leasing is considered as a viable option for consideration when financing options are being appraised. Leasing may occasionally offer better value for money than financing through prudential borrowing, however, at the time a decision is required, a full financial appraisal will be undertaken.

f) Section 106 Agreements

10.3.26 In considering an application for planning permission, the Council may seek to secure benefits to an area or restrict uses or activities related to a proposed development through the negotiation of a 'planning obligation' with the developer. Such obligations, authorised by Section 106 of the Town and Country Planning Act 1990, generally either improve the quality of the development, or overcome difficulties which would otherwise result in planning permission being refused. A planning obligation must be:

- i) Necessary to make the development acceptable in planning terms;
- ii) Directly related to the development; and
- iii) Fairly and reasonably related in scale and kind to the development.

10.3.27 As such, therefore, the Council may in some instances receive funds to enable it to undertake works arising from these planning obligations. Examples of the use of planning obligations are the:

- i) Provision of affordable housing.
- ii) Improvement to community facilities - Public open space/play areas, educational facilities.
- iii) Improved transport facilities - contributions have previously been used towards Oldham bus station, park and ride and the provision of cycle lanes.
- iv) Public art.
- v) Renewable energy measures.
- vi) Specific measures to mitigate the impact on a local area, for example parking restrictions, landscaping or noise insulation.

10.3.28 The use of any Capital Section 106 funding will be presented to the CIPB for review.

g) Community Infrastructure Levy

10.3.29 The Council has the option to charge a Community Infrastructure Levy (CIL), a planning charge on new development based on legislation that came into force on 6 April 2010. The Council has considered this but at this time there are no plans to progress with CIL in Oldham as the viability of development in Oldham is low, meaning that the CIL charge might deter new development and, in any event, the charge collected would be relatively small because of the low viability. The position will be kept under review as work is taken forward in relation to the Greater Manchester initiatives and the Council's own Local Plan, and it should be noted that the Levelling Up and Regeneration Bill proposes a new Infrastructure Levy that is similar to CIL but would become mandatory once the relevant legislation and regulations are rolled out. More details on the proposed new Infrastructure Levy, and how it would be calculated, is awaited.

h) Private Finance Initiative (PFI)

10.3.30 PFI was a means by which the Council facilitated major new infrastructure projects. Typically, the schemes involve partnerships between the public and private sector to fund public sector infrastructure projects with private capital. Oldham has considerable experience of PFI with two schools' projects, two housing projects, the Library and Lifelong Learning Centre and the street lighting initiative.

10.3.31 In the Autumn Budget 2018 the Government announced that there would no longer be the use of PFI for major investments and a new centre of excellence would be established to manage existing deals "in the taxpayer's interest". The Government emphasised its commitment to maintaining current commitments on PFI contracts. As a result, no new PFI projects or similar initiatives are anticipated within the Strategy period.

i) UK Municipal Bonds Agency Plc

10.3.32 The UK Municipal Bonds Agency (UKMBA) is owned by the Local Government Association (LGA) and managed by PFM; the largest independent financial advisory firm in the United States that works solely for public sector clients. It has extensive experience in the US bonds market and has a wealth of experience of bringing bonds to market for public sector clients. The aim of the agency is to provide Councils with a

cost-effective source of long term borrowing (as an alternative to the PWLB) and to introduce sector owned diversity into the Local Government lending market.

10.3.33 To date the UKMBA has made one a standalone loan outside of the proportional guarantee. The loan was for £350 million for 5-years and was a floating rate and linked to the Sterling Overnight Index Average (SONIA).

10.3.34 The Council has invested a total sum of £0.100m in the equity of the UKMBA. The Council will continue to monitor issuances by the UKMBA and cost of funds from the UKMBA as an alternative source of finance with a view to borrowing at an appropriate time if terms are preferential.

11. Capital Investment and Disposal Appraisal

11.1 Capital Investment

11.1.1 All capital investment will be commissioned on the recommendation of the Capital Investment Programme Board (CIPB) which will enable any expenditure and it's funding to be better aligned with corporate priorities, partners and funding sources. Partners, from both the public and private sector will be at regional and local levels as well as at a district level.

11.1.2 Within the Council, a concept for a potential capital project should originate from, or at least be 'owned' by Senior Responsible Officer (SRO) or Directorate Management Teams (DMTs). The SRO or DMT that 'owns' the concept should prepare or direct the preparation of a Strategic Business Case (SBC) for the proposed project. The Strategic Business Case should be submitted to CIPB for consideration, with the exception of Strategic Regeneration projects where the Corporate Property Board (CPB) first reviews the SBC.

11.1.3 If the CIPB (or the CPB in the case of Strategic Regeneration Projects) is satisfied that the proposal meets investment criteria, it will be given approval to progress to Stage 2 of the process – the completion of an Outline Business Case (OBC). The OBC builds on the SBC providing more detailed information including the benefits that could be realised and may include a number of options to deliver the proposed benefits. The OBC will be submitted to the CIPB for consideration, and if it is satisfied with the proposal will give guidance for the development of a preferred option.

11.1.4 Stage 3 of the process entails the completion of a Final Business Case (FBC) which will then be submitted to the CIPB for final consideration. Again, building on the OBC, the FBC will contain evidence of a:

- a) Detailed financial analysis of all costs/income including how the project is financially sustainable and that any adverse revenue implications can be dealt with within existing budgets.
- b) Robust delivery plan including how the chosen option delivers the highest impact in achieving the required outcomes with identified key project milestones enabling progress review.
- c) Risk assessment and that appropriate actions to negate these risks have been identified.
- d) Full exit strategy where the project involves a disposal.
- e) Method of procurement that represents value for money.

11.1.5 By adopting the process outlined above, CIPB exercises control over capital projects through the recommendation of approval of:

- a) Strategic Business Cases (SBC) outlining the initial idea or 'concept' for a project.
- b) Outline Business Cases (OBC) which will focus on links to the Corporate Plan and outcomes.
- c) Full Business Cases (FBC) – the final investment decision. This will focus on how the priorities set out in the OBC will be delivered, including:
 - i) Project description
 - ii) Consultation
 - iii) Expenditure and funding including whole life costs and revenue implications
 - iv) Outputs
 - v) Option Appraisal
 - vi) Value for Money
 - vii) Delivery
 - viii) Risk Management
 - ix) Sustainability, forward strategy and evaluation
 - x) Asset Management
 - xi) Procurement
 - xii) Social Value Impacts
 - xiii) Equality Impact Assessment
 - xiv) Environmental Impact Assessment
 - xv) Contribution to the achievement of corporate initiatives and priorities

11.1.6 Depending on the circumstances of the bid for resources, the CIPB has the discretion to vary the three stage review process and omit one or more of the stages.

Gateway Review System

11.1.7 The Council has adopted a gateway review system for all projects within the Capital Programme to promote the following principles:

- a) Carrying out structured reviews at decision checkpoints, defined by boundaries between management stages, to test the project's management and its readiness to progress to the next stage.
- b) Promoting project assurance through the application of a structured project management system.
- c) Informing the governance process.

11.1.8 The Gateway Review structure is designed to be efficient by only requiring detail when it is needed to get to the next stage. It also tries to minimise additional work for team members by using templates that build on each other, reducing the need for reworking.

11.1.9 Gateway Reviews are undertaken by the Creating a Better Place Project Management Office which has been specifically set up to ensure there is a robust review process in place to support the delivery of capital schemes and therefore to support the work of the CIPB.

11.1.10 There are four Gateway Reviews which are initiated at key milestones in the delivery of a programme. Gateways 1 to 3 are undertaken in the approval process for the Strategic, Outline and Final business cases respectively. Gateway 4 is undertaken in support of the delivery and handover phase. It is important to note that the Gateway

report is used to advise and inform those responsible for making the investment decision, the decision will not be made by the Gateway Review team.

11.2 Service Challenge & Review, Efficient Use of Assets

- 11.2.1 As part of the Creating a Better Place programme, the Council has started an ambitious programme of transformation which includes rationalising the corporate estate as a key driver for change which includes the delivery of revenue budget reductions.
- 11.2.2 A review of the Council's operational land and property portfolio has been initiated to consider:
- a) The core office estate;
 - b) The operational asset base used for district-based service delivery; and
 - c) Land.
- 11.2.3 Through the Creating a Better Place programme, an Assets Accommodation and Investment Group is leading work to further streamline the Council's core office accommodation, working collaboratively with other public sector partners, to exploit collective town centre property ownerships (including the Spindles and Town Square Shopping Centres) to maximise benefits from regeneration, inward investment and improve efficiency in operating costs. This will align with the Government's One Public Estate (OPE) Programme and the work undertaken by the Strategic Estates Group (SEG).
- 11.2.4 With regard to the review of operational district assets and Place-Based operating arrangements, the Property Team and services continue to work closely alongside wider public and third sector partners to ensure that portfolios are the best fit for purpose and efficient usage is maximised. Work with NHS partners has been accelerated to support the health and social care integrated working agenda.
- 11.2.5 In taking forward the Creating a Better Place programme, the disposal of land and property assets will be progressed with alignment to corporate objectives and incorporated into the asset rationalisation programme. The review of the Council's existing investment portfolio will be included as part of proposals to further streamline the Council's Asset Estate, in line with required capital receipts targets and approved revenue budget savings.
- 11.2.6 Governance of the Council's land and property portfolio is provided via the Land and Property Protocols which form part of the Council's Constitution, providing a strategic governance framework within which land and property transactions are undertaken and the corporate portfolio is managed in a consistent, transparent and appropriate manner. The Protocols are regularly updated to reflect Statutory, Administrative and Organisational changes and have recently been revised in line with the recommendations of the Creating a Better Place programme.
- 11.2.7 The Corporate Property Board oversees the acquisition and disposal of land and property assets and monitors the progress of the asset rationalisation programme and performance of the investment portfolio.

12 The Prioritisation of Capital Requirements

- 12.1 Once a bid for capital expenditure has passed through the Gateway process and has demonstrated that it aligns with Council priorities and links to the Greater Manchester Strategy (if appropriate) and it has been agreed that it is suitable for capital investment,

the strategic requirements will be prioritised using the following criteria (it should be noted that these are not mutually exclusive or in ranking order):

12.2 The criteria examine whether the proposal is:

- a) Related to mandatory, contractual or legislative service delivery requirements.
- b) Required to achieve the delivery of a specific revenue budget saving within the revenue budget setting process.
- c) Required to support Corporate Plan, Oldham Plan and Service Plan priorities.
- d) Enhancing the Co-operative Council agenda and demonstrating the delivery of wider Social Value.
- e) Supporting the Get Oldham Working priority initiative and demonstrating how it delivers the aim of local jobs for local people.
- f) Supporting integrated working with NHS partners or in support of other GM strategic objectives
- g) Linked into other regional objectives.
- h) Enhancing the asset management/estate management agenda.
- i) Providing general revenue budget reductions or offering the delivery of a more efficient service including promoting the digital transformation of Council services.
- j) Fully-funded from external resources.
- k) Securing substantial external resources for which Council matched funding is required.
- l) Likely to have the highest impact on achieving improved performance against the Council's key objectives.
- m) Making a contribution to carbon reduction targets and renewable energy initiatives as part of the Council's Green New Deal.
- n) Supporting regeneration and economic growth, particularly in the town centre and district centres.
- o) Supporting recovery from the long term impact of the COVID-19 pandemic.

12.3 The results of this process will be presented to Members each year as part of the capital budget setting process, or during the year if projects come forward outside of the normal timeframe.

13 The Procurement of Capital Projects

13.1 The structure of the Council's procurement and strategic relationship management function includes designated Commercial Procurement Managers whose focus is to support all capital projects.

13.2 Integration of revenue and capital financial planning provides opportunities for greater efficiency by selection of the most effective procurement processes to ensure the best commercial solution.

13.3 The Council is keen to ensure that Social Value, is demonstrated during the procurement process, linked to the principles of the co-operative agenda. Therefore, this is of key importance in the procurement of all capital schemes. The social value deliverables are actively monitored by the procurement team throughout the life of the contract.

13.4 Efficiency gains via procurement will be achieved by:

- a) Efficient procurement processes which are constantly being enhanced with opportunities being developed to ensure the best commercial solution is selected and delivered.
- b) Expanding the range of providers included within the Council's early payment discount scheme.
- c) Strategic contract management of the wider supply chain to ensure continuous savings through the life of the project.
- d) Procuring fixed price contracts with risk/reward terms to incentivise further efficiencies.
- e) Joining in GM wide procurement initiatives which will provide savings through economies of scale.
- f) Public Private Partnership (PPP) agreements and other innovative financing arrangements where practicable.
- g) Leasing/borrowing strategies which will consider the most effective means of acquiring assets.
- h) The establishment in April 2022 of the Northwest Contactor Framework to facilitate the engagement of construction contractors to deliver Council planned projects. An additional benefit of the framework is, the option to generate additional income from other public bodies who wish to use the framework.

14 The Measurement of the Performance of the Capital Programme

- 14.1 The capital commissioning approach that has been adopted by the Council is supported by a strong programme management process in order to ensure a co-ordinated corporate approach to the strategic alignment of investments. The process has been modelled on the PRINCE 2 project management methodology, incorporating risk assessment, risk management, option appraisal, cost v benefit analysis, etc. This ensures that investments are planned, managed and delivered prudently.
- 14.2 The Capital Investment Programme Board (CIPB) has a remit to review the financial performance of the Capital Programme and from month 3, it receives a monthly monitoring report. In addition, financial monitoring reports will be considered by Cabinet at months 3, 6, 8 and 9 together with a capital outturn report. Issues that have been considered and agreed at the CIPB can be reported to Cabinet as necessary via the regular financial monitoring reports.
- 14.3 The undertaking of the detailed annual review of the Capital Programme provides the opportunity to review all schemes or focus on specific areas of concern.
- 14.4 Where a potential cost overrun has been identified, the CIPB will explore possible solutions in detail. It will also consider any under spending or identified surplus resources which can be added to the central pool of resources. The CIPB may also suggest a reallocation of resources to other projects.
- 14.5 Where there is a delay in the commitment of programme/project resources, the CIPB will require project managers to report the reasons for the delay and consider whether it would be appropriate to recommend the decommissioning of the project and the reallocation of un-ringfenced resources to other projects.
- 14.6 The performance of the Capital Programme is also measured by the prudential indicators which are reported to Cabinet/Council as part of the Treasury Management Strategy, the Treasury Management half-yearly review, and the Annual Review. Some grant regimes, such as the Towns Fund, have separate monitoring arrangements with reports required to be submitted to Government. Where appropriate CIPB will consider such external reports.

15 The Capital Investment Programme Board

- 15.1 The Capital Investment Programme Board (CIPB) is an Advisory Board and is chaired by the Deputy Leader and Cabinet Member for Finance and Low Carbon. The lead Chief Officer for CIPB is the Executive Director – Place and Economic Growth. The Leader of the Council and the Deputy Leader and Cabinet Member for Culture and Leisure Services have a standing invitation to all meetings. The Board is supported by the Director of Finance, the Director of Education, Skills and Early Years and the External Funding Manager. The Board has a Terms of Reference and detailed reporting performance processes which are included at Annex B.
- 15.2 All Directorates are represented at Director level by invitation to attend CIPB as and when projects for which they are responsible are being considered. The Chair may also invite the relevant Cabinet Member to attend when a project within their portfolio is being discussed.

Priority Areas for Investment

The priority investment areas identified for the 2023/24 to 2027/28 period covered by this Capital Strategy document are set out below, along with information about longer term projects which form part of the vision for the borough.

The Capital Strategy is split between two distinctive elements, the short to medium term and a longer-term vision. In the short to medium term (years 0 to 5), the primary focus is geared towards the delivery and implementation of a wide range of priority capital schemes. At this stage, the management of potential risks in relation to delivery is significant for the Council. It must be noted that within the short to medium term timeframes the Capital Programme may be amended with the introduction of urgent, high priority capital schemes. This Capital Strategy allows for flexibility to ensure that new schemes can be included in the programme or existing schemes re-scoped to deal with changing circumstances or to secure new funding opportunities that may arise. This stage also allows the Council to develop plans that contribute to the Council's immediate priority objectives such as the town centre vision, housing and borough wide regeneration as encompassed in the Creating a Better Place programme.

The Council incorporates Capital Programme expenditure and funding projections into its medium term cashflow forecasting which in turn drives the debt management strategy for the Council. Decisions on debt financing will be influenced by capital projections as well as forecast capital receipts. The Capital Programme and the implications of the programme for MRP and debt financing costs are incorporated into the revenue budget and Medium-Term Financial Strategy.

The breakdown of funding by project area is shown across the current programme to 2027/28 at Annex C. The narrative supporting the programme is set out below together with information about projects which the Council plans to take forward in the following 10 years from 2028/29 to 2037/38.

A) Schemes to be Delivered in Years 0-5 (2023/24 to 2027/28)

Capital schemes for which funding may be required and for which funds could be allocated are set out in the following paragraphs. Each of these schemes would need to be progressed by the submission of detailed and fully costed business cases demonstrating how they achieve corporate priorities. Schemes have been categorised based on current information over a delivery timeframe focused on;

- those that will be initiated and delivered in the five years of this strategy period (2023/24 to 2027/28); and
- those which will progress from 2028/29 to 2037/38 (a further 10 year timeline).

It is probable that due to rephasing, some projects will move from the first to the second delivery period.

1 On-going Requirements

There are requirements for the continued annual funding of existing programmes of work across the current five year programme and beyond. However, as mentioned in paragraph 3.3 in the Strategy, following the outcome of the review of the Capital Strategy 2023/24 to 2027/28, in the financial year 2027/28 no additional funding has been allocated to the programme in the following areas as cumulatively there is deemed to be sufficient unallocated resource to meet existing needs. The principle of continued funding

remains and will be revisited as part of the 2024/25 Capital Strategy. The continuation of funding schemes are summarised as follows:

a) Corporate Major Repairs /Disability Discrimination Act (DDA) Adaptations/ Legionella / Health and Safety Projects (Corporate Landlord Function)

Spending in this area aims to enable the Council to secure the integrity of the corporate estate and ensures that the Council is compliant with its statutory obligations under DDA and Health and Safety legislation. Provision for such expenditure is included within the Place and Economic Growth – Asset Management (Backlog maintenance and Other) service budget which has an allocation of £7.419m in 2023/24.

b) School Condition Works

The Council has provided resources to address the most immediate needs (priority 1) for condition works within the school estate. There is however, increasing demand on the school condition works budget to address priority 1 condition issues as well as other preventative works prior to arrival at priority 1 status. Provision is included within the Place and Economic Growth – Asset Management (Education Premises) budget.

c) ICT Strategy

The current review of transformational change across the service areas and the associated Change Activity Log that has been compiled by the Customer, Digital Technology and Transformation (CDTT) team in conjunction with the new Programme Area Management Boards, is still under review with the Strategic Change Board. The outputs from this exercise, expected in January 2023 is likely to have a bearing on the ICT Strategy and may influence the priorities of when key initiatives are progressed.

However, the core elements of the ICT strategy are still relevant, as supported by the Delivering a Sustainable Future (DaSF) review initiative taking forward the Councils transformational change agenda to address the revenue budget challenge. This has recommended the Council invests in a number of themes. The investment in ICT is further categorised into the two main focus areas, namely Technology and Digital Transformation.

Technology is essentially delivering the technical components to maintain a secure IT Service and builds on the Technology Roadmap from previous years.

Digital Transformation is a key enabler for Service and Organisational change that can deliver improvements and savings. DaSF recognised that investment in this area will enable savings to be delivered but that such savings will materialise from Service areas that benefit from the digital change activity (i.e. demand reduction should enable cost reduction and / or productivity gain in the Customer environment, Business Support and Operational service areas). The target for savings therefore is within these core base budgets. Therefore, these investments should be business case backed and considered as 'invest to save' opportunities.

The six key areas for ICT investment including those linked to invest to save opportunities have been identified as:

- **Digital & Technology Foundations** – the main focus of this area is to further implement the technology necessary to safely and securely exit the Council's

on-premise data centre and move legacy Council systems into the MsAzure cloud environment with suitable Disaster Recovery provision and segregated backup facilities. Change will include further development of the Council's client estate deploying a zero-trust connection architecture and regarding the network, data connections will no longer traverse the datacentre. The network will also be developed with the Great Manchester One Network across the Borough. The move to Azure will involve changes to secure printing and replacement of existing print capability. Key initiatives will reduce the current technical deficit existing in the infrastructure by replacement of systems for sustainability reasons and to enhance cyber resilience. External drivers such as the move to a fully digital network will be catered for in preparation for the national switch off, of the existing PSTN (Public Switched Telephone Network) at the end of 2025. In 2023 there will also be the start of the council end-user device refresh, where eventually, up to 3,000 laptops will be replaced to ensure compliance and maintain productivity.

- **Line of Business Systems** – the line of business systems investment is necessary for the upgrade and re-platforming of key business systems, moving to cloud provision where appropriate. An allowance is also provisioned to implement Application Platform / Portfolio Management, rationalisation of functionality and decommissioning.
- **Business Support, HR/OD foundations** – the implementation of Workforce management automation, implementation of an Electronic Data Records Management Solution (EDRMS) and improvements to employee self-service within Council's payroll system (iTrent).
- **Workforce Collaboration and Productivity** – enabling staff to work from anywhere via leading edge and fully secure remote connection methods where they can access their stored documentation through cloud storage. This will include migrating the on-premise shared files from the datacentre into SharePoint Online. The new cloud-based telephony system will support hybrid working principles and will integrate telephony with a CRM system for improved customer service. Implementing more of the collaborative tools included within MsOffice365 will increase the productivity of the workforce and replacement of the current intranet will improve access to information for staff.
- **Customer Experience** – utilisation of the Customer Digital Platform to create end to end digital services, redesigning services accessed through the new customer portal will continue to be developed and will promote / utilise customer insights. Implementation of a new website will improve the customer journey and improvements to contact centre capabilities will be explored in conjunction with the customer digital platform.
- **Business Insight Performance, Strategy & Policy Foundations** – Leveraging existing investments to deploy a data analytics platform. This platform builds upon the above themes and principles to create the conditions where Oldham Council can understand the borough better and use this insight to improve services, through the deployment of a Business Intelligence (BI) accelerator for the customer, finance and social care business units supporting the challenges around Troubled families and the cost of living crisis.

To finance the investment in the areas highlighted above, provision is included within the Information Technology service budget which has funding available of £5.958m in 2023/24.

d) Social Care

This resource will provide additional support for transformational schemes to further health and social care integration, and wider social care initiatives within both Adult's and Children's services. The current budget within the strategy is £1.700m and is available for such investment.

e) Environmental Services

To support the purchase of environmental machinery, provision is included within the People and Place – Environment (Countryside and Parks) service budget. Funds for investment of £0.135m are available in 2023/24, with a overall total of £0.435m over the life of the programme.

2 Creating a Better Place

The Creating a Better Place programme sets out a vision for the borough, which is focused on building more homes for the borough's residents, creating new jobs through town centre regeneration and ensuring Oldham is a great place to visit with lots of family friendly and accessible places to go. The strategy aims to support the Borough's recovery from the COVID-19 pandemic and deliver these ambitions in ways that contribute to a reduction in carbon emissions in support of the Council's Green New Deal strategy.

Creating a Better Place also encompasses the Housing Strategy and Medium Term Property Strategy. Efficient utilisation and rationalisation of the Council's corporate estate (land and property) is crucial to the delivery of £8.058m of approved revenue budget savings between 2022/23 and 2026/27. The Creating a Better Place programme incorporates a wide range of schemes which are either in train or will be started over the period 2023/24 to 2027/28.

The ambition set out within the Creating a Better Place programme will be supported with significant grant funding initially identified in the Levelling Up the UK White Paper in the form of £24.400m from the Towns Fund (£11.266m over this Capital Strategy period) and £10.750m from the Future High Streets Fund (£9.019m over this Capital Strategy period) and funding from the Public Sector Decarbonisation Scheme. The Council will seek to secure further funding to support decarbonisation and the Green New Deal strategy from funds such as the Public Sector Decarbonisation Scheme as well as the £2.6bn UK Shared Prosperity Fund.

Key programme areas and schemes included within the Creating a Better Place programme are set out below.

a) Housing

The aim of the Housing Strategy is to provide a diverse housing offer that is attractive and meets the needs of different sections of the population at different points in their lives and focusses on the dynamics between people, homes and the wider economy. A key strand of this approach remains the provision of a Flexible Housing Fund (FHF). This is a fund to support external partners to develop housing schemes in less viable areas. It will ensure developments are brought forward and support the delivery of the required number of new homes within the borough. Investment in building new homes is a priority at key town centre sites and sites around the borough. The Council will seek to bid for and secure as much external funding as possible to achieve the aims of the Housing Strategy, including the potential

opportunities from the recently announced Local Authority Housing Fund which provides a new funding stream with the opportunity to construct/acquire a sustainable stock of affordable housing.

b) Town Centre and Borough-Wide Regeneration

The Council has plans for considerable investment in schemes which will support economic regeneration across the borough as well as in the town centre. These schemes are aligned with wider objectives to rationalise the Council's corporate estate and asset management commitments as well as deliver against its Green New Deal Strategy to achieve carbon neutrality for Council Buildings and Street Lighting (by 2025) and for the borough (by 2030).

Details of key regeneration schemes are set out below.

Spindles and Town Square Shopping Centres

The Council acquired the shopping centres in October 2020 as a critical strand of wider plans for the redevelopment of the town centre. The centre's acquisition and redevelopment will facilitate the release other town centre sites for repurposing including the provision of housing and additional green space. These proposals will also help reduce corporate landlord costs and backlog maintenance liabilities which will contribute to the delivery of an already approved £8.058m of revenue budget savings between 2022/23 and 2026/27.

Plans for the redevelopment of the centre include the relocation of Tommyfield Market and the provision of flexible office accommodation which will enable the Council to eventually vacate its existing Civic Centre site. The current retail offer will remain a key element of the centre albeit with better overall use of the space available. The first phase of the development of office space in the Spindles was completed in October 2022 and the Council is currently occupying the Phase 1 office space. Redevelopment of the centre is partially financed from over £12m of Towns Fund grant out of an allocation totalling £24.400m and the Council has successfully received an offer of PSDS funding which will be added to the programme once the final grant offer and conditions have been approved.

Wider Town Centre Redevelopment

The Council is currently procuring a Private Sector Partner (PSP) to enter into a Joint Venture with the Council to facilitate the regeneration of several key Town Centre Assets including the former Magistrates Court, Civic Centre and Queen Elizabeth Hall, Tommyfield Market and the former Leisure Centre with the option to include further sites with the agreement of the PSP and Council. The proposals are for a residential-led regeneration of the Town Centre to meet the Council's requirements for housing, however, it is expected that the proposals will also include other mixed uses.

Future High Streets Fund (FHSF) Schemes

Grant of £9.019m from the FHSF is supporting the delivery of three regeneration schemes over the period 2023/24 to 2027/28. Firstly, the Egyptian Room in the Old Town Hall Complex is being converted to a food hall which will see a coffee shop, pizzeria and a bar centred around a communal dining area. The fund will also support the acquisition and redevelopment of a historic building in the town centre

as well as the Accessible Oldham project which will deliver public realm and connectivity improvements in and around the town centre.

Oldham Coliseum Theatre

The Council is investigating potential options with regards to Oldham Coliseum Theatre following the Coliseum's unsuccessful application to remain in the Art Council England (ACE) portfolio for the next three years. No specific provision has been included within the capital programme at this point as options are being considered and assessed, with the Council working alongside the Coliseum Board.

Making Space for Live Performance

Funding of £6.133m of Towns Fund Grant will help provide a new flexible performance space in the town centre for use by local arts and culture providers including Oldham Coliseum. This will be based within a redeveloped Old Post Office and former Quaker Meeting House at 84 Union Street.

Northern Roots

This scheme is part of a long term vision to create the UK's largest urban farm and eco-park on 160 acres of land at Snipe Clough in the east of the borough. The scheme incorporates a wide range of initiatives including growing hubs, recreation areas and educational facilities. The scheme will also contribute to social prescribing and boost tourism. Towns Fund Grant of £6.133m will support the cost of enabling works and access routes as well as the construction of key infrastructure including a visitor centre and mountain biking hub. Proposals for an education centre form part of the Council's current Levelling Up Fund bid.

Old Library Building

The Old Library building is currently in the process of being refurbished and redeveloped to house the Council's Member services including the Council chamber, provide for an extension of Gallery Oldham and the provision of publicly accessible spaces to bring the historic building back into use and support plans to vacate the existing Civic Centre.

Royton Town Centre Development

In line with the Co-operative Council ethos, a capital priority is investment in neighbourhoods, in particular the creation of hubs around neighbourhood town halls. The allocation within the Capital Strategy for the Royton Town Centre development is £3.569m.

Other Regeneration Schemes

Other schemes which are progressing through to the construction phase include the provision of a new depot at Alexandra Park and investigations into a potential Minewater Heat Network. The Council is also developing housing and employment sites at Broadway Green, Hollinwood and Salmon Fields. Housing developments at Southlink and Derker are also being progressed via land sales to developers. All these sites are expected to advance further within the next five years. The Council will take advantage of suitable development opportunities throughout Oldham in order to advance its regeneration objectives.

c) Asset Management

Medium Term Property Strategy (MTPS)

The MTPS review is a key element of Creating a Better Place encompassing exciting plans for property led change.

The MTPS and its implementation is key to the Council achieving both cost savings and a more efficient use of the corporate estate, contributing to the delivery of an already approved £8.058m of annual revenue budget savings and a reduced requirement for backlog maintenance as well as informing the development of an asset disposals programme to reduce Council holdings of surplus assets and generate additional capital receipts.

Given the impact of the COVID-19 pandemic on current and future demand for property, the MTPS is currently under review. The MTPS is also at the centre of numerous inter-dependencies which will also shape future requirements including:

- The revised Creating a Better Place programme (see above);
- Housing delivery targets set out in the Council's Housing Strategy;
- The One Public Estate programme which seeks to deliver ambitious property-focused programmes in collaboration with central Government and other public sector partners;
- Place-Based Working centred around providing services from five districts / hubs within the borough.

The MTPS seeks to take a holistic review of land and property assets whether Council owned or within the ownership of One Public Estate partners to ensure the Council:

- delivers against ambitions for energy efficiency;
- delivers against ambitions for public buildings to be carbon neutral by 2025;
- ensures scrutiny of its own accommodation to ensure value for money and best utilisation for staff and services; and
- has regard to the views of Ward Members / Portfolio holders.

The legacy of COVID-19 pandemic and new current issues such as the war in Ukraine and the Cost of Living Crisis has undoubtedly had a major adverse impact on the economy, and this has inevitably disrupted the Council's asset disposal programme. Alongside the MTPS, the Council is currently reviewing its disposal programme to focus on 'fast tracking' a smaller number of assets for sale focusing on those with high management intensity and longer term liabilities/risks.

Surplus Sites

The Council has an extended portfolio of surplus sites scheduled for disposal, for which up front capital funding may be required for enabling and other works to ensure that the land is suitable for redevelopment. The Medium Term Property Strategy and Creating a Better Place programme encompass the disposal of surplus sites to create capital receipts and create a revenue saving. The Capital Strategy 2023/24 to 2027/28 includes an allocation within the Place & Economic growth – Other Regeneration Priorities service budget to support this enabling work. It must be noted that the Capital Programme's financing is reliant on the income generated from these disposals in the form of capital receipts.

Working with NHS Partners

The Council is a key member of and a driving force in the activities of the Oldham Strategic Estates Group (SEG). The Department of Health initially required all Clinical Commissioning Groups (CCG) to establish a SEG within their locality, and whilst the group initially had a 'Health' focus, this has been broadened to encompass a 'One Oldham Estate' approach. This is closely aligned to the Government's One Public Estate (OPE) principles which in essence seek to maximise the efficient use of the public sector estate through co-location and joint service delivery, releasing surplus land and property to support regeneration, residential development and inward investment. The Oldham SEG has a 'strategic' rather than 'operational' focus and has developed an SEG Implementation Plan (SEP), identifying development of integrated public sector hubs and mapping existing estate and utilisation as key priorities.

d) Green Initiatives and Decarbonisation

In March 2020 the Council adopted the Oldham Green New Deal Strategy, which set carbon neutrality targets for Council Buildings and Street Lighting (by 2025) and for the borough (by 2030). The approach set out by the strategy envisages a mix of Council, private sector and national / third sector grant funding to finance the achievement of these targets, with a focus on stimulating economic activity in the key low carbon and environmental sector to create jobs and training opportunities for Oldham residents and businesses.

Achieving these targets will necessitate the alignment of the Council's Capital Programme with the decarbonisation agenda. This will mean addressing new building projects, the retrofit of existing assets and routine maintenance through the lens of whole-life business cases taking into account the future costs and carbon implications of energy use. Grant funding is available for the decarbonisation of Council buildings Public Sector Decarbonisation Scheme (PSDS) grant funding has already been obtained for projects at Oldham Leisure Centre, Alexandra Park Depot and the Spindles subject to the final offer letters and the Council approving the grant. but requires match funding from the Council. The Council has identified 10 key assets to be prioritised for decarbonisation works, which have been selected according to the level of energy use and political priority, and has bid for further PSDS grant funding for the first of these (Chadderton Town Hall). Additionally, the Council is still exploring the potential to develop a solar farm opportunity in the Borough now that rises in the wholesale price of electricity have improved the financial model for the scheme.

As well as Council investment in its own assets, there is potential to establish a strategic partnership which could help to unlock private sector investment for low carbon energy infrastructure in the borough. An initial assessment of need has identified a potential opportunity for £5.6bn of low carbon energy infrastructure in Oldham borough helping to delive our 2030 net zero aspirations.

As much social value arising from Council capital projects will be captured for Oldham's Green Technology and Services Sector supply chain businesses via the Social Value Portal which contains a range of Themes, Outcomes and Measures (TOMs) supporting the creation of local jobs and training opportunities as well as Green New Deal outcomes such as carbon emissions reduction and improvement of greenspace in the borough.

Feasibility work on the proposed Town Centre Minewater District Heat Network continues with another circa £0.160m in revenue funding secured from the

Department for Business, Economy and Industrial Strategy (BEIS) Heat Network Delivery Unit (HNDU) to develop the project to Outline Business Case (OBC) stage. The new BEIS Green Heat Network Fund will provide capital funding for any future heat network which either the Council or a private developer will be able to access. The cost of the proposed heat network has been estimated at £20m. No specific provision has been included within the capital programme at this point to fund the cost of the proposed heat network as it is envisaged financing may either be sourced from Central Government or from the private sector, notwithstanding the ultimate recommendation in the Outline Business Case once it has been completed (expected summer 2024).

The Council is investigating potential options with regards to carbon efficiency and revenue savings associated with the Council's Street Lighting, which is a joint PFI contract with Rochdale Borough Council. The proposal is to replace the street lights with more energy efficient LED lights. No specific provision has been included within the capital programme at this point as options are being considered and assessing the PFI contract.

3 Highways and Transport

The Council secures capital funding for investment in maintaining and improving the local transport network from several different sources, including Central Government, which allocates funding largely through the statutory Local Transport Plan (LTP) - the Greater Manchester Transport Strategy 2040 - and its supporting 5-year Delivery Plan. Most of this funding is brought into the Transport Capital Programme and comprises a mixture of grants.

Updated GM2040 Transport Strategy documents were approved by GMCA in January 2021 including: a refreshed version of the long-term, statutory local transport plan (LTP) - the Greater Manchester Transport Strategy 2040; a final version of Our Five-Year Transport Delivery Plan (2021-2026) based on committed resources and intended to be updated annually; and ten new Local Implementation Plans (one for each Greater Manchester Council), providing more detail on the how the GM2040 Transport Strategy will be delivered locally.

Government changed the funding arrangements for Mayoral Combined Authorities from 2022/23 and introduced a single City Region Sustainable Transport Settlement (CRSTS) covering the 5-year period 2022/23 to 2026/27

CRSTS includes new funding for transport as well as existing funding streams that have been consolidated into the 5-year settlement, such as the Highway Maintenance Block which previously formed the basis of Oldham's Transport Capital Programme, and the Integrated Transport Block.

Government announced in April 2022 that Greater Manchester would receive £1.070bn of funding from the City Region Sustainable Transport Fund for the five-year period 2022/23 to 2026/27. Greater Manchester's bid for this funding included several transport projects put forward by Oldham Council, as well as Transport for Greater Manchester (TfGM) led schemes and Greater Manchester wide programmes which could result in further investment in the borough.

Highways Maintenance funding for Oldham is a guaranteed figure of £3.067m per year between 2022/23 and 2026/27. Whilst Integrated Transport Block grant was distributed to districts on a formula basis for 2022/23, there is uncertainty as to whether this allocation will continue for the rest of the funding period. This is due to the possibility of Integrated Transport Block being used as part of the funding

strategy for Bus Franchising going forwards. This need will be reviewed on an annual basis.

Each GM district has one 'Strategic Maintenance' scheme being developed through CRSTS. These schemes will attract capital funding of £4.500m each. Oldham's scheme involves major maintenance / refurbishment of the Manchester Street Viaduct structure, the last major structure along the Oldham Way bypass to require refurbishment to secure the highway network for the future.

The Strategic Outline Business Case (SOBC) for this scheme has been prepared and submitted to TfGM for assurance with the drawdown of the capital allocation for the scheme expected early in 2023/24 with delivery between 2023/24 and 2026/27.

A sum of £2.000m of maintenance block funding is committed to 'match fund' this scheme in 2025/26 and 2026/27.

Key elements of Oldham's current Transport Capital Programme include:

- £3.067m Highways Maintenance per year between 2022/23 and 2026/2.
- A GM Mayor's Cycling and Walking Challenge Fund grant of £11.600m for Tranche 6 Bee Network schemes (including the TfGM-led scheme 'Bee Network Crossings) - £2.200m forecast to be spent in 2022/23, £5.600m in 2023/24 and £4.500m in 2024/25.
- A £3.8m DfT Highway Maintenance Challenge Fund grant for Waterloo Street and Wellington Street bridges on Oldham Way with a forecast spend of £1.600m in 2022/23 and £2.200m in 2023/24.
- A Future High Street Fund grant of £1.482m for further elements of the Accessible Oldham Town Centre programme, forecast to be spent across 2022/23 and 2023/24.
- Active Travel Fund 2 grant of £0.600m to be spent in 2022/23.
CRSTS funding of £0.600m for Oldham to develop a TfGM-led scheme for the Rochdale – Oldham – Ashton Quality Bus Transit (QBT) corridor over 2022/23 and 2023/24.

Securing additional grant funding for investment in transport infrastructure is an Oldham Council priority and an ongoing activity. The Council is currently awaiting the announcement of the Department for Transport Active Travel Fund Tranche 4 allocation for Greater Manchester. This announcement is expected in early-2023 and Oldham Council will submit active travel scheme proposals for inclusion in the GM package that is presented to Government.

In addition, Oldham is developing its own Oldham-led CRSTS schemes which are likely to secure capital funding in 2023/24 for further development to Outline Business Case (OBC) and Full Business Case (FBC) as follows:

- £7.200m for Accessible Oldham Phase 2 - St Marys Way Streets for All scheme;
- £4.500m for Mumps Corridor Highway Improvements;
- £4.500m for Beal Valley / Broadbent Moss Accessibility Improvements (existing highway network).

There is also the potential to secure additional funding for Oldham through TfGM led programmes including:

- CRSTS Bus Pinchpoint Programme;
- CRSTS Bus priority signing and lining;
- CRSTS Bus Stop Enhancement Programme.

Transport for Greater Manchester is working in partnership with the ten GM Local Authorities to ensure that the city-region is able to maximise its share of any transport funding that becomes available. As part of this process, Oldham Council will continue to make the case for transport investment in Oldham, which could require the Council to provide local funding contributions.

4 Other Programmes and Schemes

a) Housing Initiatives (Funded by the Housing Revenue Account Resources)

Given the reducing HRA balances following the below inflation rent increases applied over the next few years, the Council will need to determine for all future HRA projects, the best source of funding. However, the forecasts in this Capital Strategy reflect a planned use of balances.

There are approved housing capital projects that the Council wishes to implement over the medium to long term to support the delivery of the overall Housing Strategy. Approved capital projects that will specifically rely on use of HRA balances include:

- **Developing the Purchase and Repair and Lease and Repair pilot schemes in the private rented sector** - The Council has launched a pilot empty homes intervention project to work with owners of empty homes to bring their properties back into use through one of the two options available from the Council. A combination of HRA funding and Homes England Grant funding has enabled the development of Purchase & Repair and Lease & Repair options; designed to financially support landlords in bringing their properties back into use. It is envisaged that this scheme will be widened post the pilot phase.
- **Future Housing Purchases** – The Council has made provision to purchase additional housing which will be added to the Council's HRA stock and will provide a new social housing option for families within Oldham.

b) Social Care

The Council has extensive responsibilities to deliver an adequate standard of social care and works closely with National Health Service partners. The Council will address identified needs or opportunities to facilitate enhanced service provision and support income generation in respect of community health and adult social care. The current budget within the strategy is £1.700m and is available for such investment.

This resource will provide additional support for transformational schemes to further health and social care integration, and wider social care initiatives within both Adult's and Children's services.

Better Care Fund (Disabled Facilities Grants)

The demand for major property adaptations to premises continues to rise, particularly because of the increase in numbers of elderly clients and also of very disabled children where medical advances have seen improvements in life expectancy. There are also increased requests for adaptations to FCHO properties.

For 2022/23 the final Better Care Fund (BCF) capital allocation in the form of Disabled Facilities Grant (DFG) was £2.343m. The grant was un-ringfenced but, given the Council's obligation to undertake adaptations, the strategy of the Council is to passport the full grant allocation for the intended purpose; to support housing adaptations (it is important to note that grant is included within the Pooled Fund in place between the Council and Oldham ICP). The 2022/23 funding is expected to be fully utilised together with a portion of the cumulative unspent grant brought forward from prior years. At present, there is no notification of future funding allocations, therefore an estimated allocation mirroring the current years grant of £2.343m has been included in each of 2023/24 and 2024/25 and £0.526m in 2025/26 which includes an element of the cumulative unspent grant brought forward from prior years.

Within the proposed adult social care reforms, the Government has promised to facilitate a new practical support service to make minor repairs and changes in peoples' homes to help people remain independent and safe in their home. This will be accompanied by an increase in the upper limit of the Disabled Facilities Grant clients can access for home adaptations.

Proposed adult social care reform)

The reforms sets out a vision for future social care provision. As well as reforms to the way in which care is paid for, the Government wants to ensure people:

- have choice, control, and support to live independent lives.
- can access outstanding quality and tailored care and support.
- find adult social care fair and accessible.

The reforms promised to make additional funding available although it is not yet fully clear how this funding will be accessed/distributed. A proportion of this funding is likely to be for capital purposes

Contained within the proposed reforms are a range of commitments a proportion of the funding from the allocations highlighted below is likely to be for capital purposes:

- At least £300m to integrate housing into local health and care strategies.
- At least £150m of additional funding to drive greater adoption of technology and achieve widespread digitisation.
- £30m to help local areas innovate around the support and care they provide in new and different ways.
- More than £70m to increase the support offer across adult social care to improve the delivery of care and support services.

Within the Autumn Statement 2022, delivered on 17 November 2022, the Chancellor of the Exchequer announced that the Adult Social Care Reforms specifically in relation to Charging and the Fair Cost of Care would be delayed for two years, with the funding retained within Local Government and allocated "to allow local authorities to provide more care packages". At this moment in time, it is not clear if and/ or how his may impact on the priority areas listed above.

When any capital grant notifications are made available, they will be incorporated into the Capital Programme.

c) Fleet Replacement Programme

Additional resources have been included in the programme to support the Council's vehicle fleet replacement programme. Whilst the service already makes provision for vehicle replacement, it is anticipated that costs are likely to escalate in the medium term as the Council seeks to upgrade its fleet to cleaner, safer vehicles which are electrically powered where possible. This is in line with the city-region's Clean Air Plan and will support the Green New Deal Strategy to achieve carbon neutrality for the borough by 2030.

d) Local Improvement Fund

Within the life of the Capital Strategy there is an allocation of £0.500m (£0.400m in 2023/24 and £0.100m in 2024/25) for the Local Improvement Fund (LIF). The LIF was originally established in 2019 to encourage the active participation of residents and local organisations in improving the quality of life in the local area. The fund can be used to improve community buildings, equipment and other facilities and encourages residents to prioritise the schemes that matter to them.

e) GM Investment Fund Loans

In line with the approved scheme initiated and underwritten by the Greater Manchester Combined Authority (GMCA), the Council may manage loans to qualifying businesses to support the growth ambitions as set out in the GM strategy.

No specific provision has been allowed but will be managed from within available resources as schemes are identified.

f) Greater Manchester Devolution and Related Initiatives

Development under the devolution agenda is an evolving programme of activity at the wider GM level. Working in partnership with the GMCA and other Local Authorities, the Council will seek to support new initiatives related to transport, housing and economic regeneration.

No specific provision has been allowed for such investment but will be managed from within available resources as schemes are identified.

g) Opportunities arising from the Levelling Up Agenda

The levelling up agenda is focussed on a wide range of initiatives and funding streams and mentioned in section 4 of the strategy. The Council will ensure as more information becomes available about funding streams, the opportunities these provide will be maximised to the benefit of Oldham. Bids will be submitted and resources deployed to support the key objectives of the Council's capital strategy.

h) Matched Funding for Grant Bids

The Council is mindful that the Government or the GMCA may introduce a range of grant funding opportunities for which bids must be submitted at short notice, some of which may have a matched funding requirement. The Council's strategy will be to respond as it considers appropriate to bidding arrangements, ensuring that bids are submitted which align with its objectives and that matched funding requirements are considered on a scheme by scheme basis with resource requirements prioritised accordingly.

i) Funding for Emerging Priorities

The Capital Programme includes an unallocated resource that can be deployed to support existing priority schemes or new initiatives, including those highlighted above for which no specific allocation exists, for example Greater Manchester Devolution and Related Initiatives and Matched Funding for Grant Bids.

This is considered a prudent approach to allow flexibility, revision and reassessment of understanding priorities. Provision of £1.492m is available in 2023/24 with a further £34.345m available over the rest of the Capital Programme period. In addition, the Capital Strategy also includes an additional unallocated resource to mitigate against the risk of scheme cost increases resulting from the legacy of the pandemic, the war in Ukraine and the current Cost of Living crisis. The construction industry has been impacted by supply chain issues and material shortages which is causing inflationary pressures and extensions of delivery timescales. Corporate provision has been made within the strategy to help the Council manage the impact of these pressures so it can continue to deliver planned schemes.

B) Schemes to be delivered over a further 10 years (2028/29 to 2037/38)

As previously advised, The Council is implementing the Creating a Better Place programme which encompasses ambitious town centre and borough-wide regeneration plans, the MTPS and Housing Strategy. The Council has reviewed and developed these new strategies for meeting the investment need in the much longer term where there is considerable uncertainty and complexity. It has given consideration to:

- economic, social and technological factors that drive regeneration and redevelopment initiatives.
- long term planning issues to deliver new development e.g. the Council's ambition to deliver new homes.
- the HRA business plan which seeks to identify over a long term time horizon the likely financial and housing need provision for the HRA.
- the joint strategic needs assessment for Adult Social Care.
- pupil planning data for future provision of school places.
- asset management planning for long-term property need and investment.

The Council therefore has a longer-term vision for capital spending outside the initial five year timeframe.

There is a clear link between long term planning for capital and for treasury management purposes. The Council's current debt portfolio contains loans that mature over the period up to 2079/80. The debt repayment profile will be managed alongside the longer-term expectations for capital expenditure and funding forecasting.

It is challenging to make accurate long-term forecasts. Those forecasts that are made can only be classed as best estimates and will be subject to amendment over time. However, long-term forecasting is valuable in informing strategic plans taking account of the sustainability and affordability of existing and planned investment, which will need to be repaid over future years. It is important that the funding arrangements and financial implications of major capital projects and investments that have been included within the updated strategies mentioned earlier, are understood and planned well in advance.

Most schemes included within the longer-term programme are developments of projects already included within the initial 0 to 5-year timeline. However, each scheme will move through different phases with different objectives and expected outcomes. The schemes

below have an implementation period of between 6 to 15 years covering the period 2027/28 to 2036/37 and reflect the next stage of the Creating a Better Place programme.

a) Town Centre

The extent of capital funding required by the Council is currently uncertain and will need to be kept under review. As the programme of work evolves, this may require complementary investment for additional strategic acquisitions, car parking, public realm works or other regeneration developments.

b) Borough-Wide Regeneration

The Council is currently investing in borough-wide regeneration initiatives through housing and employment sites at Broadway Green and Hollinwood. Through the development partnerships and the Creating a Better Place programme, further investment is required by the Council for larger regeneration at these sites.

c) Partnership and Joint Working

The Council will aim to pursue joint partnership working with other public bodies, not for profit organisations and the private sector where it is advantageous to do so and to keep under review existing relationships.

d) Northern Roots

As outlined earlier in the report, this scheme is part of a long term vision to create the UK's largest urban farm and eco-park on 160 acres of land at Snipe Clough in the east of the borough. It will be delivered in phases over an expected 10 year programme.

e) Housing

The Housing Strategy was approved at the Council meeting of 10 July 2019. The Strategy's key objective has been to reset the housing delivery governance framework that can then begin to start to tackle the challenges identified in the evidence based Local Housing Needs Assessment. Clearly, addressing the housing requirements in the borough is a long term initiative. However, business cases will be developed during the current Capital Programme timeframe, to take forward specific initiatives that will then be delivered over an expected 5 year plus horizon.

Capital Investment Programme Board

1 Terms of Reference

- 1.1 The Capital Investment Programme Board (CIPB)'s terms of reference are:
- a) To develop the overall Capital Strategy and annual programme in accordance with the priorities set out in the Council's corporate plan.
 - b) The recommendation of the overall Capital Strategy and programme to Cabinet and Council.
 - c) Once the overall Strategy and annual programme of expenditure have been approved at Council:
 - i) The consideration and recommendation of approval of the detail of the thematic programmes (e.g. Transport Capital Programme).
 - ii) The consideration and recommendation of approval of any amendments to the annual programme.
 - iii) The recommendation of approval of any new capital projects.
 - iv) The detailed appraisal of projects, taking into consideration the Council's Capital Strategy, priorities and annual aims and objectives.
 - v) The review of potential commercial risk and Value for Money issues on any proposal for the use of capital funding/expenditure.
 - vi) To provide a forum for establishing and providing robust challenge and debate around the Capital Programme.
 - vii) To undertake a detailed annual review of the Capital Programme.
 - viii) The review of the Council's Capital Programme on an on-going basis and to ensure it is achieving the agreed outcomes and consideration of the financial monitoring report.
 - ix) The monitoring of the performance of projects and programmes within the Council's Capital Programme.
- 1.2 The Board oversees capital projects from inception to completion to ensure they are delivered efficiently and effectively and in line with the Council's corporate objectives.
- 1.3 The Board assesses all submissions for capital expenditure prior to them entering into the normal reporting process for approval. The Board therefore makes recommendations to the appropriate decision maker/forum, whether this is a Member under delegated responsibility, Cabinet or Council.

2 Membership

- 2.1 The Chair of the CIPB is the Deputy Leader and Cabinet Member for Finance and Low Carbon. The Leader of the Council and the Deputy Leader and Cabinet Member for Leisure and Culture have a standing open invitation, other Cabinet Members may be invited to attend CIPB at the discretion of the Chair.

The lead Chief Officer for CIPB is the Executive Director – Place and Economic Growth.

Officers in attendance at CIPB are:

- a) Executive Director – Place and Economic Growth
 - b) The Director of Finance
 - c) Senior Members of the Finance Service
 - d) Director of Education, Skills and Early Years
 - e) External Funding Manager
 - f) Representatives from Legal Services, Human Resources, Procurement and Information Technology as required
- 2.2 All Directorates will be represented at Director level by invitation to attend CIPB as and when projects for which they are responsible are being considered. The Chair may also invite the relevant Cabinet Member to attend when a project within their portfolio is being discussed.
- 2.3 The CIPB is supported in its work by the Creating a Better Place Project Management Office which oversees the management and governance of strategic regeneration projects.

3 Reporting and Performance Process

- 3.1 CIPB will report to Cabinet, Council and the Policy Overview and Scrutiny Committee as appropriate.
- 3.2 CIPB has a remit to review the financial performance of the Capital Programme and it will receive a monthly monitoring (highlight) report from month 3 onwards.
- 3.3 The Board meets on a monthly basis to ensure there is a managed approach to:
- a) Discussing and recommending actions in relation to capital issues
 - b) Developing the Capital Strategy
 - c) Developing the Capital Programme for the year ahead
 - d) Considering and approving business cases
 - e) Monitoring performance of individual capital projects and the whole Capital Programme
 - f) Reviewing the availability of capital resources and reprioritisation of resources as required
- 3.4 The CIPB also undertakes an annual review of the Capital Programme which will examine all schemes in the programme to:
- a) Ensure that schemes still meet corporate priorities
 - b) Review their continued relevance in the context of a dynamic and constantly developing organisation
 - c) Consider the progress of schemes including any reasons for delayed starts or variations to approved budgetary allocations and rephasing of planned expenditure
 - d) Identify any unutilised or underutilised resources

e) Consider any reallocation of resources

- 3.5 It will also initiate periodic reviews of the whole or part of the programme as required in response to specific issues or concerns.
- 3.6 Issues that have been considered and agreed at the CIPB can be reported to Cabinet as necessary via the regular financial monitoring reports, presented at months 3, 6, 8 and 9 (at least).
- 3.7 Pooled and locally ring-fenced corporate capital resources will be managed by the CIPB; it will review all bids for resources, evaluate them and then agree on the prioritisation of resources accordingly. A proposal will be prioritised in accordance with criteria set out in Section 12 of the Strategy.
- 3.8 The CIPB will also review any bids for and use of any ringfenced capital resources to ensure alignment with other spending plans and the maximisation of benefits to the Council and achievement of Council objectives.
- 3.9 The CIPB will recommend the use of both un-ringfenced and ringfenced capital resources and also the general prioritisation of resources so that Council, Cabinet and Cabinet Members exercising delegated authority can make a final well-informed decision on the utilisation of resources, as appropriate.

4 Decision Making

- 4.1 In relation to the approved Capital Programme, CIPB will make recommendations regarding the approval of business cases and virements both within and between approved programme areas. In all such cases, the decision maker is the Deputy Leader and Cabinet Member for Finance and Low Carbon, in consultation with Executive Director – Place and Economic Growth and the Director of Finance.

5 Decision Recording

- 5.1 CIPB will make recommendations on receipt of a formal delegated decision report which will be presented to the appropriate Members/Officers for approval. Key decisions must be included in the published key decision document and all decisions taken (see above) will be recorded on Modern.gov.

6 Governance

- 6.1 CIPB is the only body within the Council (below Council level) that can recommend new investment in projects within the approved Capital Programme. Therefore, the key role of CIPB is to consider the following milestones which define key stage boundaries that require investment decisions. A project can only progress to the next stage on the recommendation of CIPB.
- a) Strategic business case – initial concept/scope of a project.
 - b) Outline business case - delivery strategy to design and procurement stage.
 - c) Full business case - design and procurement stage to delivery and handover stage.

7 CIPB Sub-groups

- 7.1 CIPB may at its discretion convene a sub-group for a specific purpose or purposes. Updates from these meetings are reported to CIPB.

Current sub-groups are:

- a) Corporate Property Board
- b) Schools Capital Programme Board
- c) IT Strategic Investment Board
- d) Transport Programme Board

The core officer membership for each sub-group comprises:

- a) The relevant Service Director for specific Boards as Chair; e.g. the Director of Education, Skills and Early Years chairs the Schools Capital Programme Board
- b) The Director of Legal Services
- c) The Director of Finance

- 7.2 In addition there is an External Funding Group, chaired by the Assistant Director of Finance. The terms of reference for this group include:

- a) Managing external funding at a strategic level.
- b) Identifying potential grants and additional sources of funding.
- c) Managing the process for applying the funding and approving bids for funding.
- d) Monitoring on-going compliance with grant terms and conditions and assessing any financial risk including grant claw back.
- e) Providing a Regeneration Plan/framework that can enable the Council to proactively react to funding opportunities as they arise whether locally or nationally.
- f) Ensuring there are sufficient personnel to enable the Council to proactively react to funding opportunities as they arise.

Annex C

Expenditure	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000
Community Health and Adult Social Care	2,343	2,343	1,826	400	
Social Care			1,300	400	
Disabled Facilities Grant	2,343	2,343	526		
Children's Services	9,930	4,522	1,691	1,500	1,500
Schools - General	4,266	4,522	1,691	1,500	1,500
Schools - Primary	984				
Schools - Secondary	4,671				
Schools - Special	9				
Communities	400	100	-	-	-
District Investment Fund/Local Investment Fund	400	100	-	-	-
Place and Economic Growth	71,148	69,051	24,540	36,507	3,054
Asset Management - Backlog Maintenance	4,119	1,000	1,000	1,000	-
Asset Management - Other	3,300				
Asset Management - Education Premises	1,749	2,883	-	-	-
Boroughwide Developments	14,742	19,545	12,052	21,008	-
Environment – Cemeteries/Crematorium	37	-	-	970	-
Environment - Countryside / Parks	135	100	100	100	-
Private Housing - HMRF	150	150	-	-	-
Public Realm	50	-	-	-	-
Strategic Acquisitions	2,000	7,929	-	-	-
Town Centre Developments	31,513	29,741	5,875	5,875	-
Transport - Accident Reduction	198	-	-	-	-
Transport - Bridges & Structures	3,889	-	-	-	-
Transport - Fleet Management	298	370	790	2,000	-
Transport - Major Works/Drainage schemes	7,659	7,333	3,500	5,554	3,054
Transport - Minor Works	781	-	-	-	-
Transport - Miscellaneous	528	-	-	-	-
Housing Revenue Account	1,000	500	95	-	-
Housing Revenue Account	1,000	500	95	-	-
Corporate / Information Technology (IT)	5,958	3,960	2,650	2,150	-
Information Technology	5,958	3,960	2,650	2,150	-
Capital, Treasury & Technical Accounting	4,238	2,738	234	10,120	-
Strategic Investments	1,638	138	234	-	-
Flexible Use of Capital Receipts	2,600	2,600	-	-	-
Provision for Inflationary Pressures	-	-	-	10,120	-
Capital General	1,492	15,624	13,836	4,885	-
Funding for Emerging Priorities	1,492	15,624	13,836	4,885	-
Budget Expenditure Total	96,509	98,838	44,872	55,562	4,554

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

Resources Available	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000
Ringfenced Grants	(18,668)	(21,696)	(133)	-	-
Challenge Funding	(2,211)	-	-	-	-
Devolved Formula Capital (DFC)	(431)	-	-	-	-
DfT Active Travel Fund	-	-	-	-	-
Future High Street Fund	(3,104)	(5,915)	-	-	-
Grant in Aid	-	-	-	-	-
Growth Deal 3	(510)	-	-	-	-
Quality Bus Transit (QBT) Corridor	(442)	-	-	-	-
Special Provision Fund - Pupils with Special Educational Needs (SEN) And Disabilities 2018-2021	(355)	-	-	-	-
High Needs Provision Capital Allocation (HNPCA)	(2,919)	(3,112)	-	-	-
Mayor's Cycling and Walking Challenge Fund	(5,696)	(4,536)	-	-	-
Towns Fund	(3,000)	(8,133)	(133)	-	-
Local Authority Housing Fund					
Un-ringfenced Grants	(10,853)	(9,434)	(3,580)	(5,554)	(3,054)
Basic Need Capital Grant	(3,252)	(1,410)	-	-	-
Better Care Fund (Disabled Facilities Grant) 2021/22	(526)	-	-	-	-
Better Care Fund (Disabled Facilities Grant) 2022/23 & Future Years	(1,817)	(2,343)	(526)	-	-
School Condition Allocation	(1,749)	(2,884)	-	-	-
Local Transport Programme - Highway Maintenance Grant	(3,509)	(2,797)	(3,054)	(5,554)	(3,054)
Other resources – Capital Receipts	(6,946)	(3,488)	(1,056)	(970)	-
Agreed Council Resources	(4,346)	(888)	(1,056)	(970)	-
Flexible Use of Capital Receipts	(2,600)	(2,600)	-	-	-
Other resources - Other	-	-	-	-	-
Contribution from 3rd Parties	-	-	-	-	-
Other resources - Prudential Borrowing	(59,041)	(63,721)	(40,008)	(49,038)	(1,500)
Prudential Borrowing	(59,041)	(63,721)	(40,008)	(49,038)	(1,500)
Revenue Contribution - Housing Revenue Account (HRA)	(1,000)	(500)	(95)	-	-
Revenue Contribution to Capital Outlay - HRA	(1,000)	(500)	(95)	-	-
Resources Total	(96,509)	(98,838)	(44,871)	(55,562)	(4,554)

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

Flexible Use of Capital Receipts Strategy

Introduction

In March 2016, the former Secretary of State for Housing, Communities and Local Government, now the Department for Levelling Up, Housing & Communities (DLUHC) issued Statutory Guidance that permitted Local Authorities to use capital receipts to fund the revenue costs of transformation for the period 1 April 2016 to 31 March 2019. This flexibility was then extended to 31 March 2022 as part of the 2018/19 Local Government Finance Settlement (LGFS). In February 2021, the Secretary of State announced, alongside the Local Government Finance Settlement, that the capital receipts flexibility programme would continue for a further three years. In April 2022, confirmation was received that the opportunity to apply the Flexible Use of Capital Receipts would be available for the financial years that begin on 1 April 2022, 1 April 2023 and 1 April 2024.

This Capital Strategy and the Medium Term Financial Strategy (MTFS) of the Council have been prepared on the basis on the continued use of the Flexible Use of Capital Receipts for 2023/24 and 2024/25.

Statutory Guidance

The Statutory Guidance and supporting 'informal commentary' published in March 2016, and updated in August 2022, states that "Qualifying expenditure is expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners. Within this definition, it is for individual Local Authorities to decide whether or not a project qualifies for the flexibility".

Examples of Qualifying Expenditure

The MHCLG (now DLUHC) has indicated types of qualifying expenditure:

- Sharing back office and administrative services with one or more other Council or public sector bodies.
- Investment in service reform feasibility work e.g., setting up pilot schemes.
- Collaboration between Local Authorities and Central Government departments to free up land for economic use.
- Funding the cost of service reconfiguration, restructuring or rationalisation (staff or non-staff), where this leads to ongoing efficiency savings or service transformation.
- Sharing Chief Executives, management teams or staffing structures.
- Driving a digital approach to the delivery of more efficient public services and how the public interacts with constituent authorities where possible.
- Aggregating procurement on common goods and services where possible, either as part of local arrangements or using Crown Commercial Services or regional procurement hubs or Professional Buying Organisations.
- Improving systems and processes to tackle fraud and corruption in line with the Local Government Fraud and Corruption Strategy – this could include an element of staff training.
- Setting up commercial or alternative delivery models to deliver services more efficiently and bring in revenue (e.g., through selling services to others).
- Integrating public facing services across two or more public sector bodies (for example Children's Social Care, trading standards) to generate savings or to transform service delivery.

The Council has used these definitions to determine qualifying expenditure in the context of Oldham Council as highlighted in Table 1.

The Council's Strategy

The Council intends to make use of the flexibility in the use of capital receipts for the financial year 2023/24.

The Council can only use capital receipts to finance Qualifying Expenditure as defined in this strategy (see Table 1) from the disposal of property, plant and equipment assets received in the year in which this flexibility is offered. The Council will not utilise capital receipts generated on or before 31 March 2023 to finance Qualifying Expenditure.

The Government direction states that the Council cannot borrow to finance the revenue costs of service reform and the Council will comply with this requirement.

This Strategy outlines the projects which plan to make use of the capital receipt flexibility and provides details of the expected savings/service transformation on a scheme by scheme basis. The Strategy can be replaced at any point during the financial year with a revised Strategy outlining an up to date position.

Council approval for the use of this flexibility is required on at least an annual basis, with plans published on the Council's website and notification of planned use sent to the DLUHC.

Summary of planned receipts

The Council's Capital Strategy and Capital Programme 2023/24 to 2027/28 includes £5.200m in capital receipts specifically for this purpose. The first call on new capital receipts received in 2023/24 (£2.600m) and 2024/25 (£2.600m) will fund qualifying revenue expenditure as detailed within the Flexible Use of Capital Receipts Strategy.

Summary of planned use and savings

It is intended that in 2023/24 capital receipts of £2.600m will fund the following transformational projects/expenditure as set out in Table 1 (note there is an element of contingency to allow for variation).

Table 1 – Planned Qualifying Expenditure

Scheme Description	Qualifying Expenditure	£000 2023/24
Creating a Better Place - Asset Rationalisation	Expenditure in relation to developing and progressing the disposal strategy/asset rationalisation strategy to streamline the Council's (and partners' estates) in line with the principles of One Public Estate.	750
Creating a Better Place - Major Projects/Regeneration	Expenditure in relation to developing major Town Centre Regeneration schemes proposals to Full Business Case level in relation to the Future High Street Fund, Towns Fund and Town Square/Spindles shopping centres projects. The Council will use its resources to enable the projects to be progressed to transform the Town Centre and continue the development of new Council office provision in the re-modelled shopping centre.	750
Transformation Programme and Project resources to support the delivery of the transformation agenda	A specialist team to wholly support and facilitate the delivery of the Council's Transformational Programme. This team will ensure that the efficiencies and savings that are anticipated within the Medium-Term Financial Strategy (MTFS) are achieved and support the development of the on-going programme of Council wide change.	1,047
ICT	The use of transformational funds to support Research and Development within ICT that drives a more digital approach to deliver efficiencies and support budget reductions in services. The ICT Service will explore new technology and undertake Proof of Concepts before rolling out new developments within the organisation.	100
Total		2,647
Contingency for variation within schemes		(47)
Total Flexible Use of Capital Receipts Relied upon to support the revenue budget in 2023/24		2,600

The Council has set out a Medium-Term Financial Strategy (MTFS) with a five-year time horizon (2023/24 to 2027/28). This is aligned with the five-year timeframe for the Capital Strategy and Programme.

Having prepared a balanced budget for 2023/24 and identified a still to be addressed budget reduction requirement for 2024/25 of £10.801m, the MTFS estimates for 2025/26 to 2027/28

have also been updated. Based on a series of assumptions about a range of expenditure pressures and income streams, including Government funding, and using knowledge of local issues, the budget reduction requirements have been assessed as:

2025/26 - £15.069m
2026/27 - £12.459m
2027/18 - £10.112m

Including the budget reduction requirement for 2024/25, the Council will have to identify budget reductions of £48.431m up to 2027/28m. Having regard to this significant financial challenge, the Council re-engineered its Transformation Programme during 2022/23 based on the development of an updated Corporate Plan and the Council's approach to delivery of its new corporate objectives.

A reconfigured Change and Transformation Board has been established chaired by the Deputy Chief Executive, who is tasked with leading and taking ownership of the programme of change.

The themes of the updated Transformation Programme reflect changes to improve efficiency and at the same time deliver both better services and future savings. It is expected that there will be further savings from the transformation programmes above those set out in the 2023/24 budget; these will be developed with Services and will feed into future iterations of the MTFs.

The programme of change is based around three main priorities and six core themes. The priorities are:

- Demand management - an essential element of controlling and reducing costs
- Income Maximisation – taking forward the objectives of the income strategy, not only to increase the Council's income base, but to ensure improved income collection
- Service Review – all services reviewing their budgets to identify potential savings and efficiencies including policy changes.

However, there is also an enabling programme in place to provide support in delivering the priorities and the six themes. The key elements of the enabling programme are set out below.

Enabling Programme

The Enabling Programme is in place to provide support when a programme of work requires specific focus from specialist functions that enable the delivery of business change. Through effective planning of these enabling activities, the requirements of the totality of the Transformation Programme will be managed to identify matters of timing, sequencing and capacity. It is evident that many of the planned workstreams and the themes within them are interlinked. However, the overall programme management of the workstreams will create a more coherent approach to the extensive change activities, provide focus on the most important projects and enable more effective management of the inter-dependencies.

The key enabling services and their contribution to the Transformation Programme are set out below:

- Programme Management Team
- Business Intelligence, Performance and Strategy
- ICT and Digital
- Human Resources (HR) and Organisational Design (OD) Support
- Finance
- Legal Services

In further developing the detailed Transformation Programme, it is not expected that the enablers for change will deliver specific savings from their own service, but they are expected to support the delivery of greater efficiencies in process. The support provided by the enabling programme will assist the bigger spending areas within the Council such as Children's Services and Adult Social Care to better manage future demand, reform the present operating models and realign service design to generate both non cashable efficiencies and cashable transformation savings.

Core Themes

The revised core themes are focused around the areas set out below:

- Children's Change Programme including Social Care Demand Management
- Adult Social Care Change and Improvement Programme and Integration with the NHS
- The Creating a Better Place Programme
- Place Based Integration to create stronger communities
- Commissioning, Procurement and Contract Management
- Income Maximisation

As with the earlier iterations of the Transformation Programme, this refreshed programme is supported by several cross cutting initiatives relating to general efficiency and management control, vacancy management, procurement and commissioning practices so all aspects of the programme of change are interlinked.

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

Mindful that in some instances there is a requirement to support change with some pump-priming resources, the reserves strategy includes:

- a Transformation Reserve and this will be used from 2023/24 onwards to support the implementation of the initiatives including any investment required to facilitate the efficiencies.
- an Earmarked Reserve for integrated working which can support investment in joint working initiatives with the NHS to deliver future efficiencies and a regeneration reserve which can support the Creating a Better Place programme of work.
- Children's Services resources to facilitate investment of which £2.900m has been allocated to support initiatives approved by Cabinet on 12 December 2022 to promote improvements in service and efficiencies.

Theme 1 – Children's Change Programme including Social Care Demand Management

On 12 December 2022, the Council's Cabinet approved a report 'Children's Services Investment Proposals.' This outlined the £14.700m of investment in Children's Services that the Council will make in 2023/24. This investment is comprised of:

- recurrent funding of £11.800m to provide resources to stabilise the challenging financial position that has been experienced in 2022/23 and ensure statutory responsibilities can be adequately addressed
- one off funding in 2023/24 of a net £2.900m funded from reserves (a total investment of £3.524m offset by a £0.624m in year return on investment) to pump prime a number of invest to save initiatives. In effect, this investment forms the spine of the Change/Transformation Programme for Children's Services.

The Children’s Change Programme is focusing on the key areas where effective and efficient demand management results in both efficiencies and future savings. It is being overseen by the Children’s Transformation Board which has a membership covering key areas of Council business including those identified within the Enabling Programme.

The Children’s investment programme and hence the transformational change programme has four core areas as detailed below:

- Better support for families at an earlier stage
- Providing the very best of care for our most vulnerable children
- Supporting children and young people by making Oldham the best place to be a social worker
- Rewarding and supporting the work of Oldham’s Foster Carers

In addition, a programme of Early Help and Prevention will concentrate resources to provide appropriate support to vulnerable children and families through a range of preventative measures. This will include universal services, community advice/support and the increased provision where appropriate of online support.

Improved commissioning will look at the current services delivered externally to redesign and where appropriate re-commission such services.

Summary Savings – Children’s Change Programme

Using the programme of activity outlined above and building upon the investment to generate future savings agreed at Cabinet on 12 December 2022, the MTFs includes the return on the investment/savings to be achieved from the Children’s Change Programme as summarised in the table below. This extends one year beyond the timeframe of the MTFs and illustrates that investment can take time for its full benefits to become evident.

Table 2 – Children’s Social Care Return on Investment

Description	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000
Providing The Best Care	583	(548)	(181)	(102)	14	(71)
A Better Place to be a Social Worker	2,941	(1,610)	(1,097)	(730)	(650)	(791)
Supporting Foster Carers	(624)	(742)	(908)	(461)	(362)	(432)
Investment Initiatives - Reserves	(2,900)	2,900	0	0	0	0
Return on Investment	0	0	(2,186)	(1,293)	(998)	(1,294)

It is important to note that the programme of change is expected to produce further efficiencies and the table shows the minimum level expected. As the various stages of the programme are delivered, there will be a further review and a refresh to enhance efficiency and effectiveness.

Theme 2 – Adult Social Care Change and Improvement Programme including Integration with the NHS

The Adult Social Care Change and Improvement Programme (ASCCIP) has been reviewed and reprioritised to take forward an ambitious programme of change linked to the revisions to the legislative framework within which the service is operating but also to focus on delivering more efficient and effective services for the users of Adult Social Care. A key element of the change and transformation programme will be the embedding new ways of working in order to take forward the budget reductions set out to support the delivery of a balanced budget for 2023/24 and underpin the budget for 2024/25 and future years.

A range of core project streams will be taken forward based around initiatives including:

- Taking forward the Target Operating Model (TOM) which ensures that statutory duties are met but at the same time delivers an appropriate prevention offer which removes, reduces or delays the need for care. Budget reductions totalling £3.000m have already been included in MTFS forecasts over the period 2023/24 to 2025/26
- A transformational change to service provision included as a budget reduction with financial benefits over the years 2023/24 to 2025/6 totalling £4.500m is the approach to Direct Payments (giving service users money to pay for their own care). New working practices will ensure the right level of support is provided to meet residents eligible needs in a way that reflects their strengths and connections in their local community
- Modernizing the local digital offer, which is vital to the delivery of ASC reform. The ICT and Digital enabling programme is a key support strand in taking forward these initiatives. This includes:
 - Modernising systems and the approach to digital self-assessment whilst creating independence and reducing reliance on services
 - Developing Artificial Intelligence solutions
 - Embedding assistive technology to improve service users' independence and reduce reliance on services, whilst also providing an evidence base for decisions relating to provision of care and support;
 - Maintaining the existing on-line offer and ensuring that it is remain easily accessible for residents
- Increasing reablement capacity and throughput
- Improved Procurement/Commissioning through the improved use of the present information system (Mosaic)
- Working with NHS partners to maximise the opportunities arising from the shift to Integrated Care Systems.
- Transforming the service for those transitioning to adult social care services from children's services building on work across adults and children's social care, health, and education over the past two years.
- By working on a holistic approach in partnership with Children's Social Care in line with the current policy framework, future efficiencies can be generated in the future support/placements as transition is made into the child coming of age. Overall, it is planned this programme will generate savings of up to £1.000m.
- In conjunction with key partners such as MioCare CIC (the Council's 100% owned Community Interest Company) the Council will take a review of the processes involving care planning to the delivery of the package of care

Aligning to the income maximisation strategy there will be continuous review of recipients of Council services (individuals and partners) pay an affordable and fair cost for services.

Theme 3 – Creating a Better Place (CaBP) Programme

The CaBP programme (originally approved January 2020) sets out a vision for the borough which is focused on building more homes for the borough's residents, creating new jobs through town centre regeneration and ensuring Oldham is a great place to visit with lots of family friendly and accessible places to go. The strategy aims to deliver these ambitions in ways that contribute to a reduction in carbon emissions in support of the Council's Green New Deal strategy.

The CaBP strategy was reviewed and updated in August 2020, in light of the COVID-19 pandemic, to place more emphasis on economic recovery and accelerating the potential for generating revenue budget savings. The programme envisages delivering an already approved £8.058m of revenue budget reductions between 2022/23 and 2026/27. The financial benefits have already been factored into MTFS estimates.

The CaBP Programme is now embedded into the operating arrangements of the Council, this is still a transformational programme but one that has been well established.

Services which maintain and enhance the public realm alongside corporate land and property assets are essential to the delivery of the Council’s priorities. At a strategic level it is acknowledged that the Council’s property portfolio can be a catalyst for building new homes, creating job opportunities, re-skilling residents through new apprenticeship opportunities, and re-engaging communities and partners through property / estate co-location and collaboration.

Developing the existing programme of work on the use of property and assets, the Council will maximise the benefit from the corporate estate by developing property disposal and procurement routes that will ensure the Council is able to shape and maintain a property portfolio that will support service delivery and contribute a sustainable income stream.

In addition, the Council will rationalise its office accommodation, where possible, following the place based principles and co-locate staff with partners to maximise efficiencies and realise the potential of ‘One Public Estate’ for Oldham and Greater Manchester.

The regeneration of Oldham town centre remains a Council priority. Following the acquisition of the Spindles and Town Square Shopping Centres its current redevelopment is a key part of the Creating a Better Place Strategy unlocking land and development opportunities. The relocation of the Council offices into new modern accommodation is a key strand of this programme.

The table below shows the specific revenue budget impact of the Creating a Better Place programme linked purely to the asset rationalisation element of the work. So far, £8.058m of budget reductions have either been delivered or built into budget estimates.

Table 3 – Creating a Better Place Savings

	2022/23	2023/24	2024/25	2025/26	2026/27	TOTAL
	£000	£000	£000	£000	£000	£000
Creating a Better Place	(708)	(800)	(5,400)	(1,050)	(100)	(8,058)

There are also ambitious plans for the regeneration of the borough as a whole with investment in Royton and projects in train at Hollinwood and Foxdenton. The Council will also seek to integrate and rationalise the highly visible and valued services which support and maintain the public realm of the Borough.

Significant capital investment is needed to deliver the town centre vision, new homes and the vision for the rest of the borough. These resources are reflected in the Capital Strategy and Capital Programme for 2023/24 to 2027/28.

This investment will bring future benefits to Oldham through additional economic and housing growth, which is expected to increase revenue from, for example, Council Tax and/or Business Rates. This has a strong link to the Income Maximisation theme presented below. The budget estimates have already been adjusted to reflect the anticipated extra income from this activity with the Tax Bases for Council Tax increased by 500 Band D equivalent properties from 2025/26. An increase in Business Rates Income has also been included where a standstill position would otherwise have been adopted.

Clearly as this wide ranging programme develops into its next phase, the contribution to the budget reduction target will increase and this will be included in future iterations of the MTFs

Theme 4 - Place Based Integration to create stronger communities

The Place Based Integration programme has been developed from feedback from residents who as much as possible, want services close to home and tailored to the specific needs of their community. The aim of the programme has been to reconfigure and integrate services in each of the five districts footprints of Oldham. There are significant inter-dependencies with the other Transformation Programmes and services; specifically with Adults and Children's services. As well as bringing more Council services to local areas, the aim is to more deeply integrate with other public bodies like the NHS, schools, housing associations and the police. The aim is to provide a more holistic support to residents.

The Programme aims to take a community-centred, preventative approach to public services which benefits residents. The Council expects residents to be happier and healthier with an appropriate support network including the dedicated local team within the District.

The Council's relationship with the voluntary, community, faith and social enterprise sector will also continue to be strengthened as set out in the Greater Manchester VCSFE Accord.

The Oldham Plan, Our Future Oldham sets out the intention to embed Place Based Working with Oldham as somewhere that uplifts and supports every resident. This will be done by tailoring services to deliver the needs of individual districts by putting emphasis on what is important in each neighbourhood.

The overall impact of place based integration is the expectation of reduced cost across the system and future cost avoidance by reducing demand hence supporting the MTFs. As the place based integration programmes are developed further, the benefits of the activity will be fully evaluated during 2023/24. It is anticipated that the benefits of this approach will lead to specific budget reductions to assist in closing the 2024/25 gap and support the financial position over the rest of the MTFs period.

Theme 5 - Commissioning, Procurement and Contract Management

This programme will take forward a forensic review of all current contracts within the Council supported by a reconstituted Commissioning Board (currently under development) aiming to save on average a minimum of 5% on current contracted spend. This theme is to some degree cross cutting in nature as it also supports savings on the four core themes as set out above.

Using a team of subject matter experts, the work undertaken through this programme will provide challenge and independent review. It will utilise benchmarking and other key comparative information to ensure that economy, efficiency and effectiveness is delivered through the Council's commissioning, procurement and contract management arrangements.

Theme 6 – Income Maximisation

The Council will refresh its Income Maximisation Strategy and a review of Traded Services will endeavour to pursue key objectives within this strategy. The Council will:

- Adopt a more commercial approach to all of its chargeable activities. This will be based around the annual review of fees and charges but individual reviews will be undertaken as required. The fees and charges for 2023/24 have been prepared so that increases in many areas reflect prevailing levels of inflation as measured by the CPI;
- Revisit and update existing policies and ways of working: particularly with regard to income collection practices and the recovery of arrears;
- Improve collection rates for Council Tax and Business Rates as well as strengthen and grow tax bases underpinning these major revenue streams;

- Adopt efficient methods of working and look to reduce in line with Co-operative Values non-statutory chargeable activity that is unlikely to generate surplus revenue or at least fully recover all cost inputs;
- Take a more considered and sophisticated approach to assessing risk versus reward for local investments;
- Undertake a Traded Services review to ensure such services are being delivered efficiently and effectively, minimising any adverse impact on the Council's budget;
- Review and rationalise the existing property holding across the Council linked into the Creating a Better Place Programme;
- Maximise the opportunity to utilise revenue grant funding to support the operational activities of the Council;
- Maximise the opportunity to utilise external capital grants to reduce the levels of prudential borrowing required to finance capital expenditure and thereby alleviate pressure on the revenue budget;
- Maximise the income/funding it can access from its membership of the Manchester City Region; and
- Lobby for the fair future reform of Local Government Finance to ensure Oldham receives its appropriate share of national funding.

Service Reviews

Underpinning all transformation workstreams will be:

- A programme of service reviews which should lead to the identification of service specific budget reductions and efficiencies including the use of benchmarking analysis and reviewing practices at other Local Authorities.
- An approach to service delivery where the Council (and its partners) will be making new strategic choices to ensure the service provision is based on the characteristics of Oldham, its people, and communities within the borough. New opportunities for collaboration and new ways of working between organisations (especially support functions) that share a common footprint will be prioritised;
- A review of the provision of discretionary services and also the level at which statutory services are delivered will be undertaken. Such initiatives may be discrete exercises but are more likely to be encompassed within a service review under the remit of demand management ; and
- Reviews of Council policies with regard to service provision, linked to the consideration of discretionary/statutory services but also to ensure best practice.

At this stage there is still further work to assign specific budget reduction targets to the areas of transformational activity detailed above, however as initiatives are progressed, detailed targets will be assigned.

On-going Budget Review

Given the importance of delivering budget reductions and embedding the programme of transformational change, during 2023/24, there will be a regular review of the progress of existing change programmes against delivery milestones with a view to determine financial targets. It will also ensure that there is continuous emphasis on the delivery of change and the achievement of all budget reductions required in line with the MTFS.

Impact on Prudential Indicators

The prudential indicators that will be impacted by this strategy are set out below:

- Estimates of Capital Expenditure Indicator increased by £2.600m.
- Capital Financing Requirement increased by £2.600m as these capital receipts would have been used to support schemes within the existing programme that will now be financed through prudential borrowing.
- Financing costs as a percentage (%) of net revenue stream 11.19%

The Prudential Indicators show that this Strategy is affordable and will not impact on the Council's operational and authorised borrowing limits. Further details on the Council's Prudential Indicators can be found within the Treasury Management Strategy.

Monitoring

This Strategy will be monitored throughout the financial year and may be updated and replaced as proposals are developed and expenditure incurred.

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Report to Policy Overview and Scrutiny Committee

Treasury Management Strategy Statement 2023/24

**Including the Minimum Revenue Provision Policy
Statement, Annual Investment Strategy and Prudential
Indicators**

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

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Ext. 6608

26 January 2023

Reason for Decision

To present to Policy Overview and Scrutiny Committee, the strategy for 2023/24 Treasury Management activities including the Minimum Revenue Provision Policy Statement, the Annual Investment Strategy and Prudential Indicators together with linkages to the Capital Strategy.

Executive Summary

The report outlines the Treasury Management Strategy for 2023/24 including the Minimum Revenue Provision Policy Statement, Annual Investment Strategy and Prudential Indicators together with linkages to the Capital Strategy.

The Council is required through regulations supporting the Local Government Act 2003 to 'have regard to' the Prudential Code and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable. It is also required to produce an annual Treasury Strategy for borrowing and to prepare an Annual Investment Strategy setting out the Council's policies for managing its investments and for giving priority to security and liquidity of those investments.

The Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management 2021 (the Code) also requires the receipt by full Council of a Treasury Management Strategy Statement.

The Strategy for 2023/24 covers two main areas.

1) Capital Issues:

- The Capital expenditure plans and the associated Prudential Indicators
- The Minimum Revenue Provision (MRP) Policy Statement

2) Treasury Management Issues:

- The Current Treasury Position
- Treasury Indicators which limit the treasury risk and activities of the Council
- Prospects for Interest Rates
- The Borrowing Strategy
- The Policy on Borrowing in Advance of Need
- Debt Rescheduling
- The Investment Strategy
- The Creditworthiness Policy
- The Policy regarding the use of external service providers.

The report therefore outlines the implications and key factors in relation to each of the above Capital and Treasury Management issues and makes recommendations with regard to the Treasury Management Strategy for 2023/24.

The report includes the most recently available economic background commentary which reflects the position at 22 December 2022.

The Treasury Management Strategy was considered by the Audit Committee on 16 January 2023 as it is the body charged with reviewing Treasury Management reports and making recommendations to the responsible body (i.e., Council). The Audit Committee was content to recommend the report to Cabinet and Council for approval.

The proposed Treasury Management Strategy is presented to the Policy Overview and Scrutiny Committee to enable scrutiny of the report so that any comments may be incorporated into the report before it is considered by Cabinet on 13 February 2023 and Council on 1 March 2023.

Recommendation

That the Policy Overview and Scrutiny Committee considers and commends to Cabinet as appropriate, the:

1. Capital Expenditure Estimates as per paragraph 2.1.2;
2. MRP policy and method of calculation as per Appendix 1;
3. Capital Financing Requirement (CFR) Projections as per paragraph 2.2.3;
4. Projected treasury position as at 31 March 2023 as per paragraph 2.4.3;
5. Treasury Limits as per section 2.5;
6. Borrowing Strategy for 2023/24 as per section 2.7;
7. Annual Investment Strategy as per section 2.11 including risk management and the creditworthiness policy at section 2.12; and
8. Level of investment in specified and non-specified investments detailed at Appendix 5.

Treasury Management Strategy Statement 2023/24 Including the Minimum Revenue Provision Policy Statement, Annual Investment Strategy and Prudential Indicators**1. Background**

- 1.1 The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the Treasury Management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low-risk counterparties or instruments commensurate with the Council's low investment risk appetite, providing adequate liquidity initially before considering investment return.
- 1.2 The second main function of the Treasury Management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning to ensure that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.
- 1.3 The contribution that the Treasury Management function makes to the Authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either for day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from the Council's reserves and balances, it is essential that there is adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.
- 1.4 Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from day-to-day treasury management activities.
- 1.5 Treasury management is defined as:
- "The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."
- Source: The Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management in the Public Service's Code of Practice.*
- 1.6 Reporting Requirements – Capital Strategy
- 1.6.1 The CIPFA Prudential and Treasury Management Codes (2021) require all Local Authorities to prepare a capital strategy report which will provide the following:
- a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
 - an overview of how the associated risk is managed; and
 - the implications for future financial sustainability.

1.6.2 The Council's Capital Strategy is being prepared following the required Codes of Practice to ensure that all Council Members are presented with the overall long-term capital investment policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

1.7 Treasury Management Reporting

1.7.1 The Council is currently required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals.

a. Prudential and treasury indicators and treasury strategy (this report), the first and most important report which is a forward look to the year ahead and covers:

- The capital plans, (including prudential indicators);
- A minimum revenue provision (MRP) policy, (how residual capital expenditure is charged to revenue over time);
- The treasury management strategy (how investments and borrowings are to be organised), including treasury indicators; and
- An investment strategy (the parameters on how investments are to be managed).

b. A mid-year treasury management report

This is primarily a progress report and will update Members on the capital position, amending prudential indicators as necessary, and whether any policies require revision.

c. An annual treasury report

This is a backward looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

1.7.2 The above reports are required to be adequately scrutinised before being commended to Cabinet and Council. The scrutiny of Treasury Management reports is undertaken by the Audit Committee. However, the scrutiny of the Treasury Management Strategy Statement by the Policy Overview and Scrutiny Committee alongside all the other reports which are presented to the annual Budget Council meeting, is a key part of the Select Committee's role. The Audit Committee has already scrutinised the Treasury Management Strategy Statement for 2022/23 at its meeting on 16 January 2023.

1.8 Treasury Management Strategy for 2023/24

1.8.1 The strategy for 2023/24 covers two main areas:

1) Capital issues:

- The capital expenditure plans and the associated prudential indicators;
- The minimum revenue provision (MRP) policy.

2) Treasury management issues:

- The current treasury position;
- Treasury indicators which limit the treasury risk and activities of the Council;

- Prospects for interest rates;
- The borrowing strategy;
- The policy on borrowing in advance of need;
- Debt rescheduling;
- The investment strategy;
- The creditworthiness policy; and
- The policy regarding the use of external service providers.

1.8.2 These elements cover the requirements of the Local Government Act 2003, Department of Levelling Up Housing and Communities (DLUHC) Investment Guidance, DLUHC MRP Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code.

1.9 Training

1.9.1 The CIPFA Code requires the responsible officer (in Oldham the Director of Finance) to ensure that Members with responsibility for treasury management receive adequate training to enable them to discharge their duties. This especially applies to Members responsible for scrutiny.

1.9.2 Furthermore, a new introduction within the Code for 2023/24 states that they expect “all organisations to have a formal and comprehensive knowledge and skills or training policy for the effective acquisition and retention of treasury management knowledge and skills for those responsible for management, delivery, governance and decision making.

1.9.3 The scale and nature of this will depend on the size and complexity of the organisation’s treasury management needs. Organisations should consider how to assess whether treasury management staff and Council members have the required knowledge and skills to undertake their roles and whether they have been able to maintain those skills and keep them up to date.

1.9.4 As a minimum, Authorities should carry out the following to monitor and review knowledge and skills:

- a) Record attendance at training and ensure action is taken where poor attendance is identified.
- b) Prepare tailored learning plans for treasury management officers and Council Members.
- c) Require treasury management officers and Council Members to undertake self-assessment against the required competencies (as set out in the schedule that may be adopted by the organisation).
- d) Have regular communication with officers and Council Members, encouraging them to highlight training needs on an ongoing basis.

1.9.5 In further support of the revised training requirements, CIPFA’s Better Governance Forum and Treasury Management Network have produced a ‘self-assessment by members responsible for the scrutiny of treasury management’, which is available from the CIPFA website to download.

1.9.6 The Council provided a training session for Audit Committee Members on 5 October 2021 which was led by an external trainer. Also, during 2022/23 externally facilitated general financial skills training was provided for Members on 22 June 2022 and also on 28

September 2022. To continue to meet these new requirements an assessment will be made as described in 1.9.5 above and training will be arranged to meet any training requirement identified during 2023/24.

- 1.9.7 The training needs of treasury management officers are periodically reviewed. The team is staffed by professionally qualified accountants with extensive Local Government finance experience. Team members attend all relevant training courses, workshops and events to ensure that their knowledge and skills are up to date and the Council is in a position to address all new technical developments. During 2022/23 these have all been held remotely via zoom or another online platform. All staff follow a Continuous Professional Development (CPD) Plan as part of their individual accountancy body accreditation. The overall responsibility for capital and treasury activities lies with the Council's Section 151 Officer (Director of Finance) who, in accordance with statute, is professionally qualified and is suitably experienced to hold the post.
- 1.10 Treasury Management Consultants
- 1.10.1 The Council uses The Link Group, Treasury Solutions as its external treasury management advisors.
- 1.10.2 The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon the services of external service providers. All decisions will be undertaken with regard to all available information, including, but not solely, the Council's treasury advisers.
- 1.10.3 It is also recognised that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.
- 1.10.4 When looking at a commercial element within a particular capital scheme that has a main focus on public services, housing, regeneration, preventative objectives or treasury management investments, the Council will require specialist advice that the Link Group may not provide. As part of the evaluation process and if required, appropriate external advice will be sought, and an extensive due diligence exercise will be undertaken.

2. Capital Plans & Prudential Indicators 2023/24 – 2025/26

2.1 Capital Plans

- 2.1.1 The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in Prudential Indicators, which are designed to assist Members' overview and confirm capital expenditure plans. These indicators as per the Capital Programme include previous years' actual expenditure, forecast expenditure for this current year 2022/23 and estimates for the next three-year period, the timeframe required by CIPFA's guidance.

Capital Expenditure and Financing

- 2.1.2 This first Prudential Indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to consider the capital expenditure forecasts included the table below presented to reflect the current Portfolio management arrangements. The capital spending plans included in the Capital Strategy and Programme translate the ambition and vision for Oldham that were set out in Cabinet reports.

Table 1 - Capital Expenditure Estimates

Capital Expenditure / Portfolio	2021/22 Actual £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
Corporate Services	2,003	2,500	4,238	2,738	234
Corporate / Information Technology	4,424	3,701	5,957	3,960	2,650
Children's Services	45,436	6,711	9,930	4,522	1,691
Communities & Reform	179	196	400	100	0
Community Health & Adult Social Care	2,439	2,365	2,343	2,343	1,826
Place and Economic Growth	21,828	43,640	71,148	69,051	24,540
Funds for Emerging Priorities	0	0	1,493	15,624	13,836
General Fund Services	76,309	59,113	95,509	98,338	44,777
Housing Revenue Account (HRA)	680	0	1,000	500	95
HRA	680	0	1,000	500	95
Commercial Activities / Non- Financial Investments	0	0	0	0	0
Commercial Activities / Non- Financial Investments	0	0	0	0	0
Total	76,989	59,113	96,509	98,838	44,872

- 2.1.3 The capital expenditure shown above excludes other long-term liabilities, such as Private Finance Initiative (PFI) and leasing arrangements which already include borrowing instruments. It should be noted that any new expenditure commitments are likely to increase the borrowing requirement.
- 2.1.4 Table 2 below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding need (borrowing).
- 2.1.5 The borrowing need for capital expenditure in 2023/24 is currently expected to be £59.041m. This will however change if there is a revision to the spending profile of the capital programme.

Table 2 - Funding of the Capital Programme

Capital Expenditure	2021/22 Actual £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
General Fund Services	76,309	59,113	95,509	98,338	44,777
HRA	680	0	1,000	500	95
Commercial Activities	0	0	0	0	0
Total	76,989	59,113	96,509	98,838	44,872
Financed by:					
Capital receipts	(11,861)	(6,163)	(6,946)	(3,488)	(1,056)
Capital grants - Ringfenced	(64,162)	(23,931)	(18,669)	(21,696)	(133)
Capital grants – Un-ringfenced		(13,396)	(10,853)	(9,433)	(3,580)
Revenue	(54)	(90)	0	0	0
HRA Resources	(912)	0	(1,000)	(500)	(95)
Net financing need for the year	0	15,533	59,041	63,721	40,008

- 2.1.6 All other prudential indicators included within this report are based on the above capital estimates.
- 2.2 The Council's Borrowing Need - the Capital Financing Requirement (CFR)
- 2.2.1 The second Prudential Indicator is the Council's CFR. The CFR is simply the total historic outstanding capital expenditure which has not yet been financed from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure above, which has not immediately been financed from cash backed resources, will increase the CFR.
- 2.2.2 The CFR does not increase indefinitely, as the Council makes 'prudent' provision for debt repayment which broadly reduces indebtedness in line with each asset's life and so charges the economic consumption of capital assets as they are used. The approach to making prudent provision is set out in the MRP Policy Statement at Appendix 1. The MRP Policy Statement is unchanged from that approved for 2022/23.
- 2.2.3 The CFR includes other long-term liabilities (e.g., Private Finance Initiative (PFI) schemes, finance leases etc.). Whilst these arrangements increase the CFR, and therefore the Council's borrowing requirement, such schemes also include a 'loan' facility meaning the Council is not required to make separate borrowing arrangements. The Council currently estimates a net figure of £193.864m of such schemes within the CFR for 2023/24, decreasing to £170.421m by 2025/26.

Table 3 - Capital Financing Requirement (CFR)

	2021/22 Actual £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
Capital Financing Requirement (CFR)					
CFR - Services	468,895	464,182	501,132	539,674	551,420
CFR - Commercial Activities	0	0	0	0	0
Total CFR	468,895	464,182	501,132	539,684	551,420
Movement in CFR	(22,818)	(4,713)	36,950	38,552	11,736
Movement in CFR represented by Net financing need for the year	0	15,533	59,041	63,721	40,008
PFI Repayments	(20,449)	(8,912)	(10,672)	(11,365)	(12,078)
Less MRP/VRP and other financing movements	(2,369)	(11,334)	(11,419)	(13,876)	(16,194)
Movement in CFR	(22,818)	(4,713)	36,950	38,552	11,736

2.2.4 A key aspect of the regulatory and professional guidance is that elected Members are aware of the size and scope of any commercial activity in relation to the Council's overall financial position. The capital expenditure figures shown in Table 1 at paragraph 2.1.2 and the details above demonstrate the scope of this activity i.e., that there has not been any commercial activity in 2021/22 and 2022/23 and no investment in projects for yield is planned. Therefore, by approving these figures, the scale is considered proportionate to the Council's remaining activity.

Planned External Borrowing

2.2.5 The table below conforms to the new requirements of the Department of Levelling Up, Housing and Communities (DLUHC) regarding the categorisation of planned external borrowing, given that the Government's aim has been to limit the level of commercial activity (projects for yield) in which some (a limited number) of Local Authorities have been engaged. The information in Table 4 will be submitted to accompany the Council's application for the PWLB Certainty Rate for borrowing during 2023/24.

Table 4 – Planned External Borrowing

External Borrowing	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
Service Expenditure	5,377	8,250	19,275	17,262
Regeneration	7,793	48,064	42,981	20,956
Preventative Action	2,363	2,727	1,465	1,790
Treasury Management	-	-	-	-
Projects for Yield	-	-	-	-
Total	15,533	59,041	63,721	40,008

2.3 Liability Benchmark

2.3.1 Another prudential indicator for 2023/24 is the Liability Benchmark (LB). The Council is required to estimate and measure the LB for the forthcoming financial year and the following two financial years, as a minimum, however CIPFA strongly recommends that this should be completed for a longer period as possible providing relevant accurate estimates on future capital schemes are available. The Liability Benchmark can be found at Appendix 2 and has been prepared to align to the five year capital strategy period.

2.3.2 There are four components to the LB:

1. **Existing loan debt outstanding:** the Authority's existing loans that are still outstanding in future years.
2. **Loans CFR:** this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned MRP.
3. **Net loans requirement:** this will show the Authority's gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on its approved prudential borrowing, planned MRP and any other major cash flows forecast.
4. **Liability benchmark** (or gross loans requirement): this equals net loans requirement plus short-term liquidity allowance.

2.3.3 The Liability Benchmark is effectively the Net Borrowing Requirement of a Local Authority plus a liquidity allowance. In its simplest form, it is calculated by deducting the amount of investable resources available on the balance sheet (reserves and cash flow balances) from the amount of outstanding external debt and then adding the minimum level of investments required to manage day-to-day cash flow.

2.3.4 CIPFA recommends that the optimum position for external borrowing should be at the level of the Liability Benchmark (i.e., all balance sheet resources should be used to maximise internal borrowing). If the outputs show future periods where external loans are less than the Liability Benchmark, then this indicates a borrowing requirement thus identifying where the Authority is exposed to interest rate, liquidity and refinancing risks. Conversely where external loans exceed the Liability Benchmark then this will highlight an overborrowed position which will result in excess cash in the organisation requiring investment thus exposing the Authority to credit and reinvestment risks and a potential cost of carry. As can be seen in Appendix 2, the Council's external loans are less than the Liability Benchmark, therefore shows a borrowing requirement which is in line with the Council's current strategy and financial planning.

2.4 Borrowing

2.4.1 The capital expenditure plans set out in section 2.1 to a large extent drive the borrowing estimates included in this report. The Treasury Management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Council's capital strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant Treasury and Prudential Indicators, the current and projected debt positions and the Annual Investment Strategy.

Current Borrowing Portfolio Position

2.4.2 The overall treasury management portfolio as at 31 March 2022 and the position as at January 2023 is shown below for both borrowing and investments.

Table 5 - Current Treasury Position

Treasury Investments/External Borrowing	Actual 31/03/2022 £'000	Actual 31/03/2022 %	Current January 2023 £'000	Current January 2023 %
Treasury Investments				
Banks	25,000	23.74%	35,000	39.11%
Local Authorities / Public Bodies	14,000	13.30%	15,000	16.76%
Building Societies	5,000	4.75%	0	0.00%
Money Market Funds	46,300	43.97%	24,500	27.37%
Total Managed in House	90,300	85.75%	74,500	83.24%
Property Funds	15,000	14.25%	15,000	16.76%
Total Managed Externally	15,000	14.25%	15,000	16.76%
Total Treasury Investments	105,300	100.00%	89,500	100.00%
Treasury External Borrowing				
PWLB	35,241	21.03%	35,241	21.89%
Lender Option Borrower Option (LOBO's)	85,500	51.02%	85,500	53.11%
Market	46,600	27.80%	40,000	24.85%
Temporary Borrowing	256	0.15%	256	0.16%
Total Treasury External Borrowing	167,597	100.00%	160,997	100.00%
Net Treasury Investments / (Borrowing)	(62,297)		(71,497)	

2.4.3 The Council's forward projections for borrowing are summarised below. The table shows the actual external debt, the Treasury Management operation against the underlying capital borrowing need and the CFR, highlighting any over or under borrowing. Table 6 shows at 31 March 2023 and anticipated CFR at £464.182m, the forecast position of gross borrowing at £365.528m (debt at 31 March 2023 at £160.992m plus Closing Other Long Term Liabilities (OLTL) at 31 March 2023 of £204.536m) and an under borrowed position of £98.654m.

Table 6 - Current and Forecast Treasury Portfolio

	2021/22 Actual £'000	Forecast position as at 31/3/23 £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
External Debt					
Debt at 1 April	172,843	167,597	160,992	200,987	235,982
Actual/Expected change in debt	(5,246)	(6,605)	39,995	34,995	14,995
Debt at 31 March	167,597	160,992	200,987	235,982	250,977
Opening OLTL* at 1 April	224,405	213,448	204,536	193,864	182,499
Actual/ Expected change in OLTL	(10,957)	(8,912)	(10,672)	(11,365)	(12,078)
Closing OLTL at 31 March	213,448	204,536	193,864	182,499	170,421
Actual/ Forecast gross debt (borrowing requirement) at 31 March	381,045	365,528	394,851	418,481	421,398
The Capital Financing Requirement	468,895	464,182	501,132	539,684	551,420
Under / (over) borrowing	87,850	98,654	106,281	121,203	130,022

* Other Long-Term Liabilities

- 2.4.4 Table 6 above shows the Council will need to undertake significant additional borrowing in future years if capital programme expenditure matches the anticipated spending profile. The borrowing requirement is a key driver of the borrowing strategy as set out in section 2.7. The timing of any additional borrowing given the amounts indicated in the table above will be closely monitored. Members will recall that capital spending plans have been reprofiled year on year and it is possible that the trend could be repeated in 2023/24 and future years.
- 2.4.5 There are a number of key Prudential Indicators to ensure that the Council operates its activities within well-defined limits. The Council must ensure that gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2023/24 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue or speculative purposes. It is clear from the table above that the Council's gross borrowing position remains within these limits.
- 2.4.6 The Council has complied with this Prudential Indicator in the current year and does not envisage any difficulties with compliance in the future. This view takes into account current commitments, existing plans, and the proposals set out in this report.
- 2.4.7 The Council should include within the forecast gross borrowing figures in Table 6, any debt that relates to commercial activities / non-financial investments. The Council has no external debt for commercial activities/non-financial investments included in the gross borrowing figures in Table 6. Under the Prudential Code, there is a requirement to provide the information in the Treasury Management Strategy which shows that to date there has been a minimal impact on debt from potential investments in commercial activities compared to the Council's overall borrowing (excluding long-term liabilities).

2.5 Treasury Limits for 2023/24 to 2025/26

- 2.5.1 The Council is required to determine its Operational Boundary and Authorised Limit for external debt for the next three financial years.

Operational Boundary

- 2.5.2 The forecast Operational Boundary for 2022/23 together with the proposed operational boundaries for 2023/24 to 2025/26 are set out in Table 7 below. The boundary reflects the maximum anticipated level of external debt which is not expected to be exceeded. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on levels of actual debt and the ability to fund under-borrowing by other cash resources. This boundary will be used as a management tool for ongoing monitoring of external debt and may be breached temporarily due to unusual cash flow movements. However, a sustained or regular trend above the Operational Boundary should trigger a review of both the Operational Boundary and the Authorised Limit.

Table 7 - Operational Boundary

Operational Boundary	2022/23 Forecast £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
Borrowing	265,000	312,000	362,000	385,000
Other long term liabilities	207,500	196,500	185,500	173,500
Commercial activities / non-financial investments	0	0	0	0
Total	472,500	508,500	547,500	558,500

Authorised Limit

- 2.5.3 A further key Prudential Indicator, the Authorised Limit controls the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit may only be determined by full Council. It reflects the level of external debt which, while not desirable, is affordable in the short term, but is not sustainable in the longer term. This is the statutory limit determined under Section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all Councils' plans, or those of a specific Council, although this power has not yet been exercised.
- 2.5.4 Members are asked to consider the proposed Operational Boundary for each financial year from 2022/23 to 2025/26 as set out in Table 7 above and Authorised Limit as set out in Table 8 below:

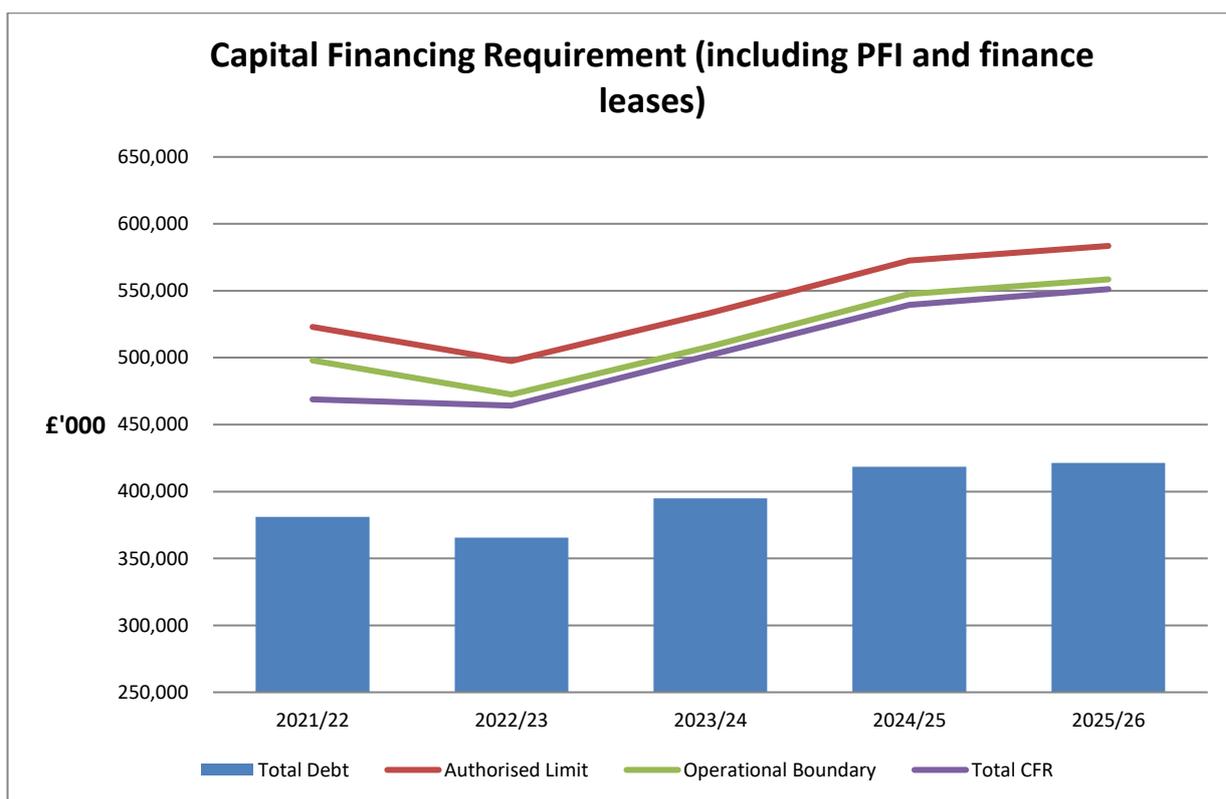
Table 8 - Authorised Limit

Authorised Limit	2022/23 Forecast £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
Borrowing	285,000	332,000	382,000	405,000
Other long term liabilities	212,500	201,500	190,500	178,500
Commercial activities / non-financial investments	0	0	0	0
Total	497,500	533,500	572,500	583,500

2.5.5 Table 9 and the graph below show how the two indicators above, the Operational Boundary and the Authorised Limit compare to actual external debt and the CFR.

Table 9 - Estimated Capital Financing Requirement, Debt and Treasury Indicators

Capital Financing Requirement (CFR) including PFI and finance leases	Actual 2021/22 £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
General Fund CFR	468,895	464,182	501,132	539,684	551,420
Total CFR	468,895	464,182	501,132	539,684	551,420
External Borrowing	167,597	160,992	200,987	235,982	250,977
Other long term liabilities	213,448	204,536	193,864	182,499	170,421
Total Debt	381,045	365,528	394,851	418,481	421,398
Operational Boundary	498,000	472,500	508,500	547,500	558,500
Authorised Limit	523,000	497,500	533,500	572,500	583,500



2.6 Prospects for Interest Rate

2.6.1 The Council has appointed The Link Group as its Treasury Adviser and part of its service is to assist the Council to formulate a view on interest rates. The table below gives the Link Group's central view of interest rates looking forward from December 2022 to March 2026 as provided on 8 November 2022. The rates are based on the PWLB Certainty Rate. The Certainty Rate is 80 basis points over gilt yields, and is a reduced rate offered to Local

Authorities who qualify providing their plans for long-term borrowing and associated capital spending meet the criteria. The Council has applied for and been approved for the Certainty Rate which covers the period November 2022 to October 2023.

Table 10 - Interest Rate Forecast

Period Ending	Bank Rate	PWLB Borrowing Rates %			
	%	5 year	10 year	25 year	50 year
December 2022	3.50	4.30	4.50	4.70	4.30
March 2023	4.25	4.30	4.50	4.70	4.40
June 2023	4.50	4.20	4.40	4.60	4.30
September 2023	4.50	4.10	4.30	4.50	4.20
December 2023	4.50	4.00	4.20	4.40	4.10
March 2024	4.00	3.90	4.00	4.30	4.00
June 2024	3.75	3.80	3.90	4.10	3.80
September 2024	3.50	3.60	3.90	4.00	3.70
December 2024	3.25	3.50	3.60	3.90	3.60
March 2025	3.00	3.40	3.50	3.70	3.40
June 2025	2.75	3.30	3.40	3.60	3.30
September 2025	2.50	3.20	3.30	3.50	3.20
December 2025	2.50	3.10	3.20	3.50	3.20
March 2026	2.50	3.10	3.20	3.50	3.20

- 2.6.2 The Link central forecast reflects a view that the Monetary Policy Committee (MPC) will be keen to demonstrate its anti-inflation credentials by delivering a succession of rate increases. This has happened throughout 2022, but the new Government's policy of emphasising fiscal rectitude will probably mean Bank Rate does not now need to increase to further than 4.5%.
- 2.6.3 Further into future years, Link anticipates the Bank of England will be keen to loosen monetary policy when the worst of the inflationary pressures have lessened – but that timing will be one of fine judgment: cut too soon, and inflationary pressures may well build up further; cut too late and any downturn or recession may be prolonged.
- 2.6.4 The Consumer Price Index (CPI) measure of inflation will peak at close to 11% in Quarter 4 2022. Despite the cost-of-living squeeze that is still taking shape, the Bank will want to see evidence that wages are not spiralling upwards in what is evidently a very tight labour market. Wage increases, excluding bonuses, are currently running at 5.7%.
- 2.6.5 Regarding the plan to sell £10bn of gilts back into the market each quarter (Quantitative Tightening), this has started but will focus on the short to medium end of the curve for the present. This approach will prevent any further disruption to the longer end of the curve following on from the short-lived effects of the Truss/Kwarteng unfunded dash for growth policy.
- 2.6.6 In the upcoming months, the Link forecasts will be guided not only by economic data releases and clarifications from the MPC over its monetary policies and the Government over its fiscal policies, but the on-going conflict between Russia and Ukraine. (More recently, the heightened tensions between China/Taiwan/US also have the potential to have a wider and negative economic impact.)
- 2.6.7 On the positive side, consumers are still estimated to have over £160bn of excess savings left over from the pandemic so that will cushion some of the impact of the above challenges. However, most of those are held by more affluent people whereas lower income families

already spend nearly all their income on essentials such as food, energy and rent/mortgage payments.

PWLB Rates

- 2.6.8 Yield curve movements have become less volatile under the Sunak/Hunt Government. PWLB 5 to 50 years Certainty Rates are, generally, in the range of 3.75% to 4.50%. The medium to longer part of the yield curve is currently inverted (yields are lower at the longer end of the yield curve compared to the short to medium end).
- 2.6.9 Link view the markets as having built in, already, nearly all the effects on gilt yields of the likely increases in Bank Rate and the poor inflation outlook but markets are volatile and further whipsawing of gilt yields across the whole spectrum of the curve is possible.

The Balance of Risks to the UK Economy

- 2.6.10 The overall balance of risks to economic growth in the UK is to the downside. Indeed, the Bank of England projected two years of negative growth in their November Quarterly Monetary Policy Report.

Downside risks to current forecasts for UK gilt yields and PWLB rates include:

1. **Labour and supply shortages** prove more enduring and disruptive and depress economic activity (accepting that in the near-term this is also an upside risk to inflation and, thus, rising gilt yields).
2. **The Bank of England** acts too quickly, or too far, over the next two years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
3. **UK / EU trade arrangements** – if there was a major impact on trade flows and financial services due to complications or lack of co-operation in sorting out significant remaining issues.
4. **Geopolitical risks**, for example in Ukraine/Russia, China/Taiwan/US, Iran, North Korea and Middle Eastern countries, which could lead to increasing safe-haven flows.

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

1. **The Bank of England is too slow** in its pace and strength of increases in Bank Rate and, therefore, allows inflationary pressures to build up too strongly and for a longer period within the UK economy, which then necessitates an even more rapid series of increases in Bank Rate faster than we currently expect.
2. **The Government** acts too slowly to increase taxes and/or cut expenditure to balance the public finances, in the light of the cost-of-living squeeze.
3. **The pound weakens** because of a lack of confidence in the UK Government's fiscal policies, resulting in investors pricing in a risk premium for holding UK sovereign debt.
4. Longer term **US treasury yields** rise strongly, if inflation numbers disappoint on the upside, and pull gilt yields up higher than currently forecast.

Borrowing advice

- 2.6.11 The Link long-term (beyond 10 years) forecast for Bank Rate stands at 2.5%. As all PWLB certainty rates are now above this level, borrowing strategies will need to be reviewed in that context. Better value can generally be obtained at the shorter end of the curve and short-dated fixed Local Authority to Local Authority monies should be considered. Temporary borrowing rates are likely, however, to remain near Bank Rate and may also prove attractive whilst the market waits for inflation, and therein gilt yields, to drop back later in 2023.

2.7 Borrowing strategy

2.7.1 The factors that influence the 2023/24 strategy are:

- The movement in CFR as set out in Table 3;
- Forthcoming 'Option' dates on £60.5m of Lender Option Borrower Option loans (LOBO's) in 2023/24;
- The interest rate forecasts (set out in Table 10);
- Aiming to minimise revenue costs to reduce the impact on the Council Tax Requirement; and
- The impact of the Council's Capital Programme.

2.7.2 The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (CFR) has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as medium and longer dated borrowing rates are expected to fall from their current levels once prevailing inflation concerns are addressed by tighter near-term monetary policy. That is, Bank Rate increases over the remainder of 2022 and the first half of 2023.

2.7.3 Against this background and the risks within the economic forecast, caution will be adopted with 2023/24 treasury operations. The Treasury Management team will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances so that:

- if it was considered that there was a significant risk of a sharp fall in interest rates, then long term borrowing will be postponed.
- if it was considered that there was a significant risk of a much sharper rise in borrowing rates than that currently forecast, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.

2.7.4 The forecast gross borrowing requirement in Table 6 at 2.4.3 above shows, based on current estimates, that the Council will need to drawdown a significant amount of new borrowing, to support the capital programme. Any additional borrowing will be completed with regard to the limits, indicators and interest rate forecasts set out above. As noted earlier, initial estimates of borrowing have changed in previous years due to the reprofiling of the capital programme once the financial year has begun.

2.7.5 During 2023/24, £60.5m of LOBO (Lender Option Borrower Option) debt will reach the option renewal date. Table 11 below, sets out the maturity structure of fixed rate debt. At the renewal date the loans will either:

- Move to the option rate of interest, which in all cases will be the same as the current rate; or
- Be offered at a rate above the option rate, in which case the Council has the option to repay. This would then require refinancing at the prevailing market rates.

Table 11 - Maturity Structure of Fixed Rate Debt

Maturity Structure of fixed interest rate debt	2023/24 Actual
Under 12 months	37.74%
12 months and within 24 months	0.00%
24 months and within 5 years	20.19%
5 years and within 10 years	4.81%
10 years to 20 years	3.11%
20 years to 30 years	3.11%
30 years to 40 years	3.11%
40 years to 50 years	15.53%
50 years to 60 years	12.42%

- 2.7.6 Due to the current interest rate forecast there is a possibility that some of these LOBO loans will be called.
- 2.7.7 The 2023/24 Capital Programme now shows anticipated prudential borrowing of £59.041m with £63.721m in 2024/25, £40.008m in 2025/26. These figures have been reflected in this report and factored into the borrowing strategy for 2023/24 and future years.
- 2.7.8 Members are advised that indicators for interest rate exposure are no longer a requirement under the Treasury Management Code. However, as interest rate exposure risk is an important issue, officers will continue to monitor the balance between fixed and variable interest rates for borrowing and investments. This will aim to ensure the Council is not exposed to adverse fluctuations in fixed or variable rate interest rate movements.
- 2.7.9 This is likely to reflect higher fixed interest rate borrowing if the borrowing need is high or fixed interest rates are likely to increase, or a higher variable rate exposure if fixed interest rates are expected to fall. Conversely if shorter term interest rates are likely to fall, investments may be fixed earlier, or kept shorter if short term investments are expected to rise.
- 2.7.10 The balance between variable rate debt and variable rate investments will be monitored as part of the overall treasury function in the context of the overall financial instruments structure and any under or over borrowing positions.
- 2.8 Policy on Borrowing in Advance of Need
- 2.8.1 The Council will not borrow more than or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved CFR estimates and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds. Any borrowing will follow the most recent guidance issued by CIPFA.
- 2.8.2 Borrowing in advance will be made within the constraint that the Council would not look to borrow more than 24 months in advance of need.
- 2.8.3 Risks associated with any borrowing in advance of activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting arrangements.

2.9 Debt Rescheduling

2.9.1 Rescheduling of current borrowing in our debt portfolio is unlikely to occur as there is still a very large difference between premature redemption rates and new borrowing rates.

2.9.2 The reasons for any rescheduling to take place will include:

- the generation of cash savings and/ or discounted cash flow savings;
- helping to fulfil the treasury strategy;
- enhancing the balance of the portfolio (amending the maturity profile and/or the balance of volatility).

2.9.3 All re-scheduling will be reported to the Audit Committee, Cabinet and Council at the earliest meeting following its action.

2.10 New Financial Institutions as a Source of Borrowing

2.10.1 Currently the PWLB Certainty Rate is set at gilts + 80 basis points. However, consideration will still be given to sourcing funding from the following:

- Local Authorities (primarily shorter dated maturities).
- Financial institutions (primarily insurance companies and pension funds but also some banks, out of forward dates where the objectives is to avoid a “cost of carry” or to achieve refinancing certainty over the next few years).
- UK Municipal Bonds Agency. Members will recall that the Council has invested £0.100m in the UKMBA and would seek to make use of this source of borrowing as and when appropriate.

2.10.2 The degree which any of these options proves cheaper than the PWLB Certainty Rate is still evolving, however, all funding options will be fully evaluated, and the most appropriate option will be taken. The Link Group, the Council’s treasury advisors, will keep the Council informed regarding different options available when borrowing is undertaken.

Approved Sources of Long and Short-term Borrowing

2.10.3 The table below is a new requirement for 2023/24 and shows sources of borrowing that the Council may use and whether the related interest rates are fixed or variable.

Table 12 - Approved sources of long and short term borrowing

On Balance Sheet	Fixed	Variable
PWLB	✓	✓
Municipal Bonds Agency	✓	✓
Local Authorities	✓	✓
Banks	✓	✓
Pension Funds	✓	✓
Insurance Companies	✓	✓
UK Infrastructure Bank	✓	✓
Market (long-term)	✓	✓
Market (temporary)	✓	✓
Market (LOBOs)	✓	✓
Stock issues	✓	✓
Local Temporary Borrowing	✓	✓
Local Bonds	✓	
Local Authority Bills	✓	✓
Overdraft		✓
Negotiable Bonds	✓	✓
Internal (capital receipts & revenue balances)	✓	✓
Commercial Paper	✓	
Medium Term Notes	✓	
Finance Leases	✓	✓

2.11 Annual Investment Strategy

Investment Policy – Management of Risk

2.11.1 The DLUHC and CIPFA have extended the meaning of ‘investments’ to include both financial and non-financial investments. This report deals solely with financial investments, (as managed by the Treasury Management Team). Non-financial investments, essentially the purchase of income yielding assets, are covered in the Capital Strategy.

The Council’s investment policy has regard to the following:

- DLUHC’s Guidance on Local Government Investments (“the Guidance”);
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 (“the Code”); and
- CIPFA Treasury Management Guidance Notes 2021.

2.11.2 The Council’s investment priorities will be:

- firstly, the security of capital;
- secondly, the liquidity of its investments;
- thirdly, the optimum return on its investments commensurate with proper levels of security and liquidity; and
- finally, ethical investments.

- 2.11.3 In the current economic climate it is considered appropriate to maintain a degree of liquidity to cover cash flow needs but to also consider “laddering” investments for periods up to 12 months with high credit rated financial institutions, whilst investment rates remain elevated, as well as wider range fund options.
- 2.11.4 The above guidance from the DLUHC and CIPFA places a high priority on the management of risk. This Authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -
- Minimum acceptable credit criteria are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.
 - Other information: ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Council will engage with its advisors to maintain a monitor on market pricing such as “credit default swaps” and overlay that information on top of the credit ratings.
 - Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
- 2.11.5 This report defines the list of types of investment instruments that the treasury management team are authorised to use. There are two lists in Appendix 5 under the categories of ‘specified’ and ‘non-specified’ investments.
- Specified investments are those with a high level of credit quality and subject to a maturity limit of one year or have less than a year left to run to maturity if originally, they were classified as being non-specified investments solely due to the maturity period exceeding one year.
 - Non-specified investments are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by Members and officers before being authorised for use.
- 2.11.6 For non-specified investments, the Council has determined that it will limit the maximum total exposure to non-specified investments as being 50% of the total investment portfolio.
- 2.11.7 Lending limits, (amounts and maturity), for each counterparty, will be set through applying the matrix table in paragraph 2.12.3.
- 2.11.8 Transaction limits are set for each type of investment in 2.12.3.
- 2.11.9 The Council has set a limit for the amount of its investments which are invested for longer than 365 days, (see paragraph 2.14.8).
- 2.11.10 Investments will only be placed with counterparties from countries with a specified minimum sovereign rating, (see paragraph 2.13.2) and Appendix 6.

- 2.11.11 The Council has engaged external consultants, (see paragraph 1.10), to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of the Council in the context of the expected level of cash balances and need for liquidity throughout the year.
- 2.11.12 All investments will be denominated in sterling.
- 2.11.13 As a result of the change in accounting standards for 2022/23 under International Financial Reporting Standard (IFRS) 9, consideration will be given to the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. In November 2018, the Government concluded a consultation for a temporary override to allow English Local Authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years commencing from April 2018, ending March 2023. This has been extended for a further 2 years until 31 March 2025. (See paragraph 2.16.5).
- 2.11.14 However, the Council will also pursue value for money in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance, (see paragraph 2.15). Regular monitoring of investment performance will be carried out during the year.
- 2.11.15 The risk management criteria are unchanged from 2022/23.

2.12 Creditworthiness policy

- 2.12.1 Oldham Council utilises the creditworthiness service provided by the Link Group. This service employs a sophisticated modelling approach, utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor. The credit ratings of counterparties are supplemented with the following overlays:
- credit watches and credit outlooks from credit rating agencies;
 - Credit Default Swap (CDS) spreads to give early warning of likely changes in credit ratings;
 - sovereign ratings to select counterparties from only the most creditworthy countries.
- 2.12.2 This modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the duration and maximum investment value for each counterparty.
- 2.12.3 Institutions are split into colour bandings and the Council will therefore use counterparties within these colours, durational bands and investment limits. Table 13 below shows these limits.

Table 13 - Investment Criteria

Counter Party	Link Colour Band and Long Term Rating where applicable	Maximum Duration	Maximum Principal Invested per Counterparty
Banks	Yellow (Note 1)	5 Years	£10m
Banks	Dark Pink (Note 2)	5 Years	£10m
Banks	Light Pink (Note 3)	5 Years	£10m
Banks	Purple	2 Years	£20m
Banks	Blue (Note 4)	1 Year	£20m
Banks	Orange (Note 5)	1 Year	£15m
Banks	Red	6 months	£10m
Banks	Green	100 days	£10m
Banks	No Colour	Not to be used	Not to be used
Local Authorities/ Public Bodies	Internal Due Diligence	5 Years	£10m
GMCA	Internal Due Diligence (Note 6)	5 Years	£30m
Debt Management Account Deposit Facility (DMADF)	UK Sovereign rating	6 months	£40m
	Fund Rating	Maximum Duration	Maximum Principal Invested per Counterparty
Money Market Fund			
Constant	AAA	Liquid	£20m
Low Volatile	AAA	Liquid	£20m
Variable	AAA	Liquid	£20m

Note 1 – UK Government debt or equivalent

Note 2 – Enhanced money market funds (EMMF) with a credit score of 1.25

Note 3 – Enhanced money market funds (EMMF) with a credit score of 1.5

Note 4 - Blue Institutions – only applies to nationalised or semi nationalised UK Banks, which currently include the RBS Group (Royal Bank of Scotland, NatWest Bank and Ulster Bank).

Note 5 - Includes the Council's banking provider (currently Barclays), if it currently falls into a category below this colour band.

Note 6 – The higher maximum principal is to facilitate joint initiatives and activities related to the devolution agenda.

2.12.4 The Link Group creditworthiness service uses a wider array of information than just primary ratings and by using a risk weighted scoring system, does not give undue preponderance to just one agency's ratings.

2.12.5 Typically the minimum credit ratings criteria the Council uses will be a Short-Term rating (Fitch or equivalents) of F1 and a Long-Term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but

may still be used. In this instance consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

2.12.6 All credit ratings will be monitored on a weekly basis. The Council is alerted to changes to ratings of all three agencies through its use of the Link Group creditworthiness service.

- If a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment option will be withdrawn or notice given to withdraw immediately.
- In addition to the use of credit ratings the Council will be advised of information in movements in the Credit Default Swap Index against the iTraxx benchmark and other market data on a daily basis via its Passport website, provided exclusively to it by the Link Group. Extreme market movements may result in the downgrading of an institution or its removal from the Council's lending list.

2.12.7 Sole reliance will not be placed on the use of this external service. In addition, the Council will also use market data and market information and information on any external support banks to help support the decision-making process.

Creditworthiness

2.12.8 Significant levels of downgrades to Short and Long-Term credit ratings have not materialised since the crisis in March 2020. In the main, where they did change, any alterations were limited to Outlooks. However, more recently the UK sovereign debt rating has been placed on Negative Outlook by the three major rating agencies in the wake of the Truss/Kwarteng unfunded tax-cuts policy. Although the Sunak/Hunt Government has calmed markets, the outcome of the rating agency reviews is unknown at present, but it is possible the UK sovereign debt rating will be downgraded. Accordingly, when setting minimum sovereign debt ratings, this Authority will not set a minimum rating for the UK.

CDS Price

2.12.9 Although bank CDS prices (these are market indicators of credit risk), spiked upwards during the days of the Truss/Kwarteng Government, they have returned to more average levels since then. However, sentiment can easily shift, so it will remain important to undertake continual monitoring of all aspects of risk and return in the current circumstances. Link monitors CDS prices as part of their creditworthiness service to Local Authorities and the Authority has access to this information via its Link-provided Passport portal.

2.13 Country and Sector Limits

2.13.1 It is not proposed to restrict the Council's investment policy to only UK Banks and Building Societies. In addition to the credit rating criteria set out above consideration will be given to the sovereign rating of the country before any investment is made.

2.13.2 The Council has determined that it will only use approved counterparties from the UK and from other countries with a minimum sovereign credit rating of AAA from Fitch (or equivalent). The list of countries that qualify using this credit criteria as at the date of this report are shown in Appendix 6. This list will be amended by officers should ratings change in accordance with this policy, therefore for illustrative purposes the appended list is extended to also show AA-. It is important to note that although able to, the Council has chosen not to invest overseas in recent years.

- 2.13.3 The Council has determined that it will limit the maximum total exposure of treasury management investments to non-specified treasury management investments as being 50% (as mentioned in 2.11.6) of the total treasury management investment portfolio.
- 2.13.4 Investment limits in place above will apply to a group of companies and not individual institutions.
- 2.13.5 Sector limits will continuously be monitored to ensure appropriateness.

2.14 Investment Strategy

- 2.14.1 Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e., rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. The current shape of the yield curve suggests that is the case at present, but there is the prospect of Bank Rate peaking in the first half of 2023 and possibly reducing as early as the latter part of 2023 so an agile investment strategy would be appropriate to optimise returns.
- 2.14.2 Accordingly, while most cash balances are required in order to manage the ups and downs of cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer-term investments will be carefully assessed.
- 2.14.3 The Council currently has four investments totalling £20m which span the financial years 2022/23 and 2023/24 as shown in Table 14.

Table 14 - The Investment maturing in 2023/24

Counterparty	Amount £	Maturity Date	Rate
Stirling Council	5,000,000	22/05/23	3.40%
Close Brothers	5,000,000	25/05/23	4.00%
Wrexham BC	5,000,000	22/06/23	3.50%
Close Brothers	5,000,000	29/06/23	4.10%
Total	£20,000,000		

- 2.14.4 The current forecast shown in paragraph 2.6.1, includes a further increase of the Bank Rate in March 2023. There are expected to be further changes during 2023 with Bank Rate reaching 4.50% in Q2 2023.
- 2.14.5 The suggested budgeted investment earnings rates for returns on investments placed for periods up to 100 days during each financial year are as follows:
- 2022/23 (remainder) 3.95%
 - 2023/24 4.40%
 - 2024/25 3.30%
 - 2025/26 2.60%
 - 2025/26 2.50%
 - Years 6 to 10 2.80%
 - Year 10 and over 2.80%
- 2.14.6 As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts.

- 2.14.7 For its cash flow generated balances, the Council will seek to utilise its business reserve instant access and notice accounts, money market funds and short-dated deposits, (overnight to 100 days), in order to benefit from the compounding of interest.

Investment Treasury Indicator and Limit

- 2.14.8 This indicator considers total principal funds invested for greater than 365 days. These limits have regard to the Council’s liquidity requirements and reduce the need for the early redemption of investments and are based on the availability of funds after each year end.

Table 15 – Maximum principal sum invested greater than 365 days

Upper Limit for principal sums invested for longer than 365 days	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
Principal sums invested for longer than 365 days	£50m	£50m	£50m	£50m
Current investments as at January 2023 in excess of 1 year	£15m	£15m	£15m	£15m

2.15 Investment Risk Benchmarking

- 2.15.1 These benchmarks provide simple guides to maximum risk, and may be breached from time to time, depending on movements in interest rates and counterparty criteria. These benchmarks provide officers with a baseline against which current and trend positions can be monitored. It may be necessary to amend the operational strategy to manage risk as conditions change. Any breach of the benchmarks will be reported, with supporting reasons in the mid-year or Annual Report to Members.

Liquidity – in respect of this area the Council seeks to maintain:

- Liquid short term deposits of at least £10m available with a week’s notice.

- 2.15.2 Yield - local measures of yield benchmarks above SONIA (Sterling Overnight Index Average):

- Investments – internal returns above the 7 day SONIA rate multiplied by 5%
- Investments – internal returns above the 1 month SONIA rate multiplied by 5%
- Investments – internal returns above the 3 month SONIA rate multiplied by 5%
- Investments – internal returns above the 6 month SONIA rate multiplied by 5%
- Investments – internal returns above the 12 month SONIA rate multiplied by 5%

2.16 Other Treasury Management Issues

Environmental, Social & Governance (ESG) Considerations

- 2.16.1 Environmental, Social & Governance (ESG) considerations are becoming an increasingly important topic within the investment community. Whilst around two thirds of Councils have declared a “climate emergency” to date, this has not translated into the incorporation of something more formal within their treasury-related investment strategy. The 2021 changes to the CIPFA Treasury Management Code sees ESG incorporated into Treasury Management Practice (TMP) 1, with the inclusion of the wording, ‘the organisation’s credit and counterparty policies should set out its policy and practices relating to environmental, social and governance (ESG) investment considerations. This is a developing area, and it

is not implied that the organisation's ESG policy will currently include ESG scoring or other real-time ESG criteria at individual investment level".

- 2.16.2 The Council with advice from its treasury advisor, is looking into the impact of including ESG in TMP 1 and must ensure that there is a clear understanding of what "environmental, social and governance (ESG)" investment considerations actually mean, understanding the ESG "risks" that the Council is exposed to and evaluating how well the Council can manage these risks. Members must note that ESG is **not** the same as Socially Responsible Investing and **not** the same as Sustainable Investing (investing in products / companies based on expected sustainable and beneficial societal impact, alongside a financial return).
- 2.16.3 Due to the increasing significance of ESG, the Council's treasury advisors are looking at ways of incorporating these factors into the creditworthiness assessment criteria. Other rating agencies are now exploring how they incorporate ESG risks alongside more traditional financial risk metrics when assessing counterparty ratings. The Council will assess the outcome of this work by the Council's treasury advisors and Credit Agencies and continue to review the options and will update Members accordingly. As no further information is available, it is not practicable to include ESG in the Treasury Management Strategy for 2023/24.

IFRS 9 – English Local Authorities

- 2.16.4 The former MHCLG now the DLUHC, enacted a statutory over-ride from 1 April 2018 for a five-year period until 31 March 2023 following the introduction of International Financial Reporting Standard (IFRS) 9. The override related to the requirement for any unrealised capital gains or losses on marketable pooled funds to be chargeable in year. This has the effect of allowing any unrealised capital gains or losses arising from qualifying investments to be held on the balance sheet until 31 March 2023. The intension was to allow Authorities to initiate an orderly withdrawal of funds if required, to mitigate any potential impact following the introduction of IFRS 9.
- 2.16.5 DLUHC launched an 8-week consultation on the future of the IFRS 9 statutory override from 11 August 2022 to 7 October 2022. The aim of this consultation was to collect the views of Authorities and other stakeholders, and to collect additional information needed to understand the financial risks associated with both continuing the statutory override or allowing reversion to the Code of Practice on Local Authority Accounting. The responses to the consultation have now been considered and Ministers have decided to extend the existing IFRS 9 statutory accounting override for a further 2 years until 31 March 2025. DLUHC will publish the Government's full response to the consultation early 2023.

3 Options/Alternatives

- 3.1 In order to comply with the CIPFA Code of Practice on Treasury Management, the Policy Overview and Scrutiny Committee is requested to scrutinise and comment upon the content of this report. Therefore, no options/alternatives have been presented.

4 Preferred Option

- 4.1 The preferred option is that the Policy Overview and Scrutiny Committee considers the report and advises of any comments.

5 Consultation

- 5.1 There has been consultation with The Link Group, the Council's Treasury Management Advisors. The consideration of the Treasury Management Strategy for 2023/24 by the Policy

Overview and Scrutiny Committee is a key strand in the consultation process. The report has also been scrutinised by the Audit Committee at its meeting on 16 January 2023. The Audit Committee was content to recommend the report to Cabinet and Council for approval.

6 Financial Implications

6.1 Financial Implications are detailed within the report.

7 Legal Services Comments

7.1 There are no legal implications.

8 Co-operative Agenda

8.1 The Treasury Management strategy embraces the Council's cooperative agenda. The Council will develop its investment framework to ensure it complements the co-operative ethos of the Council.

9 Human Resources Comments

9.1 There are no Human Resource Implications.

10 Risk Assessments

10.1 There are considerable risks to the security of the Authority's resources if appropriate Treasury Management strategies and policies are not adopted and followed. The Council has established good practice in relation to Treasury Management which has previously been acknowledged in the Internal and External Auditors' reports presented to the Audit Committee. An issue dependent upon market developments, which may need to be considered in the future, is refinancing some of the long-term loans. This can be mitigated by effective monitoring of the market.

11 IT Implications

11.1 There are no IT Implications.

12 Property Implications

12.1 There are no Property Implications.

13 Procurement Implications

13.1 There are no Procurement Implications.

14 Environmental and Health & Safety Implications

14.1 There are no Environmental and Health & Safety Implications.

15 Equality, community cohesion and crime implications

15.1 There are no Equality, community cohesion and crime implications.

16 Equality Impact Assessment Completed?

16.1 No

17 Key Decision

17.1 Yes

18 Key Decision Reference

18.1 FLC-26-22

19 Background Papers

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

File Ref: Background papers are provided in Appendices 1 - 8
Officer Name: Lee Walsh / Talei Whitmore
Contact No: 0161 770 6608 / 4924

20 Appendices

Appendix 1 Minimum Revenue Provision (MRP) Policy Statement
Appendix 2 Prudential and Treasury Indicators 2023/24 – 2024/25
Appendix 3 Link Group – Interest Rate Forecasts 2022 – 2025
Appendix 4 Economic Background
Appendix 5 Treasury Management Practice (TMP1) – Credit and Counterparty Risk Management
Appendix 6 Approved Countries for Investments
Appendix 7 Treasury Management Scheme of Delegation
Appendix 8 Treasury Management Role of the Statutory Chief Finance Officer (Director of Finance)

Appendix 1 – Minimum Revenue Provision (MRP) Policy Statement

1.1 General Principles and Practices

1.1.1 Local Authorities are required to set aside ‘prudent’ provision for debt repayment where they have used borrowing or credit arrangements to finance capital expenditure. Department of Levelling Up, Housing and Communities (DLUHC) (formerly the Ministry for Housing, Communities and Local Government (MHCLG) regulations require the full MRP Statement to be decided upon at least annually and reported to the Council Meeting. The Council has to ensure that the chosen options are prudent.

1.2 Link to Asset Life/Economic Benefit

1.2.1 Where capital expenditure on an asset is financed wholly or partly by borrowing or credit arrangements, MRP will normally be determined by reference to asset life, economic benefit or MHCLG/DLUHC Guidance.

1.2.2 To the extent that expenditure cannot be linked to the creation/enhancement of an asset and is of a type that is subject to estimated life periods that are referred to in the DLUHC/MHCLG guidance (paragraph 24), these periods will generally be adopted by the Council.

1.2.3 Where certain types of capital expenditure incurred by the Council are not capable of being related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure.

1.2.4 Whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of expenditure and will only be divided up in cases where there are two or more major components with substantially different useful economic lives.

1.3 Methods for Calculating MRP

1.3.1 Any of the methods for calculating MRP that are set out below may be used. MRP will commence in the financial year after the completion of assets rather than when expenditure is incurred. All methods, with the exception of the approach taken to Previously Supported General Fund Borrowing are based on Asset Life/Economic Benefit. These methods include but are not limited to:

The Annuity Method

1.3.2 This calculation seeks to ensure the revenue account bears an equal annual charge (for principal and interest) over the life of the asset by taking account of the time value of money. Since MRP relates only to ‘principal’, the amount of provision made annually gradually increases during the life of the asset. The interest rate used in annuity calculations will be referenced to either prevailing or average PWLB rates.

Equal Instalments of Principal

1.3.3 MRP is an equal annual charge calculated by dividing the original amount of borrowing by the useful life of the asset.

Previously Supported General Fund Borrowing

1.3.4 General Fund Borrowing that was previously supported through the Revenue Support Grant (RSG) system will be provided for in equal annual instalments over a 50 year period

commencing 1 April 2016. As at 1 April 2016, the value of this borrowing equalled £134,376,866 and results in an equal annual minimum revenue provision of £2,742,385; the final instalment of which will be provided for by no later than 31 March 2066. In the event of:

- transfers of Capital Financing Requirement between the General Fund element and Housing element;
- additional voluntary revenue provision being made

the annual MRP charge will be adjusted to ensure that full provision will continue to be made by no later than 31 March 2066.

Bespoke Repayment Profiles:

- 1.3.5 With regard to credit arrangements that are implicit in Finance Lease or PFI arrangements, any 'debt' repayment element (notional or otherwise) included in charges associated with these arrangements will be classified as MRP.

1.4 Voluntary Revenue Provision

- 1.4.1 The Council has the option of making additional Voluntary Revenue Provision (VRP) in addition to MRP. The Council may treat VRP as 'up-front' provision (having a similar impact to the early repayment of debt) and thus recalculate future MRP charges accordingly. Where the Council has made additional VRP's for debt repayment in previous years, in year MRP charges may be adjusted to reflect this provided it does not result in a negative MRP charge. To the extent charges are adjusted, current and future year's charges will be recalculated to ensure the Council continues to make prudent provision for debt repayment in relation to historic capital expenditure. The Council may in some circumstances apply VRP to relatively short-life assets/expenditure in order to facilitate a reduction in the future base revenue budget needed to fund capital financing costs.

1.5 Local Exceptions to the Guidance

- 1.5.1 The Council reserves the right to determine useful life periods and prudent MRP in certain circumstances or where the recommendations of the DLUHC/ MHCLG guidance are not appropriate to local circumstances. Examples include:

Assets Under Construction

- 1.5.2 No MRP charge will be made until the financial year after that in which an item of capital expenditure is fully incurred and, in the case of a new asset, comes into service use.

Local Authority Mortgage Scheme (LAMS)

- 1.5.3 The Council operated a Local Authority Mortgage Scheme (LAMS) using the cash backed option. The mortgage lenders require a five-year deposit from the Local Authority to match the five-year life of the indemnity. The deposit placed with the mortgage lender provides an integral part of the mortgage lending and is treated as capital expenditure and a loan to a third party. The CFR will increase by the amount of the total indemnity. The cash advance is due to be returned in full at maturity, with interest paid annually. Once the cash advance matures and funds are returned to the Local Authority, the returned funds are classed as a capital receipt, which will be applied to reduce the CFR. As this is a temporary (five years) arrangement and the funds will be returned in full, there is no need to set aside MRP to repay the debt liability in the interim period. All previous LAMS schemes are now

completed, with the deposits repaid in full. However, the option is still available should the Council see it as a corporate priority.

Loans to Third Parties

- 1.5.4 The Council has considered the Statutory Guidance, which recommends a 25 year repayment charge for loans to third parties and concluded that provision is not necessary. The Council considers an MRP charge is not necessary in respect of any loans made to third parties as the debt liability is covered by the existence of a debtor and the associated obligation to make repayments. Any loans given are subject to substantial due diligence process by both internal officers and were appropriate external advisors.
- 1.6 HRA Capital Financing Requirement (CFR)
 - 1.6.1 MRP will equal the amount determined in accordance with the former regulations 28 and 29 of the 2003 Regulations (SI 2003/3146) as if they had not been revoked. This approach is consistent with paragraph 7 of the DLUHC/MHCLG Guidance on MRP.
 - 1.6.2 The basic MRP charge relating to the HRA CFR is nil. However, the Council may make 'Voluntary Revenue Provision' provided such an approach is prudent and appropriate in the context of financing the HRA capital programme and is consistent with the delivery of the HRA Business Plan.

Appendix 2 Prudential and Treasury Indicators 2023/24 – 2025/26

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist Members' overview and confirm capital expenditure plans.

Capital expenditure

Capital Expenditure	2021/22 Actual £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
Corporate Services	2,003	2,500	4,238	2,738	234
Corporate / Information Technology	4,424	3,701	5,957	3,960	2,650
Children's Services	45,436	6,711	9,930	4,522	1,691
Communities & Reform	179	196	400	100	0
Community Health & Adult Social Care	2,439	2,365	2,343	2,343	1,826
Place and Economic Growth	21,828	43,640	71,148	69,051	24,540
Funding for Emerging Priorities	0	0	1,493	15,624	13,836
General Fund Services	76,309	59,113	95,509	98,338	44,755
Housing Revenue Account (HRA)	680	0	1,000	500	95
HRA	680	0	1,000	500	95
Commercial Activities / Non-Financial Investments *	0	0	0	0	0
Commercial Activities / Non-Financial Investments	0	0	0	0	0
Total	76,989	59,113	96,509	98,838	44,850

* Relate to areas such as capital expenditure on investment properties, loans to third parties, purchase of equity shares etc.

Members are asked to consider the following indicators:

Affordability prudential indicators

The table above presents the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Council's overall finances.

Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital, (borrowing and other long-term obligation costs net of investment income), against the net revenue stream.

	2021/22 Actual £'000	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
General Fund excluding DSG*	9.65%	9.63%	11.19%	12.27%	12.89%

*Dedicated Schools Grant

The estimates of financing costs include anticipated current commitments

Maturity structure of borrowing

Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing and are required for upper and lower limits.

Members are asked to consider the following treasury indicators and limits:

Maturity Structure of fixed interest rate debt 2023/24	Lower Limit	Upper Limit
Under 12 months	0.00%	40.00%
12 months and within 24 months	0.00%	40.00%
24 months and within 5 years	0.00%	40.00%
5 years and within 10 years	0.00%	40.00%
10 years to 20 years	0.00%	50.00%
20 years to 30 years	0.00%	50.00%
30 years to 40 years	0.00%	50.00%
40 years to 50 years	0.00%	50.00%
50 years to 60 years	0.00%	50.00%

Control of interest rate exposure

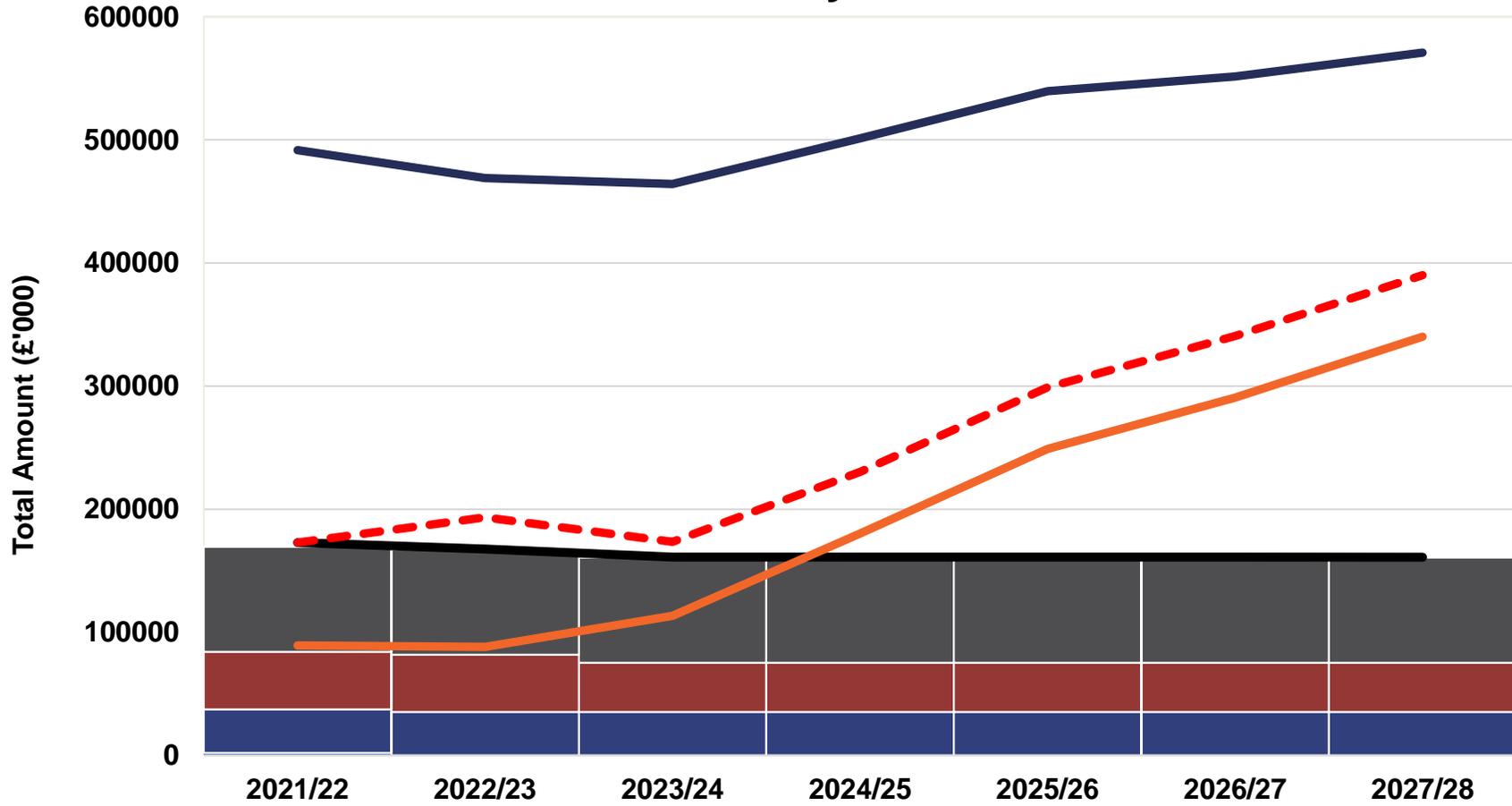
Members are advised that indicators for interest rate exposure are no longer a requirement under the new Treasury Management Code. However, as interest rate exposure risk is an important issue, officers will continue to monitor the balance between fixed and variable interest rates for borrowing and investments. This will aim to ensure the Council is not exposed to adverse fluctuations in fixed or variable rate interest rate movements.

This is likely to reflect higher fixed interest rate borrowing if the borrowing need is high or fixed interest rates are likely to increase, or a higher variable rate exposure if fixed interest rates are expected to fall. Conversely if shorter term interest rates are likely to fall, investments may be fixed earlier, or kept shorter if short term investments are expected to rise.

The balance between variable rate debt and variable rate investments will be monitored as part of the overall treasury function in the context of the overall financial instruments structure and any under or over borrowing positions.

Liabilty Benchmark

Liability Benchmark



- Short Term inc LA Temporary Borrowing (<1 year)
- Market Loans (excl LOBO loans)
- Financial Year End
- Existing Loan Debt Outstanding
- Loans CFR
- LOBO Loans
- PWLB Loans
- Variable rate loans
- Net Loans Requirement (forecast net loan debt)
- Liability Benchmark (Gross Loans Requirement)

Appendix 3 - Interest Rate Forecasts 2022 – 2025

PWLB forecasts shown below have taken into account the 20 basis point certainty rate reduction effective as of the 1st November 2022.

Link Group Interest Rate View 08.11.22													
	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
BANK RATE	3.50	4.25	4.50	4.50	4.50	4.00	3.75	3.50	3.25	3.00	2.75	2.50	2.50
3 month ave earnings	3.60	4.30	4.50	4.50	4.50	4.00	3.80	3.30	3.00	3.00	2.80	2.50	2.50
6 month ave earnings	4.20	4.50	4.60	4.50	4.20	4.10	3.90	3.40	3.10	3.00	2.90	2.60	2.60
12 month ave earnings	4.70	4.70	4.70	4.50	4.30	4.20	4.00	3.50	3.20	3.10	3.00	2.70	2.70
5 yr PWLB	4.30	4.30	4.20	4.10	4.00	3.90	3.80	3.60	3.50	3.40	3.30	3.20	3.10
10 yr PWLB	4.50	4.50	4.40	4.30	4.20	4.00	3.90	3.70	3.60	3.50	3.40	3.30	3.20
25 yr PWLB	4.70	4.70	4.60	4.50	4.40	4.30	4.10	4.00	3.90	3.70	3.60	3.50	3.50
50 yr PWLB	4.30	4.40	4.30	4.20	4.10	4.00	3.80	3.70	3.60	3.40	3.30	3.20	3.20

Appendix 4: Economic Background

Set out below is a more detailed analysis of the Economic Background used to support the preparation of the 2023/24 Treasury Management Strategy Statement.

Against a backdrop of stubborn inflationary pressures, the easing of COVID restrictions in most developed economies, the Russian invasion of Ukraine, and a range of different UK Government policies, it is no surprise that UK interest rates have been volatile right across the curve, from Bank Rate through to 50-year gilt yields, for all of 2022.

Market commentators' misplaced optimism around inflation has been the root cause of the rout in the bond markets with, for example, UK, Eurozone (EZ) and US 10-year yields all rising by over 200 basis points (bps) since the turn of the year. The table below provides a snapshot of the conundrum facing central banks: inflation is elevated but labour markets are extra-ordinarily tight, making it an issue of fine judgment as to how far monetary policy needs to tighten.

	UK	Eurozone	US
Bank Rate	3.0%	1.5%	3.75%-4.00%
GDP	-0.2%q/q Q3 (2.4%/y/y)	+0.2%q/q Q3 (2.1%/y/y)	2.6% Q3 Annualised
Inflation	11.1%/y/y (Oct)	10.0%/y/y (Nov)	7.7%/y/y (Oct)
Unemployment Rate	3.6% (Sep)	6.6% (Sep)	3.7% (Aug)

Quarter 2 (Q2) of 2022 saw UK Gross Domestic Product (GDP) revised upwards to +0.2% quarter on quarter (q/q), but this was quickly reversed in the third quarter, albeit some of the fall in GDP can be attributed to the extra Bank Holiday in the wake of the Queen's passing. Nevertheless, Consumer Price Index (CPI) inflation has picked up to what should be a peak reading of 11.1% in October 2022, although with further increases in the gas and electricity price caps pencilled in for April 2023, and the cap potentially rising from an average of £2,500 to £3,000 per household, there is still a possibility that inflation will spike higher again before dropping back slowly through 2023.

The UK unemployment rate fell to a 48-year low of 3.6%, and this despite a net migration increase of c500k. The fact is that with many economic participants registered as long-term sick, the UK labour force actually reduced by c500k in the year to June. Without an increase in the labour force participation rate, it is hard to see how the UK economy will be able to grow its way to prosperity, and with average wage increases running at 5.5% - 6% the MPC will be concerned that wage inflation will prove just as sticky as major supply-side shocks to food and energy that have endured since Russia's invasion of Ukraine on 22 February 2022.

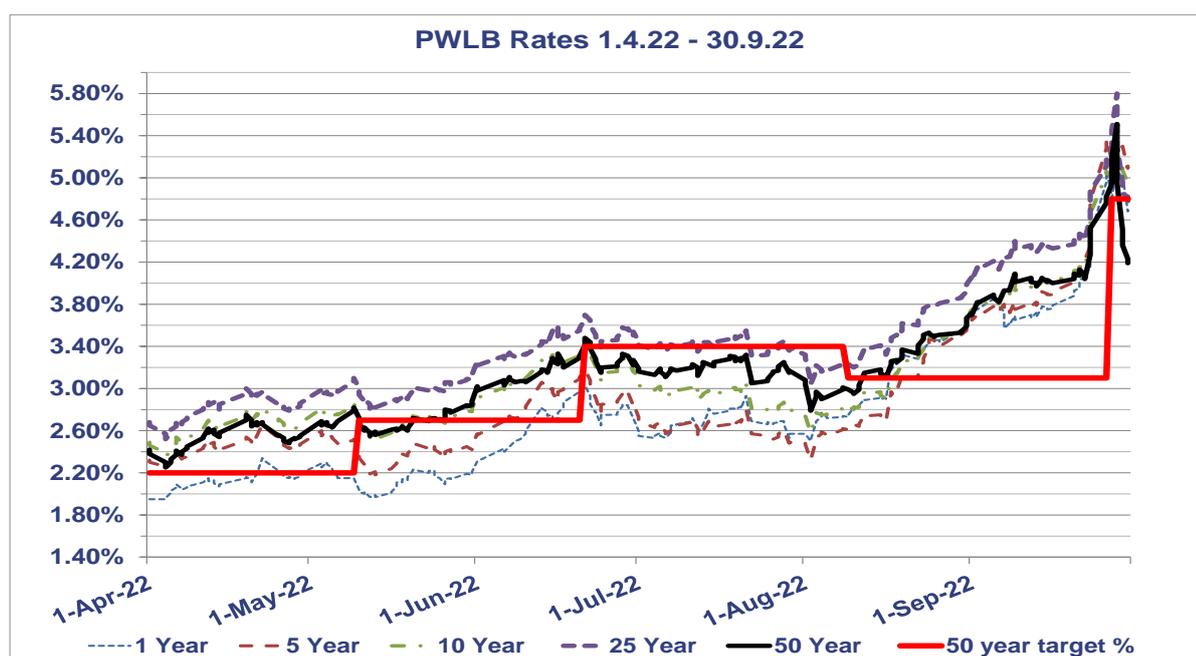
Throughout Quarter 3 (Q3) Bank Rate increased, finishing the quarter at 2.25% (an increase of 1%). Quarter 4 (Q4) has seen rates rise to 3% in November and the market expects Bank Rate to hit 4.5% by May 2023.

Following a Conservative Party leadership contest, Liz Truss became Prime Minister for a tumultuous seven weeks that ran through September and October 2022. Put simply, the markets did not like the unfunded tax-cutting and heavy spending policies put forward by her Chancellor Kwasi Kwarteng, and their reign lasted barely seven weeks before being replaced by Prime Minister Rishi Sunak and Chancellor Jeremy Hunt. Their Autumn Statement of 17th November gave rise to a net £55bn fiscal tightening, although much of the "heavy lifting" has been left for the next Parliament to deliver. However, the markets liked what they heard, and UK gilt yields have completely reversed the increases seen under the previous tenants of No10/11 Downing Street.

Globally, though, all the major economies are expected to struggle in the near term. The fall below 50 in the composite Purchasing Manager Indices for the UK, US, EZ and China all point to at least one if not more quarters of GDP contraction. In November, the MPC projected eight quarters of negative growth for the UK lasting throughout 2023 and 2024, but with Bank Rate set to peak at lower levels than previously priced in by the markets and the fiscal tightening deferred to some extent, it is not clear that things will be as bad as first anticipated by the Bank.

Sterling has strengthened of late, recovering from a record low of \$1.035, on the Monday following the Truss government's "fiscal event", to \$1.20. Notwithstanding the £'s better run of late, 2023 is likely to see a housing correction of some magnitude as fixed-rate mortgages have moved above 5% and affordability has been squeezed despite proposed Stamp Duty cuts remaining in place.

In the table below, the rise in gilt yields, and therein PWLB rates, through the first half of 2022/23 is clear to see.



However, the peak in rates on 28 September 2022 as illustrated in the table covering April to September 2022 below, has been followed by the whole curve shifting ever lower. PWLB rates at the front end of the curve are generally over 1% lower now whilst the 50 years is over 1.75% lower.

	1 Year	5 Year	10 Year	25 Year	50 Year
Low	1.95%	2.18%	2.36%	2.52%	2.25%
Date	01/04/2022	13/05/2022	04/04/2022	04/04/2022	04/04/2022
High	5.11%	5.44%	5.35%	5.80%	5.51%
Date	28/09/2022	28/09/2022	28/09/2022	28/09/2022	28/09/2022
Average	2.81%	2.92%	3.13%	3.44%	3.17%
Spread	3.16%	3.26%	2.99%	3.28%	3.26%

After a shaky start to the year, the Standard & Poor (S&P) 500 and Financial Times Stock Exchange Group (FTSE) 100 have climbed in recent weeks, albeit the former is still 17% down and the FTSE 2% up. The German DAX is 9% down for the year.

CENTRAL BANK CONCERNS – NOVEMBER 2022

At the start of November, the US Federal Reserve (Fed) decided to push up US rates by 0.75% to a range of 3.75% - 4%, whilst the MPC followed a day later by raising Bank Rate from 2.25% to 3%, in line with market expectations. EZ rates have also increased to 1.5% with further tightening in the pipeline.

Having said that, the press conferences in the US and the UK were very different. In the US, Fed Chair, Jerome Powell, stated that rates will be elevated and stay higher for longer than markets had expected. Governor Bailey, here in the UK, said the opposite and explained that the two economies are positioned very differently so you should not, therefore, expect the same policy or messaging.

Regarding UK market expectations, although they now expect Bank Rate to peak within a lower range of 4.5% - 4.75%, caution is advised as the Bank of England Quarterly Monetary Policy Reports have carried a dovish message over the course of the last year, only for the Bank to have to play catch-up as the inflationary data has proven stronger than expected.

In addition, the Bank's central message that GDP will fall for eight quarters starting with Q3 2022 may prove to be a little pessimistic. Will the £160bn excess savings accumulated by households through the COVID lockdowns provide a spending buffer for the economy – at least to a degree? Ultimately, however, it will not only be inflation data but also employment data that will mostly impact the decision-making process, although any softening in the interest rate outlook in the US may also have an effect (just as, conversely, greater tightening may also).

Appendix 5: Treasury Management Practice (TMP1) – Credit and Counterparty Risk Management

Specified Investments: All such investments will be sterling denominated, with **maturities up to a maximum of 1 year**, meeting the minimum ‘high’ quality criteria where applicable. (Non-specified investments which would be specified investments apart from originally being for a period longer than 12 months, will be classified as being specified once the remaining period to maturity falls to under twelve months.)

Non-specified Investments: These are any investments which do not meet the specified investment criteria. A maximum of 50% will be held in aggregate in non-specified investment

A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made it will fall into one of the above categories.

The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

Specified Investments

	Minimum credit criteria / colour band	** Max % of total investments/ £ limit per institution	Max. maturity period
DMADF – UK Government Debt Management Account Deposit Facility	N/A	£40m	6 months
UK Government Gilts	UK sovereign rating	£20m	12 months
UK Government Treasury Bills	UK sovereign rating	£20m	12 months
Bonds issued by multilateral development banks	AAA	£10m	6 months
Money Market Funds Constant Net Asset Value (CNAV)	AAA	£20m	Liquid
Money Market Funds Low Volatility Net Asset Value (LVNAV)	AAA	£20m	Liquid
Money Market Funds Variable Net Asset Value (VNAV)	AAA	£20m	Liquid
Enhanced Cash Funds with a credit score of 1.25	AAA	£20m	Liquid
Enhanced Cash Funds with a credit score of 1.5	AAA	£20m	Liquid
Local Authorities	Yellow	£10m	12 months
Public Bodies	N/A	£10m	12 months
Term deposits with banks and building societies	Blue Orange Red Green No Colour	£20m £15m £10m £10m Not for use	12 months 12 months 6 months 100 days Not for use

Certificates of Deposits (CDs) or corporate bonds with banks and building societies	Blue Orange Red Green No Colour	£20m £15m £10m £10m Not for use	12 months 12 months 6 months 100 days Not for use
Gilt funds	UK sovereign rating	£10m	12 months
REPO's (Collateralised deposit)	100% Collateral	£5m	12 months
GMCA	Internal Due Diligence	£30m	12 months
GM Public Bodies	Internal Due Diligence	£30m	12 months

Accounting treatment of investments. The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by the Council. To ensure that the Council is protected from any adverse revenue implications, which may arise from these differences, the accounting implications of new transactions will be reviewed before they are undertaken.

Non-specified Investments: A maximum of 50% will be held in aggregate in non-specified investments

Maturities in excess of 1 year

	* Minimum Credit Criteria	Use	£ limit per institution	Max. maturity period
Term deposits – local authorities and other public institutions	Yellow	In-house	£10m	5 years
Term deposits – banks and building societies	Yellow Purple	In-house	£10m £10m	5 years 2 years
Certificates of deposit issued by banks and building societies	Yellow Purple	In-house	£10m £10m	5 years 2 years
Certificates of deposit issued by banks and building societies	Short-term F1 Long-term AA	Fund Managers	£5m	2 years
Collateralised deposit	UK sovereign rating	In-house and Fund Managers	£5m	2 years
UK Government Gilts	UK sovereign rating	In-house and Fund Managers	£10m	5 years
Bonds issued by multilateral development banks	AAA	In-house and Fund Managers	£10m	3 years
Sovereign bond issues (other than the UK Government)	AAA	In-house and Fund Managers	£5m	2 years
Corporate bonds	Short-term F1 Long-term AA	In-house and Fund Managers	£5m	5 years
Green Energy Bonds	Internal Due Diligence	In-house and Fund Managers	£10m	10 years
Property Funds	Internal Due Diligence	In-house	£30m	10 years
Floating Rate Notes	Long Term A	In-house	£5m	5 years
REPO's (Collateralised deposit)	100% Collateral	In-house	£5m	5 years
GMCA	Internal Due Diligence	In-house	£30m	5 years
Covered Bonds	Long term A	In-house	£5m	5 years
UK Municipal Bonds Agency	Internal Due Diligence	In-house	£1m	10 years
Local Authority Fixed Income Fund	Internal Due Diligence	In-house	£5m	10 years
Unrated Bonds, backed by securitised Assets	Internal Due Diligence	In-house and fund managers	£5m	5 years
Asset Backed Pooled Investment Funds	Internal Due Diligence	In-house and fund managers	£5m	5 years
Fixed term deposits with variable rate and variable maturities	Internal Due Diligence	In-house and External Advice	£20m	50 years
Debt Financing	Internal Due Diligence & External Advice	In-house and External Advice	£30m	10 years

Appendix 6: Approved Countries for Investments (as at December 2022)

This list is based on those countries which have sovereign ratings of AA- or higher, (we show the lowest rating from Fitch, Moody's and S&P) and also, (except - at the time of writing - for Norway and Luxembourg), have banks operating in sterling markets which have credit ratings of green or above in the Link credit worthiness service. The Council has traditionally only dealt within the UK, however given that the sovereign rating has dropped below other countries, consideration may be given to maximise investment returns in countries with a stronger rating, following discussion and advice with the Council's treasury advisors.

AAA

- Australia
- Denmark
- Germany
- Netherlands
- Norway
- Sweden
- Switzerland

AA+

- Canada
- Finland
- U.S.A.

AA

- France

AA-

- Belgium
- U.K.

Appendix 7: Treasury Management Scheme of Delegation

The scheme of delegation is as follows:

Full Council is the responsible body for:

- receiving and reviewing reports on Treasury Management policies, practices and activities;
- the approval of the annual strategy, mid-year review and outturn report.
- approval of/amendments to the organisation's Treasury Management Policy Statement;
- budget consideration and approval;
- approval of the division of responsibilities;
- receiving and reviewing regular monitoring reports and acting on recommendations;

Cabinet is the responsible body for:

- considering the Treasury Management Policy and Procedures and making recommendations to the responsible body.
- considering Treasury Management reports and commending to Council.

Audit Committee is responsible for scrutiny:

- reviewing the Treasury Management Policy and Procedures and making recommendations to the responsible body.
- Reviewing Treasury Management reports and making recommendations to the responsible body.

Cabinet Member for Finance and and Low Carbon is responsible for:

- approving the selection of external service providers and agreeing terms of appointment

Note : The Policy Overview and Scrutiny Select Committee reviews and scrutinises the Annual Treasury Management Strategy report along with the suite of other budget reports (including the Capital Strategy).

Appendix 8: The Treasury Management Role of the Statutory Chief Finance Officer (Director of Finance)

The Statutory Chief Financial Officer will discharge the Treasury Management role by:

- recommending Treasury Management Policy/Practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular Treasury Management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing Treasury Management information reports;
- reviewing the performance of the Treasury Management function;
- ensuring the adequacy of Treasury Management resources and skills, and the effective division of responsibilities within the Treasury Management function;
- ensuring the adequacy of internal audit processes, and liaising with external audit;
- recommending the appointment of external service providers;
- the preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long term timeframe;
- ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money;
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority;
- ensuring that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing;
- ensuring the proportionality of all investments so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk compared to its financial resources;
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long term liabilities;
- the provision to Members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees;
- ensuring that Members are adequately informed and understand the risk exposures taken on by the Authority;
- ensuring that the Authority has adequate expertise, either in house or externally provided, to carry out the above;
- the creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following –
 - risk management (TMP1 and schedules), including investment and risk management criteria for any material non-treasury investment portfolios;
 - performance measurement and management (TMP2 and schedules), including methodology and criteria for assessing the performance and success of non-treasury investments;
 - decision making, governance and organisation (TMP5 and schedules), including a statement of the governance requirements for decision making in relation to non-

treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;

- reporting and management information (TMP6 and schedules), including where and how often monitoring reports are taken;
- ensuring appropriate training and qualifications (TMP10 and schedules), including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.

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Report to Policy Overview and Scrutiny Committee

Housing Revenue Account Estimates for 2023/24 to 2027/28 and Proposed Outturn for 2022/23

Portfolio Holder:

Joint Report of Councillor Amanda Chadderton, Leader of the Council and Cabinet Member for Regeneration and Housing and Councillor Abdul Jabbar MBE, Deputy Leader and Cabinet Member for Finance and Low Carbon

Officer Contact: Anne Ryans, Director of Finance

Report Author: John Hoskins, Finance Manager

26 January 2023

Reason for Decision

The report sets out for the Housing Revenue Account (HRA), the detailed budget estimates for 2023/24, the strategic estimates for the four years 2024/25 through to 2027/28 and outturn estimate for 2022/23. The report also sets out the recommended dwelling, non-dwelling rents and service and concierge charges to be applied from April 2023.

Executive Summary

The report sets out the HRA 2023/24 proposed original budget and the forecast outturn for 2022/23. The opportunity is also taken to present the provisional strategic budgets for 2024/25 through to 2027/28.

HRA activities are a key element of the Council's Housing Strategy (approved by Council on 10 July 2019) which aims to provide a diverse Oldham housing offer that is attractive and meets the needs of different sections of the population at different stages of their lives.

After taking all relevant issues into account, the projected financial position for 2022/23 is estimated to be a £1.796m positive variance when compared to the original budget forecast for 2022/23 approved at the Budget Council meeting, 2 March 2022. Of this variance, £0.570m is attributable to a lower than anticipated brought forward balance from 2021/22 with this being offset by £2.366m owing to the cessation of previously planned HRA funded capital schemes. The estimated balance at the end of 2022/23 is projected to be £22.279m.

The closing financial position for 2023/24 shows an estimated HRA closing balance of £20.852m which is sufficient to meet future operational commitments and the potential financial pressures identified in the risk assessment.

The 2023/24 position has been presented after allowing for an increase in dwelling rents of 5%, an increase in non-dwelling rents in line with individual contracts, a nominal increase of 2% on service charges and the setting of Extra Care Housing concierge charges to fully recover costs.

As part of the Autumn Statement, the Government announced plans to cap social housing rents at 7% for 2022/23. Previous policy guidance for the period 2020-2025 was that all rents were to be calculated based on a maximum of the Consumer Price Index (CPI) rate at September of the preceding year plus 1%. The Department for Levelling Up, Communities and Housing (DLUHC) has since confirmed that due to the majority of Oldham's HRA estate being contained within two Private Finance Initiative (PFI) schemes the Council is exempt from the social housing rent cap. Despite this Oldham Council recognise the impact on tenants that an 11.1% rent increase would bring. Therefore, Oldham's projections for the 2023/24 budget have been set assuming rental increases of just 5% which is 6.1% lower than if it were to follow the maximum uplift (September 2021 CPI rate being 10.1% plus 1%). The Council has opted to propose this reduced rate given the current healthy levels of HRA balances and the ongoing pressures, including inflation, on household incomes.

The financial projections for the HRA over the period 2022/23 to 2027/28 show an overall reduction in the level of balances from £21.721m at the start of 2022/23 to £16.253m at the end of 2027/28. HRA resources will be used to support several capital projects including the development of several sheltered housing sites and further works on green projects.

The HRA detailed budget for 2023/24 and strategic estimates for the four years 2024/25 to 2027/28 and the outturn estimate for 2022/23 are presented to the Policy Overview and Scrutiny Committee for comment.

Recommendations

That the Policy Overview and Scrutiny Committee considers and comments on the:

1. Forecast HRA outturn for 2022/23 (as per Appendix A)
2. Proposed HRA budget for 2023/24 (as per Appendix B)
3. Strategic estimates for 2023/24 to 2027/28 (as per Appendix D)
4. Proposed increase to dwelling rents for all properties of 5%.
5. Proposed increase to non-dwelling rents as per individual contracts.
6. Proposal that service charges are increased by 2%.
7. Proposal to set Extra Care Housing concierge charges to fully recover actual costs.

Housing Revenue Account Estimates 2023/24 to 2027/28 and Proposed Outturn for 2022/23**1 Background**

- 1.1 The budget and policy framework set out an annual timetable for the HRA budget process. Production of this report and the ability to scrutinise the budget are key features of that framework, along with consultation with tenants. As part of this process, the HRA Budget report for 2023/24 is presented here with the intention that it will be considered by Cabinet on 13 February 2023 and Council on 1 March 2023.
- 1.2 HRA activities are a key element of the Council's Housing Strategy (approved by Council on 10 July 2019) which aims to provide a diverse Oldham Housing offer that is attractive and meets the needs of different sections of the population at different stages of their lives.

2 Current Position**Housing Stock**

- 2.1 The Council's housing stock currently comprises 2,098 properties with most properties being managed and maintained within two Private Finance Initiative (PFI) schemes. The housing stock is explained at paragraphs 2.2 to 2.5 as follows.

PFI 2 Sheltered Housing

- 2.2 The PFI 2 Contract between the Council and Housing 21 was signed in 2006 to provide 1,431 (plus 1 additional property subsequently added in 2016) sheltered accommodation dwellings in a mixture of bungalows and group schemes with construction finishing in May 2012. The operational contract runs to September 2036. The total construction value was £105m, all of which is payable through an annual unitary charge and funded by the annual PFI grant from Government alongside rental income received.

PFI 4 Gateways to Oldham

- 2.3 The Gateways to Oldham PFI 4 scheme reached financial close in November 2011 and has seen the refurbishment of 317 existing properties and the creation of 317 new homes, with a total capital value of £77m. The Council has entered into a 25-year contract with Inspiral Oldham who utilised private finance to fund the construction works and to manage and maintain the properties for the duration of the contract through to October 2036. Construction was completed in December 2014 (317 refurbishments and 317 new homes in total) with all the required highway works and public open space improvements finalised in November 2015. The Council has subsequently sold 10 properties under the Right to Buy Scheme (RTB) leaving a current stock total of 624 properties.

Holly Bank Apartments

- 2.4 Holly Bank Apartments is a 20-unit supported housing facility for Adults with Learning Disabilities. The scheme was built for a total capital value of approximately £4.4m. The scheme was completed in November 2019 with its first tenants housed in March 2020.

Primrose Bank Extension

- 2.5 In 2020 the Council purchased 19 5-bedroom properties at Primrose Bank. These properties formed part of the Housing Revenue Account stock and were let at affordable rents. The properties benefit from new technology that help increase energy efficiency. The properties are designed to re-appraise how homes are heated, using a combination of solar photovoltaic (PV), electric heating and battery storage.

The Self-Financing Housing Revenue Account

- 2.6 The HRA is a self-sufficient ring-fenced account which retains and utilises rental income, and in the case of Oldham, PFI credits, to meet all its management, maintenance and repairs commitments, including the respective unitary charges to provide social housing. The ringfencing arrangements ensure Councils manage their housing stock for the benefit of its residents in a transparent, accountable and in a cost-effective way.
- 2.7 In non-PFI arrangements depreciation is charged to ensure Councils are accumulating appropriate balances in order to have enough resources to allow for any repairs needed to their housing stock.
- 2.8 However, as most of the Oldham's housing stock is contained within two PFI schemes, there already exists an allocation of funding for ongoing repairs and maintenance within the unitary charge paid. Despite some uncertainty as to the approach over recent years, the Department of Levelling Up, Housing and Communities (DLUHC) has confirmed that depreciation need not be charged to the HRA in respect of Oldham's PFI housing stock.

Government Guidance for Rent Increases

- 2.9 During 2022, the Government issued a consultation on the level of rent increases that might be charged by social landlords for 2023/24. The Council responded to the consultation by the due date of 12 October 2022. The outcome of the consultation exercise was included in the Autumn Statement 2022, in which the Government confirmed a 7% cap on the amount by which social landlords in England can raise rents for their tenants in 2023/24. Due to come into effect in April 2023, the limit will mean social landlords can increase rents for tenants by up to 7% – although landlords are free to implement any charge up to this maximum amount. Previous rent setting guidance was that rents should increase by a maximum of 1% above the September inflation rate; the September 2022 inflation rate being 10.1% meaning previously a maximum rental increase of 11.1% would have been allowed.
- 2.10 As the majority of Oldham's social housing is contained within two PFI contracts, DLUHC has confirmed that these properties are exempt from the social rent cap due to their contract payment commitments. As the Council has always used Government rent setting guidance in the past as the maximum rent increase this would allow increases of up to 11.1%. Given the current cost of living crisis, the implementation of a maximum increase would be challenging for both tenants and also the Council.
- 2.11 The proposed annual increase for Oldham Council's 2023/24 HRA rents is a lower amount of 5%. This proposal is made as a result of the continuing health of HRA balances (the balance at the end of 2021/22 was £21.721m) and the current adverse impact on household income due to high inflation and the cost of living crisis. It is therefore estimated that the average rent increase from April 2023 will be £4.64 per week (from £93.34 to £97.98).

The Revised HRA Budget 2022/23

- 2.12 The 2022/23 estimated outturn is attached at Appendix A and shows an estimated year end working balance of £22.279m, £1.796m higher than the original budget approved at the

March 2022 Budget Council meeting. Current estimates align to forecasts included within the Council's Month 8 Revenue Monitoring report. The majority of the 'in year' variance of £2.366m can be attributed to the cessation of previously planned spending on HRA funded capital schemes. Members will also note that the final outturn position for 2021/22 resulted in HRA Balances brought forward of £21.721m, £0.570m lower than the position reported at the March 2022 Budget Council Meeting.

2.13 The composition of the balance is summarised below:

Analysis of HRA Balances 2022/23	Original Budget £000	Revised Budget £000	Variance £000
HRA Balances b/fwd	(22,291)	(21,721)	570
(Surplus)/Deficit for the year on HRA Services	1,808	(558)	(2,366)
HRA Balances c/fwd	(20,483)	(22,279)	(1,796)

The HRA Budget 2023/24

2.14 The proposed HRA budget for 2023/24 is attached at Appendix B including all income and expenditure due to be financed from HRA Balances.

2.15 As previously advised, most of the housing within the HRA is managed within two PFI arrangements which are in part funded by Government grant known as PFI credits. PFI credits for the two schemes are paid on an annuity basis; that is, they remain constant throughout the life of the contracts. In the early years of the schemes, these credits exceed the unitary charges and other costs payable. These early year surpluses, together with any interest earned, are retained to meet later year deficits as unitary charge payments to the service provider are increased year on year by an inflationary factor. HRA balances are specifically earmarked to finance these contracts and other planned HRA capital schemes, as identified in Appendix B.

2.16 Other key assumptions made in determining the proposed HRA revenue budget are that:

- 1) Average rents are 5% higher than for 2022/23 for all HRA tenants;
- 2) Void levels have been assumed at 2% per annum on PFI 4 properties and at 3% per annum on PFI 2 properties and Holly Bank Apartments. PFI 2 void percentages have historically been higher as a result of the on-going tenancy placement work, ensuring tenant mixes in the six extra care schemes are appropriate to the levels of care provision required. The 3% void levels have been based on a more prudent assessment of the PFI 2 and Holly Bank Apartment property void position;
- 3) There are 48 chargeable rent weeks in 2023/24;
- 4) Service Charges are increased by a nominal 2%; and
- 5) Extra Care Housing charges are increased to recover full cost from 1 April 2023 in line with previous approvals.

2.17 The estimated 2023/24 HRA closing balance is £20.852m and is enough to meet future operational commitments and the potential financial pressures identified in the risk assessment. Appendix B presents the projected 2023/24 HRA budget based on the proposed position.

2.18 The estimated HRA budget for 2023/24 to 2027/28 is summarised below and presented in more detail at Appendix D. Forecast expenditure includes the use of Revenue Contributions

to Capital Outlay (RCCO) to support the financing of the HRA Capital Programme (see the Capital Strategy report elsewhere on the agenda). For the period 2023/24 to 2027/28 the HRA has £1.595m allocated as Revenue Contributions to Capital Outlay. The ability of the HRA to support major capital projects has been diminished by the rent increase applied in 2023/24 being below the maximum level and the on-going impact of this decision which impacts on the HRA thirty year business plan. The HRA Business Plan has been prepared mindful of the agreed minimum required HRA balance of £3m.

HRA Income and Expenditure Account 2023/24 to 2027/28 Strategic Forecast	2023/24	2024/25	2025/26	2026/27	2027/28
Income (including interest and investment income)	(29,913)	(30,510)	(30,843)	(31,186)	(31,539)
Expenditure	31,340	31,883	31,900	32,231	32,663
Net (surplus)/Deficit	1,427	1,373	1,057	1,045	1,124
HRA Balances b/fwd.	(22,279)	(20,852)	(19,479)	(18,422)	(17,377)
HRA Balances c/fwd.	(20,852)	(19,479)	(18,422)	(17,377)	(16,253)

Dwelling Rent, Non-Dwelling Rents and Services Charges Increases 2023/24

- 2.19 The proposed 2023/24 HRA budget is based on dwelling rents increasing by 5%. This is less than the maximum 11.1% rental increase allowed based on current Government rent setting guidance as outlined in paragraph 2.9 above. Non-dwelling rents will be increased in line with individual agreements.
- 2.20 Central heating charges remain for some of the PFI properties and it is proposed to continue recharging tenants based on actual costs incurred.
- 2.21 From the Council's perspective, service charges are deemed necessary as it helps minimise long term risk to the Council's HRA Business Plan, whilst also allowing the establishment of a more stable and realistic financial environment in which to manage the housing stock.
- 2.22 The Council has recognised the financial pressure that even a 5% rent uplift will have on tenants (even though this is below the maximum that could be charged) and for this reason it has chosen to increase service charges by just 2% for all tenants in 2023/24.

Extra Care Housing (ECH) and Holly Bank Apartments

- 2.23 All six ECH schemes (Trinity House, Aster House, Charles Morris House, Tandle View Court, Old Mill House and Hopwood Court) incur a service charge for concierge services. It is proposed that the weekly charge is increased in line with MioCare's service delivery costs, from £22.20 to £24.87 per week reflecting the actual cost incurred by the Council.

HRA Contributions to Capital

- 2.24 Given the reducing HRA balances following the below inflation rent increases applied over the next few years, the Council will need to determine for all future HRA projects, the best source of funding. However, the forecasts in this report reflect a planned use of balances.
- 2.25 There are several approved small housing capital projects that the Council wishes to implement over the short to medium term to support the delivery of the overall Housing Strategy. Approved capital projects that will specifically rely on use of HRA balances include:

- **Developing the Purchase and Repair and Lease and Repair pilot schemes in the private rented sector** - The Council has launched a pilot empty homes intervention project to work with owners of empty homes to bring their properties back into use through one of the two options available from the Council. A combination of HRA funding and Homes England Grant funding has enabled the development of Purchase & Repair and Lease & Repair options, designed to financially support landlords in bringing their properties back into use. It is envisaged that this scheme will be widened post the pilot phase.
- **Future Housing Purchases** – The Council has made provision to purchase additional housing which will be added to the Council’s HRA stock and will provide a new social housing option for families within Oldham.

Strategic HRA Estimates 2024/25 to 2027/28

- 2.26 The projected forecasts for 2024/25 to 2027/28 are shown at Appendix D. As per paragraph 2.1, most of the properties within the HRA are managed under two PFI contracts. Based on current estimates, it is expected that the HRA balance will be £19.479m at the end of 2024/25, £18.422m at the end of 2025/26, £17.377m at the end of 2026/27 and £16.253m at the end of 2027/28. As detailed above, the period of 2024/25 to 2027/28 is one whereby balances are due to reduce by at least a £1m per year. These reductions are as a result of the decision to increase rents in 2023/24 by an amount below the maximum allowable. The HRA Business Plan has been prepared mindful of the agreed minimum required HRA balance of £3m, ensuring balances are kept above this level to the end of the PFI arrangements.
- 2.27 It should be noted that in both PFI schemes a proportion of the unitary charge is indexed with reference to inflation based on the Retail Prices Index (RPI/RPIx) rather than the Consumer Price Index (CPI). Given that it is proposed that rents increase by less than CPI, there is an adverse pressure between unitary charge payments and rental income in 2023/24 and future years.

3 Options/Alternatives

- 3.1 For the Council to comply with legislative requirements, it must consider and approve a budget for the HRA for 2023/24.
- 3.2 Three options regarding rent levels are presented below.
- proposed rent increase of 11.1%
 - proposed rent increase of 5%
 - rents are frozen for 2023/24.

Compared to a 11.1% increase, the loss to the HRA for 2023/24 in terms of rental income would be £0.546m at a 5% rent increase and £0.994m with no rent increase, as shown below.

Average Increase in Rent	5% £000	0% £000
Impact in 2023/24	546	994
Impact over remaining life of Business Plan	9,226	16,787

- 3.3 Given the overall health of HRA balances, as previously mentioned in para 2.11, and the adverse impact of the cost of living crisis on household income, it is proposed that Oldham Council approve rental increases in 2023/24 **lower** than the maximum levels available under current Government guidance. A full financial assessment has been undertaken to justify this

proposal ensuring the HRA has the necessary resources to fully fund all known current and future commitments. Future years forecasts highlighted in Appendix D show that despite the lower than usual rental increase proposed in 2023/24, at no time does the HRA come close to the agreed minimum balance of £3m. The lowest balance estimated within the next 5 years being £16.254m in 2027/28.

- 3.4 Given the proposed reduction in balances due to the lower than inflation rent increases for the period 2023/24 to 2027/28, it is evident that any decision to vary from the maximum income achievable will have an adverse impact on future project decisions. Whilst the Council has chosen to limit rent increases in 2023/25 to 5%, future rent proposals will consider the impact on both operational and aspirational expenditure commitments.
- 3.5 For future years, the Council has assumed a return to following Government rent setting guidance of September's CPI rate plus 1%. Using the Office for Budget Responsibility (OBR) forecasts, it is assumed that there will be a reduced CPI rate in 2023/24 of 5% resulting in a 6% rental increase in 2024/25. From 2025/26 onwards a return to a lower CPI rate of 2% has been assumed resulting in rental increases of 3% thereafter.

4 Preferred Option

- 4.1 Given the current favourable financial position of the HRA and the known adverse impact on household incomes, both across the borough and nationally, the preferred option is that a dwelling rent increase of 5% is implemented together with other recommendations related to charges included in the report. This proposal has been assessed successfully against the Council's ability to maintain a sustainable HRA whilst contributing to the aspirations of the wider Housing Strategy.

5 Consultation

- 5.1 Consultation has taken place with Executive Members, Service Providers and tenants throughout the year. Where schemes have had a significant impact on a particular group of tenants or subsequently had a material impact on the HRA budget, the Council has endeavoured to undertake a thorough consultation with tenants. For example, the Council usually stages additional, frequent drop-in sessions and Court Voices meetings where tenants are encouraged to raise any concerns thus allowing a forum for further consultation. It was through Court Voices that tenants, in conjunction with Housing Officers, compiled a list of specific needs which were then considered and approved as part of the HRA element of the Council's Capital Strategy. Examples of this include works on the Old Mill, Violet Hill and Hopwood Court Conservatories, installation or improvement of sensory gardens and improvements to communal areas.
- 5.2 A key element of this consultation process is the consideration of the HRA budget by this Select Committee along with its progression to Cabinet and Council.

6 Financial Implications

- 6.1 The proposals set out in this report are based upon the best assessment of the likely financial position of the Council's HRA for 2022/23 to 2027/28. Prudent assessments have been included within these estimates and the financial impact of any variances is identified in the Risk Assessments undertaken. A Risk Register as at January 2023 can be found at Appendix C.
- 6.2 HRA balances, although significantly reduced over the period to 2027/28, are considered sufficient to meet known obligations for the foreseeable future and are not considered to fall below acceptable levels. A minimum level of £3m has been agreed as the point below which

balances should not fall. Close budget monitoring will continue to be undertaken and should the balances position deteriorate, appropriate management action would be introduced.

6.3 The Housing Revenue Account Estimates report has direct links to both the Council's Housing Strategy and the Capital Strategy.

6.4 The Housing Strategy was approved at the Council meeting of 10 July 2019. The Strategy's key objective has been to reset the housing delivery governance framework that can then begin to start to tackle the challenges identified in the evidence based Local Housing Needs Assessment. Some of these challenges will have direct financial and stakeholder implications for HRA tenants.

6.5 The Council's Capital Strategy follows the same approval pathway as this Housing Revenue Account Estimates report. This report is aligned with the Capital Strategy and Capital Programme and includes all HRA funded capital projects as summarised under Revenue Contribution to Capital Outlay (RCCO) as contained in Appendices A to D.

(John Hoskins)

7 Legal Services Comments

7.1 It is a statutory requirement that the Authority set a balanced HRA budget, having due regard to an appropriate level of working balances and giving due consideration to the risks involved.

(Colin Brittain)

8 Co-operative Agenda

8.1 The HRA budget has been prepared so that resources are utilised to support the aims, objectives and co-operative ethos of the Council.

9 Human Resources Comments

9.1 None.

10 Risk Assessments

10.1 The HRA budget set out in this report is based on the best assessment of the likely financial position of the HRA in 2022/23 to 2027/28. Attached at Appendix C is a risk register as at January 2023. Forecasting remains challenging and there are several key issues that, should they change, affect the proposed budget.

(Mark Stenson)

11 IT Implications

11.1 None.

12 Property Implications

12.1 None.

13 Procurement Implications

13.1 None.

14 Environmental and Health & Safety Implications

14.1 There are non-specific at this stage.

15 Equality, community cohesion and crime implications

15.1 Continuation of a robust consultation process open to all tenants and tenants representatives will ensure maximum engagement and provide the opportunity for the views of all groups to be considered in setting the HRA budget and the provision of services to tenants.

16 Equality Impact Assessment Completed?

16.1 Not Applicable

17 Key Decision

17.1 Yes

18 Key Decision Reference

18.1 FLC-23-22

19 Background Papers

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

File Ref: Background papers are attached as Appendices A to D
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20 Appendices

Appendix A Revised HRA Income & Expenditure Account 2022/23.
Appendix B Original HRA Income & Expenditure Account 2023/24.
Appendix C 2023/24 – 2027/28 Risk Assessment as at January 2023.
Appendix D HRA Income & Expenditure Account 2023/24 to 2027/28 Strategic Forecasts.

Revised HRA Income & Expenditure Account 2022/23	Original Budget	Latest Forecast	Variance to Budget
	£000	£000	£000
Income			
Dwellings Rents (gross)	(9,271)	(9,233)	38
Non Dwelling Rents	(34)	(35)	(1)
Charges for Services and Facilities	(1,244)	(1,405)	(161)
PFI Grant	(18,799)	(18,799)	0
Total Income	(29,348)	(29,472)	(124)
Expenditure			
Unitary Charge Payments (PFI2 and PFI4)	24,426	25,008	582
Supervision & Management	680	592	(88)
Depreciation and Impairment of Fixed Assets	80	80	0
Rent, Rates and Other Charges	2,756	3,043	287
Revenue Contribution to Capital Outlay (RCCO)	3,283	260	(3,023)
Total Expenditure	31,226	29,018	(2,242)
Net Cost of HRA Services	1,877	(489)	(2,366)
Interest and Investment Income	(69)	(69)	0
(Surplus)/Deficit for the year on HRA Services	1,808	(558)	(2,366)
HRA Balances brought forward	(22,291)	(21,721)	570
HRA Balances carried forward	(20,483)	(22,279)	1,796

<u>Original HRA Income & Expenditure Account 2023/24</u>	Original Budget
	£000
Income	
Dwellings Rents (gross)	(9,682)
Non-Dwelling Rents	(37)
Charges for Services and Facilities	(1,195)
Contributions towards Expenditure	(0)
PFI Grant	(18,799)
Total Income	(29,713)
Expenditure	
Unitary Charge Payments (PFI2 and PFI4)	26,369
Supervision & Management	600
Depreciation and Impairment of Fixed Assets	80
Rent, Rates and Other Charges	3,291
Revenue Contribution to Capital Outlay (RCCO)	1,000
Total Expenditure	31,340
Net Cost of HRA Services	1,627
Interest and Investment Income	(200)
(Surplus)/Deficit for the year on HRA Services	1,427
HRA Balances brought forward	(22,279)
HRA Balances carried forward	(20,852)

HOUSING REVENUE ACCOUNT

2023/24 – 2027/28 RISK ASSESSMENT AS AT JANUARY 2023

<u>RISK EVENT/ DESCRIPTION</u>	<u>LIKELIHOOD</u>	<u>IMPACT</u>	<u>RESERVE POSITION</u>
1. The void level assumed on dwelling properties increases.	The proposed budget assumes a void rate of 2% on PFI 4 properties and a 3% void rate on PFI 2 and Holly Bank Apartment properties. These are believed to be realistic estimates at this time. However, arising from the impact of welfare reform, a limit on Housing Benefits may force more tenants to leave social housing and increase void levels.	A change in the void percentage of 1% (approximately 21 properties) has the impact, in a full year, of £0.099m.	The loss of income arising from movement in void levels would need to be met from HRA balances. The HRA has sufficient balances to absorb small movements on voids.
2. Impact of changes in rental income collection rates.	The collection of rental income is a key performance indicator and one in which the PFI providers have performed at the highest level. Historically it has been considered a low risk that this collection rate will deteriorate to a level to the point where it has a significant impact on the HRA budget. The on-going cost of living crisis resulting from higher than anticipated inflation levels could have a detrimental impact on collection rates as some tenants struggle to pay their bills. This area will continue to be monitored within the performance meetings and appropriate measures taken to mitigate the impact.	Rental income is accounted for within the HRA on a rents receivable not received basis. Continuous monitoring of the levels of uncollected income will help inform the provisions position needed for bad or doubtful debts.	The current HRA bad debt provision is prudent for the levels of uncollected income currently being held/forecast within the HRA. The HRA bad debt provision is subject to review each year.
3. Service Charge Recovery	Service charges are currently eligible for Housing Benefits so it is relatively low risk that most service charge costs will be unrecovered. Self-payers may incur some level of difficulty. However, the percentage of self-payers as part of the overall tenancy profile is relatively small.	In 2023/24 the total level of service charges is budgeted for approximately £0.812m (excluding concierge and court manager costs). Any reduction in this could impact the HRA's ability to maintain	Tenants failing to pay their service charges will have a detrimental effect on the HRA balance, although given the high number of tenants in receipt of Housing Benefit, the level of

<u>RISK EVENT/ DESCRIPTION</u>	<u>LIKELIHOOD</u>	<u>IMPACT</u>	<u>RESERVE POSITION</u>
		and develop new schemes and services.	collection is still expected to remain high.
4. Extra Care Housing (ECH) Charge Recovery	ECH charges are eligible for Housing Benefit so it is of relatively low risk that the majority of ECH charge costs will be unrecovered. Self-payers may incur some level of difficulty. However, the percentage of self-payers as part of the overall tenancy profile is relatively small.	In 2023/24 it is expected each qualifying tenant i.e. a tenant within one of the six approved Extra Care Housing Group Schemes, will need to pay approximately £1,194 p.a. towards ECH charges. Costs of chasing recovery will also need to be considered.	Tenants failing to pay their ECH charge will have a detrimental effect on the level of the reserve, although given the close correlation to Housing Benefit, the levels of collection are expected to remain high.
5. Rent Restructuring	Current social rents policy is that rents should increase by no more than 7% in 2023/24. For all exempt properties such as PFI properties Government guidelines suggest rents should increase by CPI + 1%. Any future changes to these guidelines may introduce additional financial pressures to the HRA, particularly if rent increases fail to keep pace with contractual increases in unitary charges (indexed by RPI + 0.5%).	As at September 2022, the month used for all rent calculations, the difference between the two indices (RPI and CPI) was 2.3%. The business plan has been modelled on the basis that in 2023/24, rent increases will be 5%. Thereafter there is an assumption of 6% rent increases in 2024/25 assuming CPI of approximately 5% before reducing to 3% annual rent increases (represented by 2% CPI plus 1%).	The movement in the respective indices will be monitored on an on-going basis, it is however considered that there is sufficient tolerance within the predicted cumulative HRA balances to manage this risk.
6. Balances fall below a level considered acceptable to manage risks faced by the HRA	Given the pressures on the HRA it is possible that a combination of factors could lead to HRA balances falling below £16.253m, the minimum projected over the next 5 years, although this is considered unlikely.	The HRA may have reduced resources to manage any significant increases in expenditure /reduction in income without the consideration of budgetary measures outside those included in the projections.	Close budget monitoring will be undertaken and management action would be introduced, including the potential for some short term borrowing or the revision to capital plans, should the HRA balances position prove challenging.

HRA Income & Expenditure Account 2023/24 to 2027/28 Strategic Forecasts

Appendix D

HRA Income & Expenditure Account 2023/24 to 2027/28 Strategic Forecasts	Original 2023/24	Original 2024/25	Original 2025/26	Original 2026/27	Original 2027/28
	£000	£000	£000	£000	£000
Income					
Dwellings Rents (gross)	(9,682)	(10,255)	(10,562)	(10,879)	(11,205)
Non-Dwelling Rents	(37)	(37)	(38)	(38)	(38)
Charges for Services and Facilities	(1,195)	(1,219)	(1,244)	(1,270)	(1,296)
HRA Subsidy ~ PFI Credits	(18,799)	(18,799)	(18,799)	(18,799)	(18,799)
Total Income	(29,713)	(30,310)	(30,643)	(30,986)	(31,338)
Expenditure					
Unitary Charge Payments (PFI2 and PFI4)	26,369	27,345	27,698	28,053	28,414
Supervision & Management	600	608	616	624	633
Depreciation and Impairment of Fixed Assets	80	80	80	80	80
Rent, Rates and Other Charges	3,291	3,350	3,411	3,474	3,535
Revenue Contribution to Capital Outlay (RCCO)	1,000	500	95	0	0
Total Expenditure	31,340	31,883	31,900	32,231	32,662
Net Cost of HRA Services	1,627	1,573	1,257	1,245	1,324
Interest Payable and Other Similar Charges					
Interest and Investment Income	(200)	(200)	(200)	(200)	(200)
(Surplus)/Deficit for the year on HRA Services	1,427	1,373	1,057	1,045	1,124
HRA Balances brought forward	(22,279)	(20,852)	(19,479)	(18,422)	(17,377)
HRA Balances carried forward	(20,852)	(19,479)	(18,422)	(17,377)	(16,253)

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