

CABINET Agenda

Date Monday 19 June 2023

Time 6.00 pm

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

- Notes
1. DECLARATIONS OF INTEREST- If a Member requires any advice on any item involving a possible declaration of interest which could affect his/her ability to speak and/or vote he/she is advised to contact Paul Entwistle or Constitutional Services 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 Noon on Wednesday, 14 June 2023.
 4. FILMING – This meeting will be recorded for live and/or subsequent broadcast on the Council’s website. The whole of the meeting will be recorded, except where there are confidential or exempt items and the footage will be on our website. This activity promotes democratic engagement in accordance with section 100A(9) of the Local Government Act 1972. The cameras will focus on the proceedings of the meeting. As far as possible, this will avoid areas specifically designated for members of the public who prefer not to be filmed. Disruptive and anti social behaviour will always be filmed.

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

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

Please also note the Public attendance Protocol on the Council’s Website

https://www.oldham.gov.uk/homepage/1449/attending_council_meetings

MEMBERSHIP OF THE CABINET IS AS FOLLOWS:

Councillors Ali, Brownridge, Dean, Goodwin, F Hussain, Jabbar, Mushtaq, Shah and Taylor

Item No

- 1 Apologies For Absence
- 2 Urgent Business
Urgent business, if any, introduced by the Chair
- 3 Declarations of Interest
To Receive Declarations of Interest in any Contract or matter to be discussed at the meeting.
- 4 Public Question Time
To receive Questions from the Public, in accordance with the Council's Constitution.
- 5 Minutes (Pages 1 - 16)
The Minutes of the meeting of the Cabinet held on 20th March 2023, are attached for approval.
- 6 Contractual Arrangements - Human Resources and Payroll System (MHR iTrent) (Pages 17 - 22)
To review the contract arrangements in relation to the HR and Payroll system (iTrent).
- 7 Grant Acceptance: City Region Sustainable Transport Settlement (CRSTS) - Oldham Town Centre St Mary's Way Scheme (Pages 23 - 30)
To notify Cabinet of the intention to bring this additional resource into the transport capital programme to commence detailed development and a full business case for the scheme
- 8 Town Centre Private Sector Partnership (Pages 31 - 38)
To appoint a preferred bidder in the role of Private Sector Partner initially for period of 15 years with an option to extend the arrangement by a further 10 years, subject to agreement at that time
- 9 Exclusion of the Press and Public



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

10 Town Centre Private Sector Partnership (Pages 39 - 52)

To consider the recommendations in the confidential report

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CABINET
20/03/2023 at 4.00 pm

Present: Councillor Chadderton (Chair)
Councillors Akhtar, Ali, Brownridge, Moores, Mushtaq, Roberts
and Taylor

1 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Jabbar.

2 **URGENT BUSINESS**

There were no items of urgent business received.

3 **DECLARATIONS OF INTEREST**

There were no declarations of interest received.

4 **PUBLIC QUESTION TIME**

5 **MINUTES OF THE CABINET MEETING HELD ON 27TH
FEBRUARY 2023**

RESOLVED that the minutes of the meeting held on 27th
February 2023 be approved as a correct record.

6 **REVENUE MONITOR AND CAPITAL INVESTMENT
PROGRAMME 2022/23 QUARTER 3 – DECEMBER 2022**

Consideration as given to a report of the Director of Finance which provided the Cabinet with an update on the Council's 2022/23 forecast revenue budget position at Annex 1 of the report and the financial position of the capital programme as at 31 December 2022 (Quarter 3) together with the revised capital programme 2022/23 to 2027/28, as outlined in section two of the report at Annex 2 of the report.

Revenue Position

The forecast outturn position for 2022/23 was a projected deficit variance of £1.280m after allowing for approved and pending transfers to and from reserves. An operational deficit of £2.055m reduced by £0.775m with the anticipated effect of management actions and strengthened restrictions in relation to expenditure and recruitment. Whilst improving, it was recognised that this remained a challenging position and every effort would be made to further reduce the overall variance before the year end.

The position included additional costs and pressures that had been identified by the Authority in this financial year because of the lasting impact of the COVID-19 pandemic. There were currently two areas which continued to experience significant pressures attributed to the on-going impact of the pandemic; Community Health and Adult Social Care was reporting an adverse variance of £5.717m and Children's Social Care was recording £3.555m. These pressures were 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 £2.728m was being used to reduce the

operational pressure. This would 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 was detailed within Annex 1,

The forecast pressure of £1.280m at Quarter 3 was a £0.953m decrease to the adverse position of £2.233m reported at month 8 and forecasted the impact of, as previously reported, the management actions that had been strengthened across all service areas to review and challenge planned expenditure, control recruitment and to maximise income.

Information on the Quarter 3 position of the Dedicated Schools Grant (DSG), Housing Revenue Account (HRA) and Collection Fund was also outlined in the report.

Against a generally improving position, the DSG was forecasting an unchanged in-year surplus of £3.287m, which reverses the deficit brought forward leaving a forecast year-end surplus of £0.514m. Action would continue to be taken with the aim of mitigating cost pressures and delivering and maintaining a surplus position. To assist, Oldham had been invited by the Government to take part in the Delivering Better Value in SEND (Special Educational Needs and Disabilities) Programme which would 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. Working with partners, detailed work had commenced on compiling the grant application for submission in late June/ early July.

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

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

Capital Position

The report outlined the most up to date capital spending position for 2022/23 to 2027/28 for approved schemes. The most recent estimated revised capital programme budget for 2022/23 was £50.361m, a net decrease of £49.887m from the original budget of £100.248m. The most recently recorded expenditure level was £44.073m (87.51% of the forecast outturn).

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

Options/alternatives considered

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

Option 2 – To propose alternative forecasts

RESOLVED – That:

1. The forecast revenue outturn for 2022/23 at Quarter 3 being a £1.280m adverse variance having regard to the action being taken to manage expenditure be noted.
2. The forecast positions for the Dedicated Schools Grant, Housing Revenue Account and Collection Fund be noted
3. The revised capital programme for 2022/23 and the forecast for the financial years to 2027/28 as at Quarter 3 be noted.

7

LOCAL TAXATION AND BENEFITS DISCRETIONARY POLICIES 2023/24

Consideration was given to a report of the Director of Finance which sought approval for a number of amended Local Taxation and Benefits Discretionary Policies, and the introduction of an Empty Property Premium Policy for 2023/34.

The report provided the full detail of proposed updates to the discretionary policies used to support Local Taxation and Benefits administration i.e., Council Tax, Business Rates, Housing Benefits and Council Tax Reduction administration.

The policies and proposed changes were:

- The Discretionary Council Tax Discount Policy
 - To introduce the option to award a discretionary discount under the Exceptional Hardship Payment (EHP) scheme to Council Tax arrears accrued outside of the current financial year. The EHP scheme is the means in which the Council consider requests for discretionary discounts from residents in Exceptional financial hardship under Section 13A (1)(c) of the Local Government Finance Act.

The Discretionary Council Tax Discounts Policy provided guidance in regard to requests for the removal of empty property premiums. The proposed update would remove this guidance so that a new expanded policy can be introduced solely for this purpose as outlined in the Empty Property Premium Policy. The proposed Discretionary Discount Policy was presented at Appendix 1 to the report.

- The Discretionary Rate Relief Policy
 - Central Government had introduced additional discounts and reliefs for the 2023/24 financial year. They had been incorporated into the proposed

Discretionary Rate Relief Policy 2023/24 which was presented at Appendix 2 to the report.

- The Empty Property Premium Policy
 - For 2023/24 there was the introduction of a policy covering the application of the Empty property Premium in relation to Council Tax.

The Council currently applied a 100% empty property premium for property unoccupied and unfurnished for over 2 years. From April 2023, further premiums would be applied for properties unoccupied and unfurnished for over 5 years. This would mean empty property premiums will be applied as set out below.

- 100% premium on properties unoccupied and unfurnished for at least 2 years
- 200% premium on properties unoccupied and unfurnished for at least 5 years

- 300% premium on properties unoccupied and unfurnished for at least 10 years

To help provide guidance to affected property owners and to Council Officers administering the premium it was proposed that a specific policy detailing the circumstances in which the Council would consider the removal of the premium was appropriate. This was included at Appendix 5 of the report.

- Local Welfare Provision and Discretionary Housing Payments - The Local Welfare Provision (LWP) and Discretionary Housing Payments (DHP) policies had also been subject to an annual review. No proposals for changing the policies had been identified for 2023/24.

Options/alternatives considered

Option 1 – Do Nothing

Option 2 - Approve the Local Taxation and Benefits Discretionary Policies

RESOLVED – That:

1. The proposed amendments to the existing Local Taxation and Benefits Discretionary Policies for 2023/24 together with and the introduction of the Empty Property Premium Policy for the 2023/24 financial year be approved.
2. The Discretionary Policies presented as appendices 1-5 of the report be adopted for 2023/24.

8 **SECTION 75 AND INTEGRATION AGREEMENT ARRANGEMENTS**

Report deferred.

9 **ENHANCEMENT OF COMMUNITY SPORTS PITCHES**

Consideration was given to a report of the Executive Director, Place and Economic Growth which sought approval to support the provision of a new high specification pitch facilities to unlock wider opportunities for further investment in community sports pitches, enhanced education provision, more health opportunities and creation of additional employment opportunities.

It was reported that the Council was aware of the Borough's outstanding sporting achievements with some amazing contributions locally, regionally, nationally and internationally from Oldham's residents and communities. The elite sporting achievements were now in a number of different sporting fields including netball, cricket, rugby, and we're now hoping for a turn of fortune following the recent acquisition of Oldham Athletic Football Club.

As with many sporting activities, grass roots provision and investment in youth provision, clubs and community facilities were paramount to help secure a more successful and sustainable future, with talent management and development opportunities to help people, teams and clubs reach their highest possible potential.

The Council had facilitated the coming together of the Football and Rugby clubs in Oldham, both Oldham Athletic and Oldham RLFC.

The investment in a new pitch at Boundary Park the Council would assist with the Rugby Club's shared ambition of playing their home games at Boundary Park from the 2024 season.

Options/alternatives considered

Option 1 – To approve the capital grant funding, subject to agreeing a formal grant funding agreement and subject to subsidy control rules. This would unlock all the opportunities identified in this report, and careful / robust monitoring regimes would ensure obligations are met for wider community benefit.

Option 2 – Do not proceed with the finance agreement. This would protect Council capital funds, but it would not bring about any of the enhanced facilities described in this report for sport, enhanced skills and training programmes, nor importantly facilities for Oldham's residents and community groups.

Option 3 – To consider the development of a business case for a new multi-million pound sports facility to bring about the same benefits as options 1, to secure rugby league within the borough and to provide enhanced community facilities. This option is not recommended due to the significant impact on time, resource and future funding investment decisions needed to secure the same outcomes as the grant award / financial agreement.

RESOLVED – That:

1. The retention of rugby league matches for Oldham Rugby League Football Club within the Borough boundaries and to facilitate growth in community engagement and participation be approved.
2. The growth and enhancement of higher education provision within the Borough to support a new pipeline of complementary health and sporting employment opportunities be approved.
3. A grant of £1million capital funding from Council Capital Strategy to enable the provision of an enhanced pitch facility at Boundary Park, which was needed to unlock recommendations 1 and 2 above be approved.
4. Delegation be given to the Executive Director for Place and Economic Growth, and Directors of Finance and Legal Services in consultation with the Leader of the Council to finalise the grant agreement subject to subsidy control, terms and conditions, and obligations for wider community use linked to recommendations 1 and 2 above, and as set out in this report.

10

APPROVAL OF GRANT FUNDING AGREEMENT WITH GREATER MANCHESTER COMBINED AUTHORITY

Consideration was given to a report of the Executive Director for Place and Economic Growth which sought approval to enter into a grant agreement with Greater Manchester Combined Authority.

Under the proposed grant agreement, Oldham have been allocated grants funding that would enable the expansion and continued delivery of three services dedicated to supporting residents who are homeless or at risk of homelessness between 2022-25.

The Council were currently delivering three specific services that are intrinsically linked by virtue of the support they provided to people who were homeless or at risk of homelessness. The three respective services were:

- A Bed Every Night (ABEN)
- Community Accommodation Support Tier 3 (CAS-3)
- Rough Sleepers Initiative (RSI)

For the Council to secure the funding needed to continue delivering these vital services locally and to formalise monitoring and reporting arrangements, it needed to enter into a grant agreement with Greater Manchester Combined Authority. The services had been operational for a number of years, save for CAS-3 which was entering its second year of delivery following a successful pilot year (2021-22).

The identified services that GMCA sought to provide ongoing funding between 2022-25 were very much embedded in Oldham and were seen as vital services support the ongoing delivery of its Homelessness Prevention and Reduction Strategy and Central Government's Ending Rough Sleeping Strategy.

Options /alternatives considered

Option 1 – Do not enter into grant agreement with GMCA. Proceeding with this option would result in the Council being unable to deliver the 3 projects detailed in this report and increased numbers of rough sleepers in Oldham during a period of significant homelessness and pressure, which is further exacerbated by the cost of living crisis.

Options 2 – Enter into agreement with GMCA to continue delivering ABEN, CAS-3 and RSI programmes. Taking this approach would enable the Council to continue funding provision that prevents rough sleeping in the borough. The grant available will fund ongoing temporary accommodation placements for rough sleepers and individuals open to HMPPS, not owed a statutory accommodation duty by the LA. The funds will also make resources available that would stimulate move on into alternative, settled accommodation.

RESOLVED- That the Cabinet would consider the commercially sensitive information at Item 18 before making a decision.

11

UKSPF GRANT ACCEPTANCE

Consideration was given to a report of the Director of Economy that sought approval and acceptance of the £2,295,803 UK Shared Prosperity Fund (UKSPF) grant allocation following confirmation of award from the Department for Levelling Up, Housing and Communities (DLHUC) in early December 2022. Oldham submitted applications against three interventions from the UKSPF Communities and Place programme; namely:

- E1: Funding for improvements to town centres and high street, including better accessibility for disabled people, including capital costs and running costs.
- E3: Creation of and improvements to local green spaces, community gardens, watercourses and embankments, along with incorporating natural features into wider public spaces.

- E6: Support for local arts, cultural, heritage and creative activities.

The UK Shared Prosperity Fund (UKSPF or the Fund) provided £2.6 billion of new funding for local investment by March 2025, with all areas of the UK receiving an allocation from the Fund via a funding formula.

Local Authorities were directed to identify and build on their own strengths and needs at a local level, focused on pride in place and increasing life chances. Local places will be able to use the Fund to complement funding such as the Levelling Up Fund, and mainstream employment and skills provision to maximise impact and simplify delivery. There are three key investment priorities under the Fund:

- Community and Place
- Supporting Local Business; and
- People and Skills

This report related to the Community and Place investment priority.

GMCA were the accountable body for the Fund and, following submission of the GM UKSPF Investment Plan to Government at the end of July 2022, the focus of UKSPF in GM was on implementation planning.

GMCA invited local authorities to submit proposals to ensure projects are compliant with Government guidance and would collectively meet the required outputs and outcomes as set out in the GM UKSPF Investment Plan for the Communities and Place Investment Priority.

Oldham had been allocated £2.298m from UKSPF across the key interventions of the programme namely E1, E3 and E6. The Council had focused its proposals around active, accessible public realm and travel routes; rehabilitation of green space including infrastructure for community and visitor use; and a programme of cultural events that build upon and generate legacy projects for Oldham's residents and visitors alike. The proposed programme was drawn from the Creating a Better Place strategy and action plan and will support a range of projects that will meet the core 3 interventions.

Options/Alternatives

Option 1- Do nothing. Failure to accept the grant allocation of UKSPF would reflect negatively on the perception of the town and its ambitions. It would have significant implications for delivery of the project budgets and, therefore, the achievement of regeneration ambitions and objectives.

Option 2 - Formally accept the UKSPF award allocation for £2.296m and enter into the Memorandum of Understanding as set out in this report.

RESOLVED – That the Cabinet would consider the commercially sensitive information contained at Item 19 of the agenda before making a decision.

to accept the £20m Levelling Up Round 2 (LUF2) capital grant allocation following confirmation of award from the Department for Levelling Up, Housing and Communities (DLUHC) in January 2023.

Three projects were selected by DLUHC for progression and financial support from LUF2 broken down as follows: -

- £4.790m for Jubilee Park and Greenway Corridor,
- £6.400m for Northern Roots Learning Centre
- £8.810m for Green Shoots Business Centre

The Levelling Up Fund Round 2 (LUF2) prospectus was introduced in March 2022 with a focus on the following three investment themes:

- local transport projects that make a genuine difference to local areas
- town centre and high street regeneration; and
- support for maintaining and expanding the UK's world-leading portfolio of cultural and heritage assets.

LUF2 is a competitive process between local authorities and funding award decisions made by Central Government, specifically the Department for Levelling Up, Housing and Communities (DLUHC). In August 2022, Oldham submitted 2 bids into LUF2; the Green Technology and Innovation Network and the Creative Improvement District.

Within Round 2, more than 100 projects totaling £2.1 billion had been supported to boost economies, regenerate communities, and enhance transportation links across the UK. Oldham was successful in its application for £20m for the Green Technology and Innovation Network. The bid for Creative Improvement District was unfortunately unsuccessful in this round; however there remained further opportunities within the LUF programme to develop and resubmit in the future.

Oldham was one of 111 areas awarded funding to support the three projects within the town centre included in the Green Technology and Innovation Network bid, which aim to enhance active travel networks, deliver vital education infrastructure and create transformational public open space.

The Creating a Better Place Operations Board and Programme Board would provide oversight and strategic management of the projects. This board was already established and working successfully to deliver the Manchester Mayor's Cycling and Walking Challenge Fund. The Programme Board would meet monthly to discuss Oldham's wider public realm and active travel projects and are ideally placed to include the LUF projects within their remit.

A Monitoring Group is being established to oversee financial obligations against performance and will report into the CAPB structures. Wider governance within the Council is in place to ensure issues can be managed with an appropriate level of authority which will ensure the delivery of the project objectives to cost, quality and time.

Delivery for the projects would require the appointment of experienced external contractors and service providers, including project managers/employers' agents; cost consultants; design consultants and other specialist consultants as required, along with main contractors. All the aforementioned will hold the

relevant insurances and will be required to indemnify the Council in event of any adverse impact resulting from their involvement. The appointment of project professionals would be closely managed through enforceable contracts. External legal and other appropriate professional advice will be in place to supplement in-house advice and to support the delivery of the projects, which will be developed to support the Council's vision and to assist in the discharge of its fiduciary duties.

Option 1 - Do Nothing This option means relinquishing the opportunity to bring investment of £20m into Oldham. Not only would this be a significant loss of valuable resources but also an extremely negative reflection of Oldham and its ambitions. As one of only three GM authorities to be successful in its application to LUF2, Oldham's standing within GM would suffer significant political and reputational damage in this scenario.

Option 2:

- Formally accept the LUF2 Grant Award of £20m in respect of the Green Innovation and Technology Network and agree and enter into a grant agreement with DLUFC
- Approve the expenditure of the LUF2 Grant Award in accordance with this report

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

13

ACCEPTANCE OF FUNDING ALLOCATIONS 2022-2023 FOR OLDHAM LIFELONG LEARNING SERVICE

Consideration was given to a report of the Director of Education, Skills and Early Years which sought approval to accept the funding allocation for the academic year 2022-2022 for the Lifelong Learning Service.

The report provided detail of the funding offer received from the Education & Skills Funding Agency (ESFA) and Greater Manchester Combined Authority (GMCA) funding allocations of the Adult Education Budget grant for the 2022-2023 academic year and highlighted how this funding would be used to meet the ESFA's, GMCA's and Council's key priorities.

Following devolution of the Adult Education Budget, the Council's Lifelong Learning Service was now funded by the Greater Manchester Combined Authority (Prior to devolution this was directly awarded by the Education & Skills Funding Agency).

The Service delivery was designed to meet the GMCA Strategy Council's ambition and key objectives as set out in the Corporate Plan and to support the Oldham Partnership Our Future. The Service worked with the 6 district partnerships with a focus upon the Council's 'Get Oldham Working' campaign and the Co-operative Agenda.

The Service delivered a range of employability programmers in liaison with the Employment and Skills team (GOW), Job Centre Plus, Welfare to Work Providers and the 6 districts. The Service also works closely with the Voluntary and Community sector via Action Together. Partnerships with Children's Centres, Schools,

Public Health, Adult and Children Social Care and others to enable the Service to deliver targeted work which develops self-reliance, confidence, independence, health and progression to further learning, training and employment.

For the academic year 2022 – 2023, the Adult Education Budget would continue to be split based on the initial 2019/20 geographical delivery with an allocation of GMCA Devolved Education Budget. The allocation provided for the service was a total of £2,804,560.02.

All funds were to be used to support Oldham Lifelong Learning Service's Strategic Plan, Self-Assessment Report (SAR), Quality Improvement Plan (QIP), the Oldham Community Learning Plan and Lifelong Learning Service's Business Plan and the Council Corporate Plan. The funding would also support the GM Strategy and GM Local Industrial Strategy and in negotiation with GMCA it will maintain the position of prioritising Adult Skills funded provision.

The Adult Education Budget (AEB) block grant aimed to engage adults and provide skills and learning they need to equip them for work, an apprenticeship or other learning. It enabled more flexible tailored programmes of learning to be made available, which may not require a qualification. This would help those furthest from learning or the workplace.

Options/Alternatives considered

Option 1 - To accept the funding and to enter into suitable funding agreements.

Option 2 - To decline the funding.

RESOLVED – That the funding of £2,804, 560.02.for the academic year 2022-2023 be accepted.

14

OLDHAM COMMUNITY LEISURE - CONTRACT

Consideration was given to a report of the Assistant Director Youth, Leisure & Communities which approval to extend the term of the Leisure Management Contract between Oldham Council and Oldham Community Leisure (OCL) and the proposed contract variations (as detailed in the commercially sensitive report at Item 21).

The contract, in respect of leisure facilities in Oldham, commenced on 28 March 2013 for an initial term expiring on 31 March 2023 (Contract).but under the terms of the contract this term could be extended for a period of up to 5 years.

OCL delivered the leisure offer through operating leisure centres owned by the Council, and a wider community offer.

The council worked in close partnership with OCL to ensure that the outputs and outcomes it required from the services were met and that continuous improvement was achieved throughout the Contract Period.

A performance monitoring system was in place with the aim of providing reasonable and prudent checks, while focusing on KPIs which confirmed that a high quality of service was being delivered and measuring the contribution of the service to the Council's outcomes. OCL we performing well.

The level of subsidy the Council provided was low in comparison to other GM authorities and many nationally. Overall financial performance was positive.

To support the monitoring of the performance of OCL, in addition to the contracted quarterly performance meetings, monthly monitoring meetings were also in place.

Prior approval was given by Cabinet to undertake negotiations with OCL around the contract extension and any required contract modifications and the commercially sensitive information contained at Item 21 of the agenda included the outcome of those negotiations.

The Leisure contract, which is for a 10 plus 5-year term, is due for consideration this financial year with the extension (if approved) beginning 1 April 2023. If an additional 5-year extension was agreed the contract would finish at the end of March 2028.

Options/alternatives considered

Options were considered at Item 21 of the agenda due to the commercial nature.

RESOLVED – That the cabinet would consider the commercially sensitive information contained at Item 21 of the agenda before making a decision.

15

OLDHAM COMMUNITY LEISURE (OCL) - UTILITY BENCHMARKING

Consideration was given to a report of the Assistant Director, Youth, Leisure and Communities, which sought approval of Utilities Benchmarking under the contract with Oldham Community Leisure (OCL).

Utilities benchmarking can be carried out where there are extraordinary fluctuations in the utility market. OCL had served notice on the Council invoking the Utility benchmarking clause in the Contract and the details were included at Item 22 of the agenda due to commercial sensitivities.

There had been ongoing discussions with OCL regarding increased energy costs for both gas and electricity in 2022/23. OCL had provided figures as detailed at Item 21 of the agenda. Internal discussions had taken place with Finance and Legal colleagues to understand the Utility benchmarking provisions in the Contract and it was concluded that OCL had the contractual right to undertake a benchmarking exercise due to the fluctuations in the utility costs.

Options/alternatives considered

Options were considered at Item 22 of the agenda due to commercial sensitivities.

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

16

CONTRACT NOVATION - GREEN SQUARE ACCORD TO ALLIED HEALTH SERVICES LTD (CARE AT HOME)

Consideration was given to a report of the Director of Adult Social Care (DASS) which sought approval to novate the Green Square Accord contract to Allied Health Services Ltd. The report provided an updated position regarding the due diligence checks that had been completed.

Green Square Accord Limited (GSA) were one of the preferred providers working in East Cluster under the Flexible Purchasing Agreement (FPA) for the Provision of Care at Home, Extra Care and Specialist Care at Home Services (DN373470). Contracts for the provision of the Services to individuals were made under the FPA. GSA delivered over 500 hours of care per week to over 50 service users.

In December 2022 GSA requested Oldham Council's written agreement for their contract to be novated to Allied Health Services Ltd, a company owned by Cera Care, by 23rd January 2023.

The Council commenced due diligence in response to the request to novate and specified the information needed for a decision to be reached. The due diligence process could not be concluded by the date of the proposed sale of the business on 23rd January 2023 and, therefore, delegated decision approval was obtained for GSA to sub-contract the FPA and the delivery of the Services under the current contract to Allied Health Services Ltd as an interim arrangement so that ongoing service delivery could continue whilst a decision on the proposed novation was reached.

GSA sold the care at home part of its business in the North of England to Allied Healthcare Limited (a part of the Cera Care Group), as planned, on 23rd January 2023.

GSA remained under contract with the Council pending a decision on novation, but services were currently being delivered by Allied.

The due diligence process was complete and authority was sought to novate the GSA contract to Allied Health Services Ltd.

Options/Alternatives considered

Option 1 – To novate the GSA contract to Allied Health Services Ltd.

Option 2 – Not to provide agreement to novate the GSA contract to Allied. This option would present an immediate risk to service delivery. GSA have no operational functions remaining within the North West and there would be a risk to service delivery within the contract notice period.

RESOLVED – That the Cabinet would consider the commercially sensitive information at Item 23 before making a decision.

17

EXCLUSION OF THE PRESS AND PUBLIC

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

APPROVAL OF GRANT FUNDING AGREEMENT WITH GREATER MANCHESTER COMBINED AUTHORITY

Consideration was given to the commercially sensitive information in relation to Item 10, Approval of Grant Funding Agreement with Greater Manchester Combined Authority



RESOLVED – That:

1. Oldham Council to agree and enter into grant agreement with Greater Manchester Combined Authority be approved.
2. The continued delivery of the three services captured in the grant agreement namely, ABEN, CAS-3 and RSI be approved.

UKSPF GRANT ACCEPTANCE

Consideration was given to the commercially sensitive information in relation to Item 11 UKSPF Grant Acceptance.

RESOLVED – That:

1. The acceptance of the £2.296m UKSPF grant against the three interventions approved for funding by DLHUC BE approved and broken down as follows:
 - a. E1: Accessible Oldham – allocation £1,283,853 - Increase accessibility into and around the town centre – primarily on the Eastern Gateway and new park staff to maintain and improve the public realm
 - b. E3: Active Travel Oldham – allocation £506,000 - Increase the take up of active travel, modal shift away from cars and increase access to the Northern Roots Urban Farm and Eco-Park Northern Roots Bike Hub
 - c. E6: Support for Local Arts, Culture and Heritage Events –allocation £505,950 - Co-designed 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. This allocation includes a Cultural Strategy Co-Ordinator post for two years.
2. It be noted that as accountable body for UKSPF, GMCA has issued a Memorandum of Understanding (MOU) in respect of the grant, along with supporting documentation, which is currently under review by the Council 's legal services.
3. Authority be delegated to the Executive Director for Place and Economic Growth to agree the terms of the MOU issued by GMCA in respect of the grant award in consultation with the Director of Legal Services and approve appointments of professional teams and contract award in respect of the agreed budgets.

4. Authority be delegated to Director of Legal Services or their nominated representative to finalise and enter into the MOU issued by GMCA in respect of the grant award subject to the completion of any necessary due diligence on subsidy control compliance and authority to agree and complete any project change requests under the MOU.
5. Authority be delegated to the Director of Economy or their nominated representative to agree monitoring and evaluation of defined outputs and negotiations thereupon as required over the grant delivery period of 2022/23 – 2024/2025.
6. The internal governance and administration for the UKSPF grant will be performed via the Creating a Better Place Programme Board (CAPB) structures alongside a dedicated UKSPF Delivery Group for which Terms of Reference will be agreed by the Director of Economy or their nominated representative be endorsed.

20

LEVELLING UP FUND GRANT ACCEPTANCE

Consideration was given to the commercially sensitive information in relation to Item 12, Levelling Up Fund Grant Acceptance.

RESOLVED – That:

1. The acceptance of the £20m LUF2 grant over financial years 2022/23 – 2024/25 be approved against the three projects approved for funding by DLUHC broken down as follows:
 - a. Jubilee Park and Greenway Corridor – allocation £4.790m - a sustainable network through the town centre creating a modal shift towards active travel
 - b. Northern Roots Learning Centre – allocation £6.400m - 813sqm of educational space to be used to strengthen environmental skills through vocational courses
 - c. Green Shoots Business Centre – allocation £8.810m - a new business incubation centre for environment technology start-ups, 2285sqm of incubation space for local green business development and enterprise
2. Authority be delegated to the Director of Economy to progress the Northern Roots Learning Centre and the Green Shoots Business Centre projects and to meet revenue costs including design, business case development and any such expenditure as is necessary to deliver the grant funding conditions of the award.
3. Authority be delegated to the Executive Director for Place and Economic Growth, in consultation with the Director of Legal Services, to agree terms of the grant funding agreement issued by DLHUC in respect of the grant award and to approve the procurement and appointment of contractors and service providers to supply any works, supplies or services needed to deliver the three projects within the agreed budgets
4. Authority be delegated to Director of Legal Services or their nominated representative to finalise and enter into

any grant funding agreement that is issued by DLUHC and approved by the Executive Director for Place and Economic Growth in respect of the grant award, to complete any necessary due diligence on subsidy control compliance, to agree and complete any project change requests under the grant agreement and to finalise and enter into any contracts for the supply of any works, supplies or services needed to deliver the three projects within the agreed budgets.

5. Authority be delegated to the Director of Economy or their nominated representative to agree monitoring and evaluation of defined outputs and negotiations thereupon as required over the grant delivery period of 2022/23 – 2024/2025.
6. The internal governance and administration for the £20m LUF grant will be performed via the Creating a Better Place Programme Board (CAPB) structures alongside a dedicated Monitoring Group for which Terms of Reference will be agreed by the Director of Economy or their nominated representative be endorsed.

21 **OLDHAM COMMUNITY LEISURE - CONTRACT**

Consideration was given to the commercially sensitive information in relation to Item 14 Oldham Community Leisure – Contract.

RESOLVED – That:

1. A contract extension of five years from 1 April 2023, together with the contract modifications detailed in the commercially sensitive report be agreed.
2. Alternative future delivery models for leisure services be explored.
3. The financial requirements in respect of the contract, as detailed in the commercially sensitive report be approved.

22 **OLDHAM COMMUNITY LEISURE (OCL) - UTILITY BENCHMARKING**

Consideration was given to the commercially sensitive information in relation to Item 15 Oldham Community Leisure (OCL) - Utility Benchmarking.

RESOLVED – That:

1. The requirement for Utility Benchmarking under the terms of the contract be approved.
2. All further recommendations as contained in the commercially sensitive report be approved.

23 **CONTRACT NOVATION - GREEN SQUARE ACCORD TO ALLIED HEALTH SERVICES LTD (CARE AT HOME)**

Consideration was given to the commercially sensitive information in relation Item 16 Contract Novation - Green Square Accord to Allied Health Services Ltd (Care At Home).

RESOLVED – That

1. The Green Square Accord contract be novated to Allied Health Services Ltd.

2. The service delivery would be monitored robustly and provider failure processes would be implemented if necessary.

The meeting started at 6.00pm and finished 6.16pm.





Report to CABINET

Contractual Arrangements - Human Resources and Payroll System (MHR iTrent)

Portfolio Holder:

Cllr Abdul Jabbar – Portfolio Holder for Workforce and Organisational Development

Officer Contact: Shelley Kipling – Assistant Chief Executive

Report Author: Katie Butler, Interim HR Systems Manager / Vikki Morris – Assistant Director – HR & OD

19 June 2023

Reason for Decision

Review of the contract arrangements in relation to the HR and Payroll system (iTrent). The current contract with MHR International UK Limited (MHR) was due to expire on 18th April 2023 with an initial three months' contract extension being approved via Delegated Cabinet Member Decision Report from 19th April 2023 to 18th July 2023.

Executive Summary

The current provision of Transactional HR and Payroll Services to Oldham Council, MioCare, Oldham schools and academies is delivered by MHR via the iTrent system. The current contract was procured via the G Cloud Framework and awarded in April 2019 for an initial two years with two further extensions each of one year (2 + 1 + 1) being approved thereafter. The original contract was due to expire on 18th April 2023 with an initial three months' contract extension being approved via Delegated Cabinet Member Decision Report from 19th April 2023 to 18th July 2023. Oldham Council is satisfied with the iTrent system and the preference is to continue using it on a longer-term basis.

The Greater Manchester Combined Authority (GMCA) has entered into a single supplier framework agreement with MHR, which is accessible to all GMCA authorities and associate partners, for the procurement of a platform to enable employees and customers

to utilise a first-class HR and Payroll solution that is at the forefront of digital transformation that will be able to offer both on premise and cloud-based services. The GMCA framework agreement would enable us to continue with the current product and transfer seamlessly to a new longer-term contract.

It is, therefore, proposed that Oldham Council enter into a call-off contract with MHR under the GMCA framework agreement for the provision of the iTrent system for a minimum of 5 years (inclusive of the initial three months' period) until April 2028 with the option to extend this for a further 5 years.

Across GM, all HR/Workforce leads work collaboratively to address common workforce challenges, using our combined buying power to procure contracts that are of benefit to us all, ensuring maximum value for combined public spend. There is a dedicated resource (hosted by Oldham) to manage and drive contract performance on our collective behalf, ensuring no Council is trying to negotiate from an individual perspective, supporting stronger market influence. Aside from payroll, we also have contracts to support Occupational Health; Employee Assistance Programme; Agency staffing; MeLearning (online learning system) and electronic Disclosure Barring Service. The benefits of working in this way are considerable and enables those Council's with less resource or expertise in certain high-risk areas to be supported by the wider group.

Many of the GM Councils use MHR/iTrent, and some have considerable experience of over 10 years, so Oldham benefits from this significant expertise via the GM iTrent working groups. Being part of these working groups allows for innovation and pilot testing of the system in ways that are unlikely to be achieved by individual Council's on their own.

From an Oldham perspective, iTrent has been in place now for just over 2 years, and we are now beginning to use the full capabilities of the system to improve manager and employee self-serve, as well as informing better workforce data for more strategic organisational use.

Recommendations

It is recommended that Cabinet approve the direct award of a call-off contract to MHR via the GMCA HR and Payroll system framework agreement to enable the continuance of the provision of the current Transactional HR and Payroll system, iTrent, for a five-year period until April 2028 with the option to extend for a further five years.

Human Resources and Payroll System (MHR iTrent)

1 Background

- 1.1 In March 2019, a report was presented to Cabinet to set out the proposals to redesign the transactional HR and payroll service and replace the two existing HR and Payroll systems with one HR and payroll system. Following Cabinet approval, a full procurement exercise was undertaken via the G Cloud Framework and the contract was awarded in April 2019 to MHR International UK Limited (MHR) for the procurement of iTrent. The contract was for an initial two years with the option of two further extensions each of one year (2 + 1 + 1). Both options were taken up with the contract due to expire on 18th April 2023 with an initial three months' contract extension being approved via Delegated Cabinet Member Decision Report from 19th April 2023 to 18th July 2023.

2 Current Position

- 2.1 Although the contract was signed in April 2019, following a period of implementation and testing, the first payroll was only produced from iTrent in January 2021 meaning we are still in the infancy of using the system.

The preferred option is to remain with MHR iTrent as the provider of Transactional HR and Payroll services to the Council, schools, Miocare and Academies.

Following a period of high staff turnover and the transfer and retention of skills within the HR Transactional and Payroll teams, it is recognised that retaining iTrent as our provider provides stability and allows us the ability to develop the HR, Payroll and OD offer to our customers, and utilise the additional modules available to us at the right time.

3 Options/Alternatives

3.1

Option	Advantages	Disadvantages
1 – Retain MHR iTrent as the Transactional HR and Payroll provider of choice and enter into a call-off contract via the GMCA HR and Payroll System framework agreement	Retain existing system along with all skills, knowledge and experience of using the system across the Council. Retain established contractual relationships both with MHR and across GMCA.	None
2 – Any other option would not be viable due to the procurement exercise that would be required to be undertaken		

- 3.2 The costs are outlined below. All prices in the table are exclusive of VAT:

Hosting/Software Name	Initial Fee (to be paid in addition to annual fee in Year 1 only)	Annual Fee
MHR Hosting	£46,699.66	£58,913
Configurable Questionnaires	£5,269	£5,971
Core HR (workforce)	£33,657	£39,070
Core HR (pensioners)	£562	£652.50
Manager Self-Service	£3,651	£4,407
Payroll (workforce)	£30,847	£37,772
Payroll (pensioners)	£515	£631
Pensions returns	N/A	£11,209
Reporting	£1,888.60	£2,226
Escrow	N/A	£2,700
Total	£123,089.26	£163,551.50

The total cost of the contract would be £940,846.76 + VAT for the 5-year timeframe.

4 **Preferred Option**

- 4.1 The preferred option is to remain with MHR as the supplier of our transactional HR and Payroll system, iTrent and to enter into a call-off contract with MHR under the GMCA HR and Payroll System framework agreement for a term of 5 years (inclusive of the initial three months' period) with the option to extend for a further 5 years. Not retaining MHR as our HR and Payroll supplier will have a detrimental impact on the delivery of HR and Payroll services to all employees.

5 **Consultation**

- 5.1 None

6 **Financial Implications**

- 6.1 The preferred option outlined in paragraph 4.1, is for MHR to continue as the provider of Transactional HR and Payroll Services for an initial 5-year period commencing on 1st April 2023 until 31st March 2028, with the option to extend for a further 5-year period.
- 6.2 The total cost of the 5-year contract is £941k, with the first-year costing £287k and the remaining 4 years costing £164k per annum.
- 6.3 Budgetary provision of £143k is available within the Human Resources base budget therefore there is a budget shortfall of £144k in 2023/24 and £21k thereafter. The additional budget requirement has not been built into the Medium-Term Financial Strategy which was approved at Council in March 2023.
- 6.4 The HR and OD Service are forecasting an underspend of £145k in 2022/23. It is proposed to top up the existing i-Trent reserve by £145k to offset the contract extension pressure in 2023/24. The pressure of £21k from 2024/25 will be addressed during the budget setting process for 2024/25.

(Jenny Howarth Senior Accountant/Nicola Harrop Finance Manager)

7 **Legal Services Comments**

- 7.1 Rule 4 of the Council's Contract Procedure Rules and the Public Contract Regulations 2015 allow for a call-off to be made under a compliant framework agreement without the need for

alternative procurement arrangements. Therefore, provided an award is made in accordance with the provisions of the GMCA HR and Payroll System Framework Agreement, a call-off contract with MHR is in the form prescribed and for a term permitted by the framework agreement and the call-off terms are reviewed by Legal Services, there are no known legal implications to the recommended action.

(Sarah Orrell – Commercial & Procurement Solicitor)

8. **Co-operative Agenda**

- 8.1 The proposal to award MHR to provide a HR and Payroll system will improve current HR and Payroll systems for a good value and support a co-operative borough.

(Mahmuda Khanom, Policy Support Officer)

9 **Human Resources Comments**

- 9.1 The relevant HR implications are noted within the main section of this report. The HR & OD Service has been engaged in the decision-making process and agrees with the recommendation.

(Adele Savage – HR Advisory Operations Manager)

10 **Risk Assessments**

- 10.1 There are more risks in not contracting with MHR as that would jeopardise the delivery of the HR and Payroll service. Any risks associated with the contract itself and the failure to perform will be managed by the System owner, IT and with support from legal as required.

(Neil Stott – Finance Manager / Mark Stenson - Assistant Director Corporate Governance and Strategic Financial Management)

11 **IT Implications**

- 11.1 None – The infrastructure, connectivity and access will remain the same.

(Irfan Rasul – Digital Technology Manager)

12 **Property Implications**

- 12.1 None

13 **Procurement Implications**

- 13.1 Commercial Procurement support the recommendation of Option 1. The contract will be awarded via the GM Collaboration HR Payroll System Support and Maintenance Framework Agreement Contract Ref: DN560075 (GMCA 400) Single Supplier Framework MidlandHR International UK LTD, June 2022 – June 2026. The Framework terms allow a direct award, with the initial term being a period of 5 years. The call off contract permits 2 extensions of up to 5 years each extension.

(Senga Henstock – Commercial Procurement Unit, ICT Senior Buyer)

14 **Environmental and Health & Safety Implications**

- 14.1 None

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

15.1 None

16 **Equality Impact Assessment Completed?**

16.1 Yes

17 **Key Decision**

17.1 Yes

18 **Key Decision Reference**

18.1 CS-02-23

19 **Background Papers**

19.1 N/A

20 **Appendices**

20.1 Equality Impact Assessment



Report to CABINET

Grant Acceptance: City Region Sustainable Transport Settlement (CRSTS) – Oldham Town Centre St Mary’s Way Scheme

Portfolio Holder (s):

Councillor Arooj Shah, Leader of the Council

Officer Contact:

Emma Barton, Executive Director Place and Economic Growth

Report Author:

Neil Coleman, Transport Policy Officer

19th June 2023

Reason for Decision

Oldham Council has secured capital funding for the development of an outline/full business case (OBC/FBC) to support a highway scheme in Oldham town centre at St Mary’s Way, via:

- City Region Sustainable Transport Settlement (CRSTS)

The purpose of this report is to confirm the value of the grant available to Oldham Council and notify Cabinet of the intention to bring this additional resource into the transport capital programme to commence detailed development and the full business case for the scheme.

The report will also outline the steps that Oldham Council will need to take to procure the necessary support to develop the scheme in the appropriate timescales and to meet the funding requirements for both development and future delivery of the scheme.

Executive Summary

The Greater Manchester CRSTS programme business case was submitted to the Department for Transport (DfT) in September 2021 by Transport for Greater Manchester (TfGM) on behalf of themselves and all 10 GM districts.

Greater Manchester Combined Authority (GMCA) received confirmation of the full regional CRSTS allocation of £1.07bn for spend across 2022/23-2026/27 on the 1st April 2022.

On the 29th July 2022, the DfT, as the funders of the City Region Sustainable Transport Settlement, confirmed the delivery plans and funding allocations to each city region and sent a funding letter to each City Region Mayor.

One scheme included in the delivery plan is the Oldham-led Streets for All: Oldham Town Centre Connectivity (Phase 2) scheme for St Marys Way (Henshaw Street – Yorkshire Street).

This scheme has been developed over the past year and has now secured Strategic Outline Business Case (SOBC) assurance through TfGM processes to move to the next stage of scheme development, utilising some of the approved DfT CRSTS capital budget.

Recommendations

- That the grant offer from the City Region Sustainable Transport Settlement (CRSTS) for delivery of an outline/full business case (OBC/FBC) for the scheme on St Mary's Way be accepted.
- Approval is granted to enter into a Funding Delivery Agreement with TfGM in relation to the proposed scheme development.
- That the intention to bring the additional resource into the transport capital programme in 2023/24 and complete development of the scheme in the appropriate timescales be noted.
- Approval to procure and make tender awards relating to the necessary external support required to develop the outline/full business case (OBC/FBC) be delegated to the Executive Director for Place & Economic Growth, or further delegation depending on the values of the awards.
- Approval to use part of this resource to appoint temporary support to Council teams, as required, to progress design options, stakeholder engagement and production of the full business case to secure further capital funding for Oldham.

Grant Acceptance: City Region Sustainable Transport Settlement (CRSTS) – Oldham Town Centre – St Mary’s Way scheme**1 Background**

- 1.1 The City Region Sustainable Transport Settlements (CRSTS) programme is a £5.7 billion investment in local transport networks by the Department for Transport (DfT) focusing on improving sustainable transport such as walk/cycle networks. It provides consolidated, long-term capital funding to 8 city regions across England through a 5-year period between 2022/2023 and 2026/2027. As part of this, Greater Manchester received a total of £1,07bn to be split across schemes throughout the region.
- 1.2 Oldham Council has ambitious plans to regenerate the town centre and has secured funding for walking/cycling improvements (£1.5m) and new developments (£9.2m) in the town centre as part of the ‘Accessible Oldham Phase 1’ project. Furthermore, the council is now embarking on delivering the ‘Accessible Oldham Phase 2’ project with one of the main components being the Jubilee Park Neighbourhood which borders St Mary’s Way.
- 1.3 Therefore, as part of the CRSTS programme, the scheme at St Mary’s Way to the north of Oldham Town Centre will play a crucial role in supporting this regeneration by reshaping the highway link to provide better connectivity for public transport, pedestrians and cyclists, and creating a high-quality public realm in line with ‘Streets for All’ principles.
- 1.4 The concept design of the town centre scheme at St Mary’s Way (to be developed further at the next stage) includes the following:
- Reconfiguration of highway layout to include cycle track to south of corridor along St Mary’s Way.
 - Cycle/pedestrian crossing points (with priority) at Henshaw Street and Lord Street with link to Rock Street (West).
 - Parallel crossing and shared space on St Mary’s Way close to the Lord Street junction.
 - Footway resurfacing along St Mary’s Way.
 - Incorporation with the proposed Cyclops junction at Egerton Street, and investigation as to whether this is required or alternative cycle crossing provision.
 - Bus stop layby incorporated along St Mary’s Way to ease traffic congestion.
- 1.5 The Leader and relevant Portfolio Holder (Regeneration and Housing) and relevant senior management had a presentation from Council officers and external consultants Jacobs on the scheme in February 2023. This gave a high-level overview of the scheme and its objectives and both the Leader and Senior Officers were supportive to see the scheme progress to this next stage.

2 Current Position

- 2.1 The GM Delivery Group endorsed the recommendation to approve the SOBC for the Town Centre St Mary’s Way scheme on the 2nd May 2023.
- 2.2 The next steps now include:
- The scheme will be included in a report to GMCA on 26th May 2023 where TfGM request capital funding drawdown from the CRSTS allocation for this town centre

scheme of £900,000. This is for Oldham Council costs to develop the scheme to the FBC stage. This report will also highlight that this £900,000 is part of the overall funding of £6.2m required to deliver the scheme in full (the rest of the funding will be drawn down after the FBC is approved).

- Oldham Council accept the grant offer of £900,000 for scheme development of the town centre scheme at St Mary's Way).
- Oldham Council enter into a Funding Delivery Agreement with TfGM in relation to the proposed scheme development.
- Oldham Council bring the additional resource into the transport capital programme in 2023/24 and commence design development.
- Completion of combined Outline/Full Business Case, including detailed schemes designs and procurement, with a target date of December 2024.

External Support

2.3 The £900,000 ask prepared by Oldham Council to TfGM for development costs includes the following work:

- Officer time on developing the scheme to preliminary/detailed design, consultation and engagement with Members and key stakeholders, communications, finance, legal and procurement input (£664,600).
- Traffic Modelling.
- Signal design.
- Topographical surveys.
- Intrusive surveys and site investigation.
- Landscape architect input.

2.4 The elements of the above work that we require external support to deliver (topographical surveys, intrusive surveys, site investigation and landscape architect input etc.) will be discussed with procurement and the most appropriate procurement methods selected. It is proposed that the approval for any procurement activity, including the award of contracts for any of these works will be delegated to the Executive Director for Place & Economic Growth (who may delegate further if appropriate to ensure procurement and delivery in a timely manner).

Strategic Partnership Agreement (Delivery Model)

2.5 For Oldham Council to meet the expectations and delivery timescales required under CRSTS we need to adopt a pro-active approach to procurement of a contractor to deliver works.

2.6 The Council has previously entered into a Strategic Partnership Agreement – 'Accessible Oldham' - with a medium-sized local contractor who are successfully delivering several works packages across the town centre to meet timescales put in place by funders. This agreement is working well and evidence that, once established, in conjunction with legal, procurement and finance colleagues, a Strategic Partnership Agreement can be used to negate the need for lengthy procurement exercises of up to 3-4 months for each package of works.

2.7 This successful model for the development and delivery of highway works is to be repeated for this town centre scheme (and other schemes coming forward through CRSTS allocations) and means that individual projects will be procured via a Call Off procedure under the Strategic Partnership Agreement. The Call-Off procedure would be governed by the overarching agreement and each order for works (Call-Off) would be approved at

Director level (in liaison with the Directors of Finance and Legal Services) rather than through individual Cabinet reports for each element of work over £400k.

- 2.8 This Strategic Partnership Agreement is currently being progressed and will be in place by the end of 2023. Having a Strategic Partner in place will assist the Delivery Team at key stages of the development of schemes and business cases through Early Contractor Involvement (ECI) and fast-track, where applicable, the construction of projects, to meet the expectations demands of the overseeing organisations.

3 Options/Alternatives

- 3.1 There are two options:

Option 1:

- That the grant offer from the City Region Sustainable Transport Settlement (CRSTS) for scheme development of the town centre scheme at St Mary's Way be accepted.
- That approval is granted to enter into a Funding Delivery Agreement with TfGM in relation to the proposed scheme development.
- That approval for all procurement activity and tender award decisions relating to the necessary external support required to develop the scheme (examples listed in the report) be delegated to the Executive Director for Place & Economic Growth.
- That approval to use part of this resource to appoint temporary support to Council teams, as required, to progress design options, stakeholder engagement and production of the full business case to secure further capital funding for Oldham.

Option 2:

- That the grant offer from the City Region Sustainable Transport Settlement (CRSTS) for scheme development of the town centre scheme at St Mary's Way is not accepted.
- That approval to enter into a Funding Delivery Agreement with TfGM in relation to the proposed scheme development is not granted.
- That approval for all tender award decisions relating to the necessary external support required to develop the scheme (examples listed in the report) be delegated to the Executive Director for Place & Economic Growth is not granted.
- That approval to use part of this resource to appoint temporary support to Council teams, as required, to progress design options, stakeholder engagement and production of the full business case to secure further capital funding for Oldham is not granted.

4 Preferred Option

- 4.1 This report recommends 'Option 1' is taken forward enabling the Council to develop the town centre scheme at St Mary's Way in the appropriate timescales to meet the funding requirements for both the development and future delivery of the scheme.
- 4.2 The alternative, 'Option 2' would be reputationally damaging. We have committed to develop and implement these types of schemes as part of the GM 2040 Transport Strategy (<https://tfgm.com/2040-transport-strategy>).
- 4.3 This scheme will make the town centre and in particular St Mary's Way a more attractive option for travel by bus and active travel modes for both local, short, and onward journeys.

5 Consultation

- 5.1 The Leader and Portfolio Holder and Senior Management were briefed in February 2023 and introduced to the town centre scheme at St Mary's Way as part of a wider briefing on the Oldham-led CRSTS Streets for All schemes.
- 5.2 Engagement with senior stakeholders and ward members will continue as the scheme develops and as will be supported with a detailed stakeholder engagement plan.
- 5.3 The stakeholder engagement plan will also take into account wider stakeholders including Council colleagues, residents, businesses, visitors, bus operators, taxi association and specific groups such as those that represent people with disabilities.

6 Financial Implications

- 6.1 The acceptance of the £900k CRSTS capital grant funding will enable delivering the scheme development of the town centre scheme at St Mary's Way, which is detailed in the body of the report, on behalf of TfGM. The overall cost of the scheme will need to be contained within the available funding.
- 6.2 The Councils 2023/24 capital programme will be amended to reflect the receipt of the £900k additional grant and planned programme of expenditure.

(John Edisbury)

7 Legal Services Comments

- 7.1 Subject to Cabinet approval to accept the grant, the Council will be required to enter into a grant funding delivery agreement with TfGM in order to secure the grant award. It is essential that the draft funding agreement is reviewed by Legal Services prior to the formal acceptance of funds to ensure all obligations imposed by TfGM can be complied with and so that any risks can be addressed and, where possible, mitigated. All matters of note and all risks will be communicated to relevant officers for consideration.
- 7.2 The procurement activity proposed in the report must be undertaken in consultation with the Commercial Procurement Unit and with Legal Services, who will supply suitable forms of contract. Provided all procurement activity is undertaken in accordance with the Contract Procedure Rules (incorporating national procurement legislation) and that the award processes are in accordance with the advertised evaluation and scoring criteria, there are no known legal implications linked to the procurement recommendations.

(Sarah Orrell – Commercial & Procurement Solicitor)

8. Co-operative Agenda

- 8.1 Development of the town centre scheme at St Mary's Way in Oldham is part of the collaborative approach to public transport and active travel schemes which sees the 10 Greater Manchester councils, including Oldham, working in partnership with GMCA and TfGM to improve the city-region's active travel network.

The proposals will assist Oldham to meet the mode share targets we have supported as part of the GM 'Right Mix Vision' – for 50% of all journeys in Greater Manchester to be made by walking, cycling and public transport by 2040.

They will also encourage travel by active and sustainable modes, reduce road danger in Oldham and improve the environment and air quality for people living and working in Oldham.

9 **Human Resources Comments**

9.1 None

10 **Risk Assessments**

10.1 The Council in accepting this grant must determine whether it can comply with the grant conditions and deliver the project. The risks in accepting this grant award are assessed as minimal.

(Mark Stenson)

11 **IT Implications**

11.1 None

12 **Property Implications**

12.1 None

13 **Procurement Implications**

13.1 If option one is selected and approved, that the grant offer from the City Region Sustainable Transport Settlement (CRSTS) is accepted for scheme development and a Funding Delivery Agreement with TfGM be entered into in relation to the proposed scheme, any additional external support resources required by Oldham Council to discharge its obligations for the grant funded scheme must be fully compliant in accordance with the **Public Contracts Regulations (2015)**.

The compliant procurement of external consultants and professionals for the delivery of services, as previously stated, traffic modelling, signal design, topographical surveys will be delivered using specialist frameworks as permitted and set out in **PCR 2015 Chapter 2, Section 4 r33 Framework Agreements**.

A decision to utilise certain frameworks available to Oldham Council has been taken including the use of the Transport for Greater Manchester (TfGM) framework Lots to deliver these specialist requirements and services. The use of frameworks allows compliant flexibility and efficiency in securing the necessary external support services required for successful delivery.

The procurement of a Strategic Partner is currently being progressed in full compliance with the **Public Contracts Regulations (2015)** and will be in place by the end of 2023.

(Dan Cheetham).

14 **Environmental and Health & Safety Implications**

14.1 None

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

15.1 None

16 **Equality Impact Assessment Completed?**

16.1 The Equality Impact Assessment for 'Creating a Better Place', carried out in July 2020 adequately covers the aims and objectives of this scheme and is included at Appendix A.

17 **Key Decision**

17.1 Yes

18 **Key Decision Reference**

18.1 ESR-15-23



Report to CABINET – Part A

Town Centre Private Sector Partnership

Portfolio Holder:

Cllr Arooj Shah – Leader and Cabinet Member for Reform and Regeneration

Officer Contact:

Emma Barton, Executive Director for Place and Economic Growth

Report Author: Paul Clifford – Director of Economy

Ext. 4702

19 June 2023

Reason for Decision

Following the completion of a competitive procurement process, this report seeks approval to appoint the preferred bidder in the role of Private Sector Partner (“PSP”) initially for period of 15 years with an option to extend the arrangement by a further 10 years, subject to agreement at that time.

Executive Summary

Cabinet has previously supported the following recommendation within the context of the wider approved housing delivery programme:

- Short to Medium Term: Select a Strategic Development Partner to progress development of the strategic town centre residential sites with the Council. Prioritising Council resource and investment to help establish a housing market in the town centre.

Recommendations

Cabinet are asked to approve the recommendations as set out in detail in Part B of this report, but in summary reference:

- the selection of the preferred bidder following the completion of a competitive tender procedure for the appointment of a private sector delivery partner for the development and regeneration of key strategic sites in Oldham Town Centre.

-
- that a Master Development Agreement and all accompanying contractual documentation are entered into with the preferred bidder to formalise their selection as private sector delivery partner for the development and regeneration of key strategic sites in Oldham Town Centre.
 - delegated approval to the Executive Director of Place, the Director of Legal Services, the Director of Finance (or their nominees), to establish and enter into and manage all related or required partnership and ancillary agreements, processes and documentation and associated boards and governance structures which may be required throughout the term of the partnering arrangement to deliver the development and regeneration of key strategic sites in Oldham Town Centre and the Council's objectives. This will be inclusive of the Master Development Agreement, Outline Business Plans and Detailed Business Plans and all other supporting documents as required or as set out or referred to in this report.
 - delegated approval to the Executive Director of Place, the Director of Legal Services, the Director of Finance (or their nominees), to procure, appoint, enter into contracts in respect of, and fund all required external consultancy to support in-house provision relating to the development and regeneration of key strategic sites in Oldham Town Centre across legal; finance; real estate; procurement; planning; environmental and social, inclusive of any other required external support in the required configuration to support the Council in delivery of the Project.
 - delegated approve and authorisation to the Director of Legal Services or their nominated representative to sign and/or affix the Common Seal of the Council to all contracts/agreements/documents and associated or ancillary paperwork to give effect to the recommendations in this report.

Town Centre Private Sector Partnership

1 Background

- 1.1 The Creating a Better Place Programme sets out a bold vision for Oldham town centre and wider borough embedded within a £285m strategic framework. Creating a Better Place is an ambitious plan which seeks to transform Oldham and unlock opportunities to secure the future of our town and ensure it thrives.
- 1.2 The strategic objectives relating to the Creating A Better Place programme have been set out in the **Oldham Town Centre Development Prospectus** published in 2022 and also contained in Appendix A of this report and are defined as:
- **New Town Centre Homes:** Enables core town centre regeneration proposals to be brought forward into delivery by releasing sites for redevelopment, particularly Housing.
 - **Reduction in Asset Cost Base:** Enables the Civic Centre and other buildings to be vacated meaning lease agreements, backlog maintenance and reactive maintenance costs can be reduced.
 - **Regeneration and Town Centre Activation:** Increase footfall and activation of the centre through intervention, reduction of void space in prime retail areas to consolidate and improve the town centre offer – create a destination for North Manchester and Oldham.
 - **Championing a Green Recovery:** Supporting the Green New Deal embedding sustainability and net zero carbon ambitions within the project.
 - **Social Value Benefits:** Provide opportunities for Employment, Learning, Skills and Social contributions across the design, procurement, delivery, and operation phases of the projects.
- 1.3 Within the context of the Town Centre, a significant opportunity exists to accelerate the delivery of 2,000 new homes across a number of key strategic sites, and additional opportunity sites.
- 1.4 The delivery of housing volumes at this scale and size will help to realise a number of direct and indirect benefits:
- Help to meet the overall housing requirement that exists within Oldham where need exists across all types and tenure.
 - Delivery of new housing will help to ensure the overall sustainability of wider regeneration activity delivered through the Creating a Better Place programme through increased resident spend power and increased footfall.
 - Bringing forward underutilised existing sites is a critical component of the wider strategic place shaping agenda which is a fundamental regeneration requirement and will help to improve overall vibrancy and animation of the Town Centre.
 - Delivery of new homes will have a positive financial benefit for the Council in respect of increased Council Tax.
 - It will help to remove the risk of blighted and unused sites across the Town Centre.
 - Undertaking a holistic strategic approach to the delivery of housing will help to avoid a piecemeal approach as well as facilitating the associated delivery of enabling infrastructure and wider services. This approach will also help to ensure that proposals are fully aligned to the wider regeneration projects planned and currently in delivery within the town centre.

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- 1.5 Following the completion of competitive and fully transparent procurement exercise, this report seeks approval to enter into a Master Development Agreement and private sector partnership with the preferred bidder which will provide a critical delivery vehicle in respect of realisation of the housing delivery aspiration for Oldham Town Centre.

2 **Current Position / Proposal**

- 2.1 It is proposed to appoint the preferred bidder in the role of Private Sector delivery partner initially for period of 15 years with an option to extend the arrangement by a further 10 years subject to agreement by all parties.
- 2.2 Entering into a delivery partnership of this nature is an important step for the Council helping to realise one of the key objectives within the Creating a Better Place Programme, notably the creation of 2,000 homes across a number of strategic sites within Oldham Town Centre.
- 2.3 The Council has undertaken a rigorous and fully transparent procurement process with the overarching objective of securing a delivery partner for the development and regeneration of key strategic sites in Oldham Town Centre who is fully aligned to the strategic priorities of the Council.

Throughout the procurement process the preferred bidder has fully evidenced:

- A thorough understanding of the bold ambition and scale of opportunity that exists within Oldham Town Centre as set out in the Town Centre prospectus;
- A clear alignment with the strategic priorities set out for Oldham within the context of the Our Future Oldham 2030 Plan;
- Financial capacity and a credible, deliverable approach to funding the development and delivery of the strategic vision for Oldham Town Centre;
- A proven track record of long term public private partnership working approaches on major regeneration projects across the country;
- A commitment to partnership and collaboration;
- Strong social value credentials, demonstrating innovation and a commitment to delivering tangible and lasting positive social, economic, and environmental impacts for neighbouring communities and wider town and city region;
- A high quality, experienced team with exemplary and transferable skills, which are considered capable of delivering the vision and objectives.

3 **Formally establishing the partnership**

- 3.1 The partnership will see the Council and the preferred bidder committing to establish a project board with senior stakeholders from both organisations in attendance. The project board will meet at regular intervals and at least every 3 months. This will provide a governance forum for strategic review of progress with the Project but will be advisory only.
- 3.2 From an internal Council governance perspective it is envisaged that the project board will report directly into the Council's established Corporate Property Board providing full visibility and accountability of all activity undertaken.

4 Options/Alternatives

- 4.1 Option 1 to select and contract with the preferred bidder to develop certain sites within Oldham Town Centre on a phased basis.
- 4.2 Option 2 to not proceed with the selection and appointment of a preferred bidder. This option provides significant challenges in respect of the deliverability of strategic aspiration in terms of pace, capability, capacity, time and resource.

5 Preferred Option

- 5.1 Option 1 to select and contract with the preferred bidder to develop certain sites within Oldham Town Centre on a phased basis.

6 Consultation

- 6.1 The town centre residential proposals were considered as part of the Big Oldham Conversation in the winter of 2020/21 and the three core residential sites have been included on the council's website under the Creating a Better Place webpages.
- 6.2 Elected members have been made aware of these proposals through Overview and Scrutiny meetings for Planning, Housing and previous Creating a Better Place reports; and from previous Cabinet report papers.
- 6.3 However, one of the early tasks for the appointed Development Partner will be to consult more specifically on their proposals for residential development in the town centre to inform the Strategic Regeneration Framework that they will draw up. As such, the public will be able to input on the Development Partner's proposals for the residential sites as the plans are developed.

7 Financial Implications

- 7.1 The Council's contribution would be the provision of land (and property assets), the value for which would be determined via a financial appraisal prior to the commencement of any development. The development of any site is subject to the PSP demonstrating that the Phase Conditions (as set out in the MDA) are satisfied. These Phase Conditions include a Viability Condition and Funding Condition that must demonstrate that any proposed development is viable and has secured appropriate funding.
- 7.2 Revenue resources will be required in order provide the necessary expertise in evaluating proposals put forward by the PSP.
- 7.3 Upon the transfer of the sites into the PSP the revenue costs associated with the sites will become the PSP's responsibility and will contribute to the existing Creating a Better Place revenue savings targets.

(Chris Kelsall – Assistant Director of Finance)

8 Legal Services Comments

- 8.1 Rule 4 of the Contract Procedure Rules details the procurement processes which must be undertaken in various circumstances. In this matter, the procurement process is dictated by the Public Contract Regulations 2015.

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- 8.2 As detailed within the procurement comments, a competitive dialogue procedure has been completed and a preferred bidder has been identified.
- 8.3 External legal and commercial support and advice has been in place throughout the procurement process to supplement support given by the in-house legal and Project Team and to protect the Council's interests. The form of Master Development Agreement and the accompanying contractual documentation have been drafted by Brabners LLP on the Council's behalf. Support will be required to continue to close all necessary legal documentation and then throughout the project on an ad-hoc basis going forward as required.
- 8.4 The report explains that a lawful and compliant procurement exercise was undertaken in line with Regulation 30 of the Public Contract Regulations 2015 which resulted in the identification of the preferred bidder. The report author has confirmed continued compliance with the Council's Contract Procedure Rules and Financial Procedure Rules.
- 8.5 The report author must ensure appropriate instructions are given in order to properly finalise business plans and the Master Development Agreement along with any other supplementary or ancillary contract documents.
- 8.6 A Project Team for delivery will need to be set up to ensure the project operates smoothly, to monitor and report on costings, programme, and compliance with obligations (including any related to funding) connected with the project and to manage the Master Development Agreement and any other contractual arrangements. Appropriate procedures, processes, boards and governance structures will also need to be set up to support the running and delivery of the project.

(Rebecca Boyle – Corporate Group Solicitor)

9. **Co-operative Agenda**

- 9.1 The approach supports the delivery of the wider objectives of Creating a Better Place and aligns to the priorities in the Corporate Plan.

(Jonathan Downs – Corporate Policy Lead)

10 **Human Resources Comments**

- 10.1 No HR implications.

(Catherine Pearson, Strategic HR Lead)

11 **Risk Assessments**

- 11.1 It is appropriate from a risk perspective that the appointment of a preferred bidder as set out in this report is subject to Cabinet Approval.

(Mark Stenson)

12 **IT Implications**

- 12.1 None.

13 **Property Implications**

- 13.1 Under the Master Development Agreement (MDA) some Council owned assets have been put forward as key strategic sites (known as "red sites") for the partnership. There are

additional sites where the Council will have an interest in the land which may be developed in the future. The key “red site” assets, where the Council has a commitment to transfer its interests are set out as follows:

- 13.2 SITE 1 - Asset L01521 & Asset L00930: The Civic Centre and Queen Elizabeth Hall. The Council owns the freehold of these assets, both of which are operational buildings, but will become surplus to requirement on completion of the Spindles Project.
- 13.3 SITE 2 - Asset L00471 & L03153: Manchester Chambers and Former Oldham Magistrates Court is owned freehold.
- 13.4 SITE 3 - Asset L01519: Site of Former Oldham Sports Centre and Swimming Pool. The Council owns the beneficial freehold interest in this site (Land only, the buildings were demolished in 2017. The land is currently used as temporary pay and display car parking.
- 13.5 Due diligence work has already been undertaken on these sites to provide as part of the procurement and to ensure suitability for inclusion in this project.

(Katy Webster, Assistant Director for Property and Projects)

14 **Procurement Implications**

- 14.1 The Council, a local authority and therefore a “contracting authority” for the purposes of the Public Contracts Regulations 2015 (“PCR 2015”) launched a Competitive Dialogue procedure in line with Regulation 30.
- 14.3 The procurement was robust and compliant and undertaken in line with Regulation 30 of the Public Contract Regulations 2015 which resulted in the identification of the preferred bidder. A Standstill period will be implemented from Monday 26th June – Thursday 6th July 2023. The notification will provide information on the award decision and provides time for unsuccessful tenderers to challenge the award decision before the contract is entered into. The Public Contract Regulations 2015 (SI 2015 No.102) (as amended) provides for aggrieved parties who have been harmed or are at risk of harm by a breach of the rules to take action in the High Court (England, Wales and Northern Ireland).

(Dan Cheetham, Procurement Lead).

15 **Environmental and Health & Safety Implications**

- 15.1 None.

16 **Equality, community cohesion and crime implications**

- 16.1 This report seeks approval to select a preferred bidder and consequently there are no defined equality impacts at this stage. It should be noted that full equality impact assessments will be undertaken at an individual development site level as individual proposals are brought forward through the partnership.

17 **Oldham Impact Assessment Completed?**

- 17.1 Yes

18 **Key Decision**

18.1 Yes

19 **Key Decision Reference**

19.1 ESR-14-23

20 **Background Papers**

20.1 None

21 **Appendices**

21.1 Appendix A – Town Centre Development Prospectus

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

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