

CABINET Agenda

Date Monday 13th November 2023

Time 6.00 pm

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 details for this agenda are available from 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 Wednesday, 8th November 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.

Please note that anyone using recording equipment both audio and visual will not be permitted to leave the equipment in the room where a private meeting is held.

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

MEMBERSHIP OF THE CABINET

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 - 6)

The Minutes of the meeting of the Cabinet, held on 16th October 2023, are attached for approval.

6 Grant Acceptance: One Public Estate (OPE) Brownfield Land Release Fund - Round 2 (Pages 7 - 14)

To confirm the value of the grant available to the Council and notify members of the intention to bring this additional resource into the capital programme to commence detailed negotiations leading to the site clearance and remediation of three sites in Oldham town centre.

7 UKSPF - Inclusive Employment and Skills (Pages 15 - 22)

To approve the appointment of the Council as a sub-contractor of the Prime Contractor appointed by the Greater Manchester Combined Authority in relation to the delivery of the UK Shared Prosperity Fund - E33 – Employment support for economically inactive people.

8 Pot Hole Funding 2023/24 (Pages 23 - 36)

To seek approval for the formal acceptance of Pot Hole funding and the programmes recommended for delivery in 2023/24.

9 Sustainable Oldham Strategic Partnership Agreement (Pages 37 - 48)

To authorise delegations under the Sustainable Oldham Strategic Partnership Agreement.

10 Construction and Highways Works & Services (CHWS) Framework Agreement - Existing Framework (Pages 49 - 68)

To seek authority to modify the existing Construction and Highways Works and Services Framework Agreements

11 Council Tax Reduction Scheme 2024/25 (Pages 69 - 90)

To present to Cabinet the proposed Council Tax Reduction Scheme for 2024/25 prior to formal approval by full Council on 13th December 2023.



Present: Councillor Shah (in the Chair)
Councillors Ali, Brownridge, Dean, Goodwin, F Hussain, Jabbar,
Mushtaq and Taylor

1 **APOLOGIES FOR ABSENCE**

There were no apologies for absence received.

2 **URGENT BUSINESS**

There were no items of urgent business for this meeting of the Cabinet to consider.

3 **DECLARATIONS OF INTEREST**

There were no declarations of interest received.

4 **PUBLIC QUESTION TIME**

A question was received from Councillor Quigg:

There have been several concerns raised already about the preliminary ecological appraisal for the Oldham sites in the Places for Everyone plan.

In recent correspondence the Leader of the Council advised that the preliminary ecological appraisal was carried out in accordance with the broad principles of the Chartered Institute of Ecology and Environmental Management (CIEEM) guidelines. Under the CIEEM guidelines, a preliminary ecological appraisal is broadly broken down into three phases:

1. An initial desktop survey is carried out.
2. Appropriate field surveys informed by the desktop survey.
3. A report that details the findings from the desktop and field surveys, which identifies the priority habitats present, records the likely presence of protected and priority species, and includes an evaluation of the potential impacts and necessary interventions.

In accordance with the CIEEM guidelines, the desktop survey recommended up to seven types of field survey for the site visit phase.

Therefore, is the Council able to tell us which of the recommended field surveys were carried out for the preliminary ecological appraisal, and provide any protected or priority species or habitats that were identified as present by the field surveys?

Also, whilst the forthcoming consultation is on the proposed modifications only, several of the modifications to policies affecting the Oldham sites relate to ecology, and therefore the soundness of the modifications can only be considered within the context of up-to-date and accurate ecological assessment.

Only the desktop survey was made available as part of the Places for Everyone plan evidence base, so will the Council commit to making the field survey reports available, to facilitate Council and public scrutiny of the site allocation modifications?

Councillor Taylor, Deputy Leader of the Council and Cabinet Member for Housing and Licensing replied: The proposed modifications to Oldham site allocation policies in PfE that are related to ecology have been proposed simply to ensure consistency across all the PfE site allocation policies and to avoid duplication of policy. The modifications referred to amend or remove the ecology criteria in the allocation policies where this would be a duplication of policy JP-G9 in chapter 8 of PfE. The modifications are not a result of concerns raised about the ecological evidence behind the proposed allocations.

Further to discussions at the examination hearings GMCA submitted a note explaining the ecology evidence used to inform the choice of allocations and contents of their respective policies. This note can be found on the examination website at PfE-Response-to-IN24-AP91-Ecology-ISSUED.pdf (hwa.uk.com) and sets out that:

- It is considered that the ecological evidence published on the GMCA website represents relevant, up-to-date, adequate and proportionate evidence on ecology.
- It has suitably and robustly informed the choice of allocations and the contents of site allocation policies in the plans.
- Whilst PfE does allocate some land with environmental or amenity value, the evidence has enabled this to be kept to a minimum and ensured that the most important ecological assets have been identified for inclusion in allocation policies.
- The evidence has enabled recommendations for likely mitigation and enhancement to be included within policies, where appropriate.
- The evidence provides appropriate justification for the thematic policies in the plan which include safeguards for protecting and enhancing ecological assets, and a requirement for development to achieve a net gain in biodiversity.

The Inspectors in their robust assessment of the Plan have considered the ecological evidence prepared to support the PfE allocations and in doing so have concluded that the proposed modification are necessary to make the plan sound. Therefore, the issue of soundness being addressed by the modifications is not one related to the evidence, but whether the specific criteria previously proposed in allocation policies is necessary given JP-G9.

It is important to note that the full extent and distribution of priority habitats, and the presence of protected and priority can only be established by detailed species surveys, which are beyond the scope of the high-level Preliminary Ecological Appraisals considered necessary and proportionate for a plan such Places for Everyone (as outline in the aforementioned note prepared for the examination). Fully comprehensive surveys would be required to inform full planning applications. In the PEAs the Greater Manchester Ecology Unit have identified the likely presence of priority habitats on some sites, but they do not consider these to be of such high quality, or so extensive, so as to exclude sites from allocation. Proposals for mitigation and compensation measures for development can only be made when detailed development proposals come forward, not at

allocation stage when details of site layouts, quantum, scale and type of developments etc are unknown.

Therefore, given that the proposed modifications are not related to the ecological evidence, the field survey reports are not needed to facilitate Council and public scrutiny of the site allocation modifications.

5 **MINUTES**

Resolved:

That the Minutes of the meetings of the Cabinet held on 18th September 2023 and on 2nd October 2023, be approved as correct records.

6 **RUBRIK AIR GAP BACKUP SOLUTION**

The Cabinet gave consideration to a report of the Deputy Chief Executive, the purpose of which was to seek funding to procure a modern data protection service which is Cloud aware (to enable it to support our cloud migration strategy), able to effectively protect data against deletion or manipulation (immutability) and capable of interrogating data being backed up to identify and mitigate against potential threats (ransom/malware etc.).

Oldham Council's ICT service had investigated several options around a modern data protection solution based on the market leaders in this area (according to Gartner's Magic Quadrant) and identified Rubrik's 'Zero Trust Data Management' solution as the ideal candidate to replace the existing legacy backup product. Many Councils, particularly those hit with ransomware, have identified Rubrik as best placed to protect them moving forwards – Redcar and Cleveland were cited as being a significant relevant example, where they also conducted a detailed assessment of the market and then ultimately selected Rubrik.

The ultimate aims of the exercise were to reach the following outcomes:

- a. Improve the Council's ability to securely protect and recover Oldham Council data is a significant measurable improvement.
- b. Develop an ability to protect Cloud hosted services and data.
- c. Develop an ability to automatically interrogate data held in backups will allow a better understanding of the data type (for governance purposes) and identify potential dormant threats or malicious files.

The Rubrik platform will also uniquely allow the Council to identify where sensitive data is located within the business and would greatly enhance reporting of any breach that may result in regulatory fines and/or legal action. This would also increase the Council's security posture in meeting and exceeding the NCSC Cyber Assessment Framework.

Resolved:

That the Cabinet would consider the commercially sensitive information contained at Item 9 of the agenda before making a decision.

7 **CREATING A BETTER PLACE FOR OLDHAM**



The Cabinet gave consideration to a report of the Executive Director, Place and Economic Growth which presented a bi-annual update on the Creating a Better Place project.

It was reported that the Council and its partners were continuing to make significant progress on the delivery of the Creating a Better Place programme which would ultimately reshape Oldham Town Centre but which also reached out across the borough.

The submitted report sought to provide a comprehensive update on delivery achieved thus far, acknowledging the successes to date and establishing key milestones in respect of the flagship projects which sat across the programme.

Nationally it had been widely recognised that there were significant delivery challenges in respect of the delivery of major capital regeneration schemes. Those challenges related to a number of external factors which are often outside of the control of the Council. These included elements such as rising supply chain costs, inflation, labour market challenges and over-saturation of the commercial market.

Unfortunately, Oldham and the Creating a Better Place Programme had not been immune to those factors. The Executive Director's report therefore sought approval for the reprofiling of existing capital resource facilitating the continued delivery of the seven key schemes, which were set out in section 5.

In summary, Oldham had so far reached a pivotal point in respect of the Creating a Better Place programme with 'spades in the ground' and several significant transformational regeneration projects, which were scheduled to reach completion over the next couple of years. The Cabinet's report aimed to acknowledge and celebrate the successes to date whilst setting out an exciting journey over the coming year as the Council and partners worked towards realising the vision of Oldham *'being a great place to visit with lots of family friendly and accessible places to go'*.

Resolved:

That the Cabinet would consider the commercially sensitive information contained at Item 10 of the agenda before making a decision.

8

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 two 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.

RUBRIK AIR GAP BACKUP SOLUTION

The Cabinet gave consideration to the commercially sensitive information in relation to Item 6 – Rubrik Air Gap Backup Solution.

Resolved:

That Cabinet authorises the procurement of the Rubrik Air Gap system and migrate all Council data and backup requirements to the Rubrik solution, ceasing the use of the Commvault solution altogether; this approach providing the most comprehensive risk mitigation by covering all data and functions, ensuring the ability to promptly restore data and Council services.

CREATING A BETTER PLACE UPDATE

The Cabinet gave consideration to the commercially sensitive information in relation to Item 7 – Creating a Better Place Update.

Resolved:

1. That the Cabinet notes and approves the progress being made in relation to the Creating a Better Place Programme that supports revenue savings generated, progress towards the borough's carbon reduction targets, creation of new jobs, apprentice opportunities, new homes for Oldham's residents and increased social value.
2. That the Cabinet notes and approves the technical, legal and commercial recommendations for certain projects within Part B of the submitted report, as set out in the project profiles in Appendix B.
3. That the Cabinet approves reprofiling £12.630m from the Council's CaBP capital programme as set out in section 4, of the submitted report and with further detail within the project profiles in Appendix B.
4. That the Cabinet notes and approves the proposal to review the CaBP capital programme and risk assess each project against deliverability, contractual challenges to identify any potential opportunities to reduce prudential borrowing in order to save revenue (repayments) as part of the budget savings options.
5. The Cabinet notes and approves the delegation of approval to the Executive Director for Place and Economic Growth in consultation with the relevant portfolio holders and Directors of Economy, Finance and Legal for any further contractual, technical or financial decisions for the delivery of the CaBP projects referenced (all of which follow previous Cabinet approvals on the holistic detail and parameters for project delivery, contractual obligations and financial management).
6. That the cabinet notes and approves the delegation of approval to the Executive Director for Place and Economic Growth, in consultation with the relevant portfolio holders and Director of Finance, for reviewing and approving the results of the CaBP capital programme review to identify savings, as the results will be fed back to Cabinet and full Council, in due course, as part of the budget setting process for the next financial year.

This page is intentionally left blank



Report to CABINET

Grant Acceptance: One Public Estate (OPE) Brownfield Land Release Fund – Round 2

Portfolio Holder:

Councillor Arooj Shah,
Leader of the Council and Portfolio Holder for Reform & Regeneration

Officer Contact:

Emma Barton, Deputy Chief Executive (Place)

Report Author:

Dave Catherall, Principal Officer – External Funding.

Date: 13 November 2023

Reason for Decision

Oldham Council has secured capital funding for the remediation of three sites in the town centre; the Civic Centre and Queen Elizabeth (QE) Hall, the former leisure centre site and the former Magistrates Court.

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 capital programme to commence detailed negotiations leading to the site clearance and remediation of all three sites.

Executive Summary

The Government recently announced a second funding round of the Brownfield Land Release Fund (BLRF2) where up to £60 million of funding was made available. The closing date for bidding applications was 31 March 2023.

The aims of BLRF2 are to:

- Release council-owned land within three years of receiving the funding, for housing development that otherwise would not come forward during the programme period;
- Encourage the use of public assets to drive innovative delivery, where possible supporting small and medium-sized enterprises (SME) / Low and Medium Volume Builders (LMVBs), creating new delivery models, supporting high-quality design and adopting modern methods of construction;
- Demonstrate a return for government investment into these small sites.

The funding will provide up front capital to address viability issues arising from abnormal costs of the proposed development. The type of abnormal costs requiring funding may include but are not limited to:

- Site levelling, groundworks, demolition, remediation;
- Provision of small-scale infrastructure;
- Highways works or other access challenges;
- Addressing environmental constraints;
- External works, substructure and piling;
- Asbestos removal;
- Sewer diversions.

Oldham Council submitted three proposals that focussed on site remediation and demolitions. These were the Civic Centre and QE hall site, the former Magistrates Court and the former leisure site. The Council was recently notified that all three site proposals were approved and acceptance of the grant had to be signed before 16 August 2023. Due to the urgent timescale, the Director of Finance signed this on behalf of the Council. Retrospective approval of the grant acceptance is therefore sought from Cabinet.

Recommendation

Cabinet members are asked to accept the grant offer from the Brownfield Land Release Fund (Round 2) and that the funding be incorporated into the Council's Capital Programme for use as set out in this report.

Grant Acceptance: Brownfield Land Remediation Fund Round 2**1 Background.**

- 1.1 The Brownfield Land Release Fund (BLRF) is a cross-government initiative between the Department for Levelling Up, Housing and Communities (DLUHC) and One Public Estate (OPE) which is delivered in partnership by the Local Government Association and the Cabinet Office.
- 1.2 On 18 January 2023 DLUHC made a further £60m of capital grant funding available to English councils through the second round of the Brownfield Land Release Fund (BLRF2). The first round of BLRF 2 launched in June 2022 providing almost £35 million of funding to more than 40 councils, to release land for at least 2,200 homes by 2026.
- 1.3 The details of Round 2 were as follows
- Up to £60 million available
 - Deadline for applications – 23:59 on 31 March 2023
 - Decision on applications and announcement of funding awards - Summer 2023
 - Works contracts for BLRF2-funded activity signed - by 31 March 2024
 - Land release milestone - 31 March 2027.
- 1.4 Oldham's previous application to BLRF focused on sites within the town centre. The fund offers an opportunity to release a brownfield site with capacity for 1,000 new houses with a total area of 5.54 ha¹. For the purposes of the application the council brought together the following 5 sites under a single bid:
- The Civic Centre and Queen Elizabeth Hall (2.33 ha)
 - Former Magistrates Court & Manchester Chambers (0.81 ha)
 - Former Leisure Centre (0.93 ha)
 - Bradshaw Street (0.40 ha)
 - Tommyfield Market (1.07 ha)
- 1.5 The application didn't receive the support required with the feedback suggesting that it would have been a stronger proposal had the submission had focussed on single sites with more detail on each site.

2 Current Position

- 2.1 For the Round 2 call for proposals the Council submitted three individual schemes: The Civic Centre and QE Hall, the former Magistrates Court and the former Leisure Site. The Council was recently notified that all three applications had been successful.
- 2.2 Details of each scheme are shown below:
- 2.2.1 **Civic Centre and QE Hall**
- Total Grant - £1,390,035
 - Key Project dates:
 - Procurement of BLRF funded capital works (date at which contract is in place) – 30 November 2023
 - Date land released – 1 January 2025
 - Expected development end date (final housing completion) – 31 August 2026 (delivery of 200 new homes).

2.2.2 Former Leisure Centre

- Total Grant - £1,390,409
- Key Project dates:
- Procurement of BLRF funded capital works (date at which contract is in place) – 30 November 2023
- Date land released – 1 November 2025
- Expected development end date (final housing completion) – 31 July 2027 (delivery of 185 new homes)

2.2.3 Former Magistrates Court

- Total Grant - £370,782
- Key Project dates:
- Procurement of BLRF funded capital works (date at which contract is in place) – 30 November 2023
- Date land released – 1 August 2026
- Expected development end date (final housing completion) – 1 January 2028 (delivery of 125 new homes).

2.3 Further to these details, it should be stressed that there is no requirement for the Council to provide match funding. In accordance with the conditions of the grant offer, the Council has accepted the grant in principle, subject to Cabinet approval.

3 Options/Alternatives

3.1 Option 1 – That Oldham Council don't accept the offer of grant from the Brownfield Land Release Fund Round 2 and inform DLUHC and GMCA of the decision not to progress with the grant acceptance.

3.2 Option 2 – That Oldham Council progress the project proposals and confirm acceptance of the grant.

3.4 Preferred Option – Option 2 is the preferred option. The three sites that are subject of the approved projects are key sites in the Creating a Better Place programme. The funding provides an opportunity to clear the sites and progress to development without a reliance on the Council Capital Programme

4 Financial Implications

4.1 The BLRF Capital Grant funding, totaling £3.151m, will be used to support site clearance costs, groundworks and demolition costs across the three sites which will assist with the overall viability of the development of the sites.

4.2 The three sites form part of the Town Centre Development Partnership arrangements with Muse and the funding will assist the development of the proposals for each site, and there will need to be dialogue with the Development Partner to ensure that the funding can be deployed appropriately.

4.3 It is anticipated that the Council will incorporate the grant into its Capital Programme. However, whether the works are commissioned by the Council directly or by the Development Partner is still to be determined. If the Development Partner is commissioning some or all of the works, the Council will need to enter into a Grant Funding agreement with the Development Partner to ensure that any works are allowable within the Council's Grant Funding Agreement with DLUHC and facilitate communication with One Public Estate.

-
- 4.4 It should be noted that the BLRF Grant has provision for clawback of funding if key deadlines are not met. The Council and Development Partner will need to ensure that the key target dates for procurement of the works, land release and completion of the development can be met to the satisfaction of the Funders to prevent any clawback of the BLRF Grant.
(James Postle, Senior Finance Manager)

5 **Legal Services Comments**

- 5.1 The Council must be satisfied it can meet the objectives and terms and conditions and milestones of the funding imposed by the funding authority including any obligation to provide match funding and to monitor, keep any necessary records and file any necessary returns. Officers must also check the terms do not conflict with other funding conditions for the scheme/s or project/property already in place and ensure compliance with the Public Sector Equality Duty and obtain any necessary Environmental Assessments.
- 5.2 All works, services and goods procured by or on behalf of the Council must be procured in compliance with the Council's Contract Procedure Rules and all other relevant regulations including, where applicable, the Financial Procedure Rules and Land and Property Protocol. Officers must work with legal colleagues to approve and formalise the terms of any grant Agreement in conjunction with Finance and Audit colleagues.
- 5.3 The Senior responsible Officer and Project Manager must ensure that Subsidy Control is considered in consultation with Legal Services and that all relevant assessments are made and recorded and all relevant regulations and legislation is complied with to the satisfaction of the Section 151 Officer and in compliance with the Financial Procedure Rules of the Council. External advice may be needed to support these activities which will be a cost to the Project.
- 5.4 The Transparency obligations of the Council must be complied with together with the Framework and obligations referred to in the Procurement comments below.
(Rebecca Boyle, Corporate Group Solicitor)

6. **Co-operative Agenda**

- 6.1 The proposals set out in this paper support the Council's Corporate agenda as the Council has successfully been awarded Government funding to remediate the Civic Centre and QE Hall, the former leisure site and the former Magistrates Court, with the aim of building new homes. This proposal will reduce homelessness and housing crises in Oldham which is a key corporate priority.
(Mahmuda Khanom, Policy Support Officer)

7 **Human Resources Comments**

- 7.1 There are no HR consequences.

8 **Risk Assessments**

- 8.1 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.
(Vicky Gallacher, Risk and Insurance)

9 **IT Implications**

9.1 None.

10 **Property Implications**

10.1 The fact that these council assets are in scope for the town center partnership to deliver homes has been accepted in previous reports to Cabinet. The acceptance of this grant funding would hope to expediate the delivery of homes.

(Katy Webster, Property)

11 **Procurement Implications**

11.1 The acceptance and facilitation of this grant must be cognisant of the Local Authority Assurance Framework. The milestone dates set by funders for the expending of such grant appear to be very challenging and therefore the early engagement of procurement is critical to ensure sufficient planning for tendering and to ensure the timescales can be achieved and in full compliance with the Assurance Framework.

11.2 The Levelling Up Fund Local Authority Assurance Framework provides information to grant recipients, setting out the requirements for the following funds:

- Levelling Up Fund (LUF) - assurance
- Town Deals Fund – assurance and performance management
- Future High Streets Fund (FHSF) – assurance and performance management
- Future local growth funds where relevant

11.3 This Framework establishes a common approach to how the Department for Levelling Up, Housing and Communities (DLUHC) will assure the funds in scope and describes the accountability in line with each fund's delivery model. The assurance cycle provides confidence to the DLUHC Accounting Officer and the Senior Responsible Officer for each fund.

11.4 In setting out the requirements of grant recipients, this Framework sets standards in line with the principles in Managing Public Money (MPM):

- Regularity: compliant with the relevant legislation and wider legal principles such as Subsidy Control and procurement law, delegated authorities and following the guidance in MPM.
- Propriety: meeting high standards of public conduct, including robust governance and the relevant parliamentary expectations, especially transparency.
- The need for efficiency, economy, effectiveness, and prudence in the administration of public resources, to secure value for public money

(Dan Cheetham, Procurement).

12 **Environmental and Health & Safety Implications**

12.1 None.

13 **Community cohesion disorder implications in accordance with Section 17 of the Crime and Disorder Act 1998**

13.1 None.

14 **Equality impact**

14.1 None.

15 **Oldham Impact Assessment Completed (Including impact on Children and Young People)**

15.1 No – an EIA is not required as this proposal does not affect any vulnerable residents or groups.

16 **Key Decision**

16.1 Yes

17 **Key Decision Reference**

17.1 ERS-30-23

18 **Background Papers**

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

File Ref: One Public Estate (OPE) Grant:

<https://www.local.gov.uk/topics/housing-and-planning/one-public-estate>

Officer Name: Dave Catherall, Principal Officer, External Funding

Contact No: 0161 770 5165

19 **Appendices**

19.1 None.

This page is intentionally left blank



Report to CABINET

UKSPF – Inclusive Employment and Skills

Portfolio Holder:

Councillor Fida Hussain

Cabinet Member for Business, Employment and Enterprise

Officer Contact: Emma Barton, Deputy Chief Executive, Place

Report Author:

Jonathan Phillips, Head of Service Employment and Skills

Jon Bloor, Assistant Director Economic Growth

13th November 2023

Reason for Decision

To approve the appointment of the Council as a sub-contractor of the Prime Contractor appointed by the Greater Manchester Combined Authority (GMCA) in relation to the delivery of the UKSPF (UK Shared Prosperity Fund) - E33 – Employment support for economically inactive people.

Recommendations

Cabinet is requested to:

- Note that due to the short contract lifetime (approximately mid November 2023 to 31 March 2025), that it is a requirement of GMCA's commission that Prime Contractors must mobilise and commence delivery of the commissioned activity within 28 days of contract award.
- Authorise the Council via GOW to accept and act in the role of sub-contractor to whichever Prime Contractor is appointed by GMCA to deliver the UKSPF (UK Shared Prosperity Fund) - E33 – Employment support for economically inactive people, subject to advice being taken from Legal Services on the terms and conditions of any appointment and from Information Governance and Information Security.

-
- Delegate authority to the Deputy Chief Executive (Place) and Director of Economy to agree and authorise the form of sub-contract proposed by the appointed Prime Contractor, subject to due diligence from a legal, information governance and information security point of view which will be assessed once a contract has been provided.
 - Delegate authority to the Director of Legal Services or his nominees to carry out all legal formalities.

UKSPF – Inclusive Employment and Skills**1 Background**

- 1.1 The purpose of the report is to request approval for Oldham Council to act in the role of sub-contractor (via the Get Oldham Working service) in relation to part of the UKSPF Employment and Skills Programme.
- 1.2 A Prime Contractor is currently being commissioned by GMCA to deliver the UKSPF Employment and Skills programme to support those residents that are economically inactive described as “E33 – Employment support for economically inactive people”. The provision is part of the wider UKSPF programme to increase life chances of GM residents, with the economically inactive element to increase participation in activity, which could then lead to progression in education, skills, and employment.
- 1.3 The commission is out to tender and due to be awarded mid October 2023, with a requirement for the Prime Contractor to begin delivery of the programme within 28 working days.
- 1.4 The Council is aware that the following organisations are likely to submit a bid for the role of Prime Contractor: Seetec, The Growth Company, Ingeus and Serco. It is anticipated that one of these organisations will be successful.
- 1.5 The Council’s Get Oldham Working service has been in negotiation with each of the above-mentioned organisations to be part of their supply chain should they successfully be appointed by GMCA. If one of the four organisations is appointed and the Council is offered a sub-contract to deliver part of the programme, officers will need to act quickly.
- 1.6 Therefore, the Council needs to be in a position to agree to enter into a sub-contract with the appointed Prime Contractor for the delivery of part of the programme, subject to advice from Legal Services, Information governance and information security approval. The programme will complete c. March 2025 which is forcing a short mobilisation period.
- 1.7 Each of the potential Prime Contractor has, in principle, offered a sub-contract to the Council to deliver support to 350 residents that are economically inactive, and the Council would be paid approximately £500k for such delivery. GOW is well placed to deliver the service, as it is already engaging with many economically inactive residents, has qualified and experienced staff and implements its delivery in line with Council values and behaviours putting residents first. Accepting a role as sub-contractor to the Prime Contractor will also provide contingency for staff at GOW who currently work on other contracts that are coming to an end, ensuring no redundancies are required next financial year.
- 1.8 A paper detailing UKSPF has already been tabled at senior leadership / board and can be found at Appendix I for more detail / context on GM USKPF programme.

2 Current Position

- 2.1 The bidding process is currently underway, and results are due on 16th October 2023. Oldham Councils Get Oldham Working programme has agreements in place for the preferred supply chain partner in Oldham with four of the prime contractors bidding for the contract across GM. Once the announcement has been made, there is a ten day cool off

period and then mobilization to deliver will begin. Estimated start date is anything from 1st November to 15th December. Oldham Council have staff that can begin working on delivery from 1st November.

3 **Options/Alternatives**

- 3.1 Option 1: not accept a role as sub-contractor and leave other partners to deliver- not preferred as would have reputational damage to the Council, GOW brand and delivery with partners. Also, not aware of another local provider well placed to deliver leaving a risk that Oldham may not get its fair share of resource and activity across the GM commission.
- 3.2 Option 2: Agree to accept a sub-contract for the Council through GOW to deliver the services detailed in this report as part the supply chain of the winning Prime Contractor. This will support our residents first approach, enable GOW and the council to not make redundancies for exiting staff working on other contracts coming to an end and ensure we can work towards exceeding on contractual volumes and get more for Oldham residents across the GM commission.

4 **Preferred Option**

- 4.1 Option 2.

5 **Consultation**

- 5.1 Portfolio holders and senior council staff have been consulted about the approach and agree to the preferred option. As have staff who may be delivering on the contract.

6 **Financial Implications**

- 6.1 This report is seeking approval to accept the contract with UKSPF Employment and Skills programme being commissioned by GMCA.
- 6.2 The commission of this contract is out to tender and a decision is expected to be made mid-October and the contract will run from November 2023 to March 2025.
- 6.3 Oldham Councils Get Oldham Working Service has been offered, in principle, an allocation to deliver the contract in Oldham, to a monetary value of approximately £500k to support 350 residents that are economically inactive for the anticipated 17 month contract duration.
- 6.4 The money will cover staff time, oncosts, overheads etc plus participant budgets. It is understood that existing fixed term staff would have their contracts extended from 31/03/2024 to cover this contract and would be funded 100% from the contract.
- 6.5 The exact contract income will, if successful, be confirmed on contract award and would be paid via monthly self-bills which the Get Oldham Working Head of Service would arrange to complete, sign off and return.
- 6.6 Delivery of the contractual requirements will be managed within the resources being made available, based on the experience of managing similar contracts over a number of years the risk of any adverse financial implications for the Authority are considered minimal, any pressure arising would need to be managed within the wider resources available to the service.

Catherine Dunkerley – Accountant

7 **Legal Services Comments**

-
- 7.1 The Contract Procedure Rules do not apply in a scenario where the Council is acting in a contractor role (rather than commissioner). Therefore, whether or not it is appropriate for the Council to act as a sub-contractor to the successful Prime Contractor in relation to the delivery of part of the programme is a corporate and commercial decision.
- 7.2 The power for the Council to charge for its delivery of discretionary services stems from section 93 of the Local Government Act 2003. Under this section, the Council can recover any costs it will incur in delivering the services. If the Council wishes to trade commercially for profit in respect of function related activities, section 95 of the LGA 2003 requires that it do so through a company.
- 7.3 In this report, approval to act in the role of sub-contractor is sought in advance of the appointment of a Prime Contractor and in advance of a formal offer to the Council of a sub-contract; however, the timing of the request is based on the need to mobilise quickly following the appointment of a Prime Contractor. As detailed in the report, due diligence would be carried out and a report would be submitted to the Director of Economy prior to the Council entering into any contractual arrangements.

Sarah Orrell – Commercial & Procurement Solicitor

8. **Co-operative Implications**

- 8.1 The proposal set out in this paper aligns with the Council's Co-operative agenda as delivering the UKSPF Employment and Skills programme will support 350 residents who are currently out of work, become economically active. Economically active residents will also create growth in the borough. Furthermore, the programme will be delivered in partnership with a renowned employment and skills training provider which will strengthen partnership working for the future

Mahmuda Khanom, Policy Support Officer

9 **Human Resources Comments**

- 9.1 If this report is approved there will be no direct HR implications as staffing levels will remain the same. If not approved, the service will need to work closely with HR to understand staffing implications and agree consultation requirements.

Catherine Pearson, Strategic HR Lead

10 **Risk Assessments**

- 10.1 This report is presented that when a lead supplier is appointed by GMCA, in relation to the Economically inactive/complex needs programme, and if the Council's Get Oldham Working team is appointed as a subcontractor this can be agreed quickly due to a 28-day clause in any subcontractor agreement. The risks around this are ensuring appropriate due diligence is in place prior to agreeing to the contract. There are likely to be legal, data/ information and insurance risks that will need to be resolved prior to the contract and within a relatively short period. As the subcontract will aim to support 350 residents who are currently out of work, specifically in the over 50 age group consideration should be given to how the Get Oldham Working team can support this additional demand within its existing workforce.

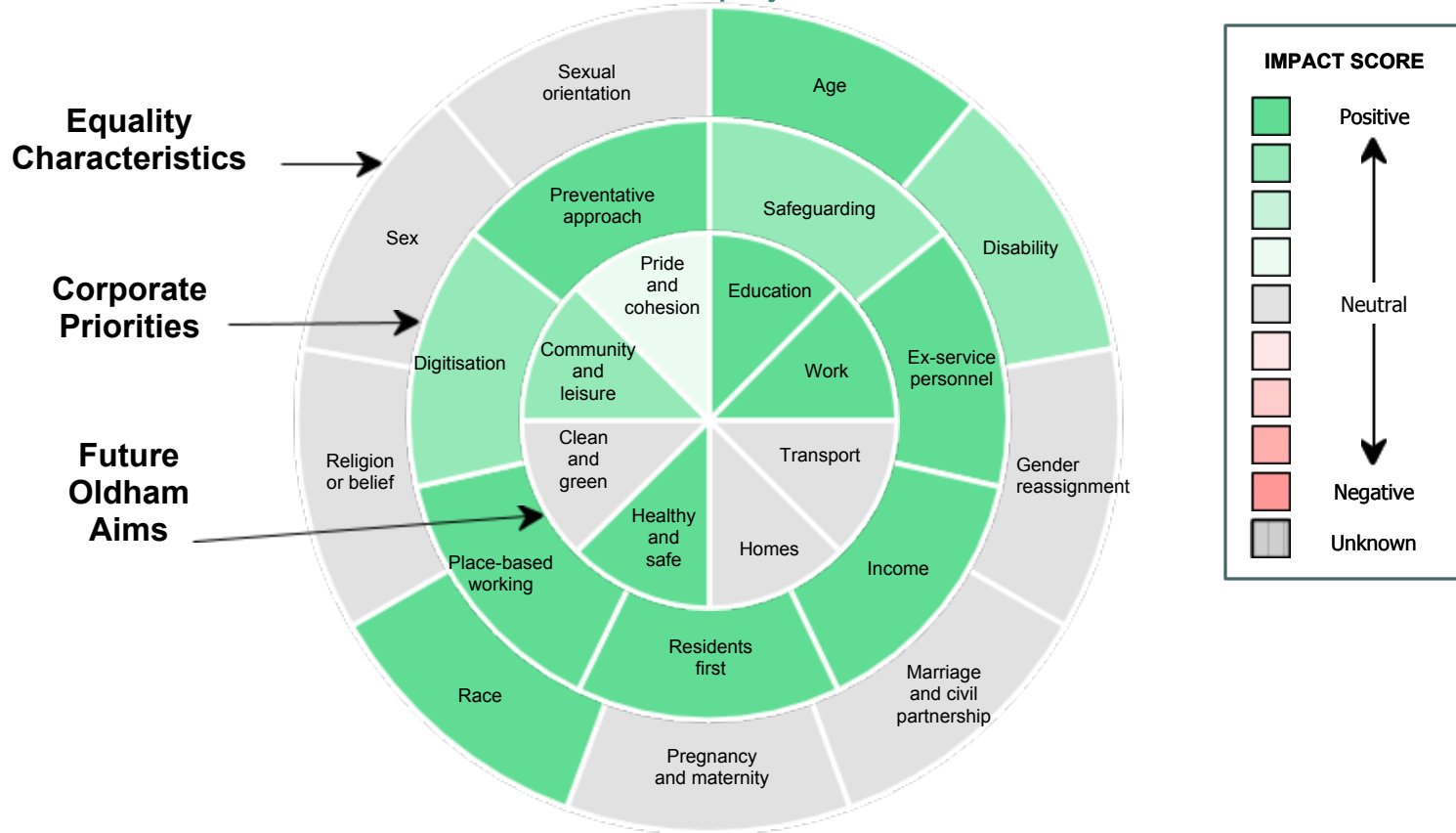
Vicki Gallacher, Head of Insurance and Information Management

11 **IT Implications**

- 11.1 None.

-
- 12 **Property Implications**
- 12.1 None.
- 13 **Procurement Implications**
- 13.1 There are no procurement implications as this relates to delivering services in Oldham as a supplier for the successful contractor, following the award of the tender process which is currently being managed by GMCA.
- Emily Molden, Senior Category Manager, Procurement
- 14 **Environmental and Health & Safety Implications**
- 14.1 None.
- 15 **Community cohesion disorder implications in accordance with Section 17 of the Crime and Disorder Act 1998**
- 15.1 None.
- 16 **Oldham Impact Assessment Completed (Including impact on Children and Young People)**
- 16.1 Yes, attached.
- 17 **Key Decision**
- 17.1 Yes
- 18 **Key Decision Reference**
- 18.1 ESR-33-23
- 19 **Background Papers**
- 19.1 None.
- 20 **Appendices**
- 20.1 Equality Impact Assessment

SPF GOW Inclusive Employment & Skills Grant





Report to CABINET

Pothole Funding 2023/24

Portfolio Holder:

Cllr Chris Goodwin, Cabinet Member for Neighbourhoods

Officer Contact:

Emma Barton – Deputy Chief Executive, Place

Report Author:

Gordon Anderson – Head of Highways & Engineering

13th November 2023

Reason for Decision

In addition to the block funding received for highway maintenance for 2023/24 (CRSTS), Oldham Council has received confirmation that it is also to receive £544,240 specifically for potholes to aid with highway maintenance across the borough.

This report seeks approval for the formal acceptance of the funding and the programmes recommended for delivery in 2023/24.

Recommendations

Cabinet are asked to approve:

1. The allocation of Pothole funding to the figures shown below

Year	Machine Laid Patching	Footway Resurfacing	Carriageway Resurfacing
2023-24	£50,000	£100,000	£394,240

-
2. The proposed programme of schemes, which would fully utilise the Pothole funding allocations available for 2023/24 as per the formal grant notification from Greater Manchester Combined Authority (GMCA).
 3. That all tender award decisions are approved by the Authorised Officer (as per Departmental Scheme of Delegation) (up to £99,999) and where applicable (£100K+) by the Executive Member in consultation with the Deputy Chief Executive, and Directors (as relevant). This is necessary to meet delivery timescales.
 4. That Cabinet delegate approval 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.
 5. To seek approval for any underspend generated as the programme progresses to be used to deliver additional schemes in priority order (although lower priority schemes may be selected depending on available budget, value for money and type of treatment) until the budget is fully expended in year. This approach to utilising underspend means we do not need to gain further approvals to deliver additional schemes, ensuring they can be delivered as soon as practically possible.

Pothole Funding 2023/24

1 Background

- 1.1 On 11 September 2023, Oldham Council was informed via GMCA of its final Pothole funding allocation of £544,240 for 2023/24.

2 Current Position

2.1 Pothole Funding

- 2.1.1 A core highway maintenance allocation of £35m (covering the first year of the £175m) will be made to local authorities based on an allocation process agreed with the Greater Manchester (GM) Delivery Group, the GM Highways Group, and the GM Treasurers.
- 2.1.2 In an effort to maintain the progress made as part of our recently completed Highway Investment Programme (HIP) Oldham Highways aim to prioritise funds going forward in the same manner. Ensuring scheme selection is carried out in the same manner will allow the Council to continue to prioritise the correct intervention on the highway at the correct time.
- 2.1.3 The Pothole Funding programme uses the most current condition data from the range of condition surveys carried out annually, and this data is then cross-referenced against claims and enquiry data. This approach has allowed the Highways department to not only target the worst roads across the borough, but to also continue to reduce highway claims and revenue repairs throughout Oldham.
- 2.1.4 Appendix 1 details the highway schemes to be delivered from the Pothole funding, formulated from the prioritised highway condition reports referenced in 2.1.3 above. This additional funding will enable the Councils Highways Department to undertake large-scale patching works, footway resurfacing and carriageway resurfacing works within 2023/24.

3 Options/Alternatives

3.1 Option 1 - Members agree:

- The proposed programme of schemes which would fully utilise the Pothole Funding allocations available for 2023/24 as per the formal grant notification from GMCA

3.2 Option 2 – Members do not agree:

- The proposed programme of schemes which would fully utilise the Pothole Funding allocations available for 2023/24 as per the formal grant notification from GMCA.

4 Preferred Option

- 4.1 Option 1 is recommended to progress delivery of the Pothole Funding Programme 2023/24 and deliver improvements and infrastructure across the borough's highway assets

5 Consultation

-
- 5.1 Member engagement will commence once the funding acceptance is approved
 - 5.2 Residents will be informed of road works in their local areas ahead of works commencing to ensure awareness of the temporary inconvenience and length of time it will take for completion.

6 **Financial Implications**

- 6.1 Oldham Council has been awarded £0.544m by the GMCA from the Department for Transport's Additional Maintenance (pothole) Funding. This report seeks approval to accept the grant funding in 2023/24 and to undertake a proposed programme of resurfacing and patching schemes. The programme is not expected to exceed £544k and will be capital expenditure.
- 6.2 This programme will be funded from the '2023/24 Highway Maintenance' and 'Footway Improvement' schemes within the 2023/24 Transport Capital Programme, which will be financed by the Additional Maintenance Pothole Funding 2023 grant.
(John Edisbury)

7 **Legal Services Comments**

- 7.1 None.
(A. Evans)

8. **Co-operative Implications**

- 8.1 The proposals set out in this paper align with the Council's Co-operative agenda as the accepting the funding will strengthen future relations with GMCA and allow the Council to repair existing potholes in a number of allocations which will keep roads safe for pedestrians and motorists
(Mahmuda Khanom)

9 **Human Resources Comments**

- 9.1 None.
(Kristie Radcliffe)

10 **Risk Assessments**

- 10.1 The proposals within the report detail the requirement for additional funding to maintain the condition of Oldham's carriageway network in order to limit any financial liabilities for breaches of Section 41 of the Highways Act 1980. Any spend agreed will need to be balanced against the Council's current financial position and the requirements already set out in the capital programme which was approved in March 2023. For contracts awarded for any programme of works agreed, the relevant legal, procurement and insurance processes will need to be followed.
(Joanne James: Risk & Insurance)

11 **IT Implications**

-
- 11.1 None.
- 12 **Property Implications**
- 12.1 None.
- 13 **Procurement Implications**
- 13.1 The Council's Contract Procedure Rules will be adhered to in procuring all the works requirements. Fully compliant Public Contracts Regulations 2015 (PCR 2015) procedures will be used subject to contract values. Several compliant procurement options are available to the Council as stipulated within PCR 2015, including but not limited to, open tender and call-offs under existing compliant infrastructure framework agreements. The Council's Highways Team has full access to several existing compliant Framework Agreements, which include but not limited to, Transport for Greater Manchester (TfGM) Framework, STaR Framework, NW Contractor Framework, CHSWF Agreements and several others from Greater Manchester local authorities. The Framework Agreements cover a wide number of works that will be required providing much procurement flexibility in striving to deliver best value to the Council. In addition, many of these frameworks have local and regional operators aiding SMEs to participate in an open, fair, and transparent procurement environment. This procurement strategy to be adopted for the works will provide resilience and flexibility ensuring equal treatment; the works will be commissioned in consultation with the Council's Commercial Procurement Unit.
- (Irfan Oomer – Senior Category Manager – Highways and Property)
- 14 **Environmental and Health & Safety Implications**
- 14.1 None.
- 15 **Community cohesion disorder implications in accordance with Section 17 of the Crime and Disorder Act 1998**
- 15.1 None.
- 16 **Oldham Impact Assessment Completed (Including impact on Children and Young People)**
- 16.1 Yes – attached as appendix 2.
- 17 **Key Decision**
- 17.1 Yes.
- 18 **Key Decision Reference.**
- 18.1 NEI-14-23.
- 19 **Background Papers**
- 19.1 None.
- 20 **Appendices**

20.1 Appendix 1 - Pot Hole Funding Programme 2023/24

20.2 Appendix 2 - EIA

APPENDIX 1

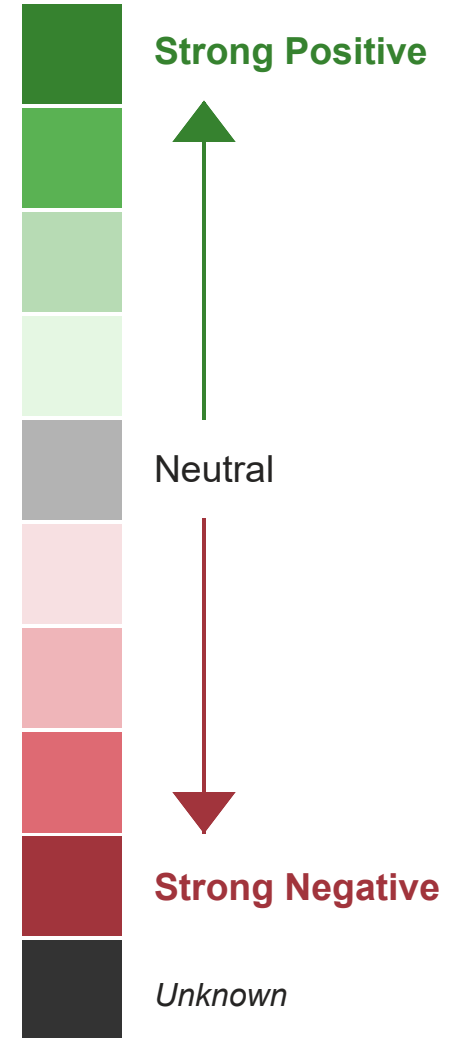
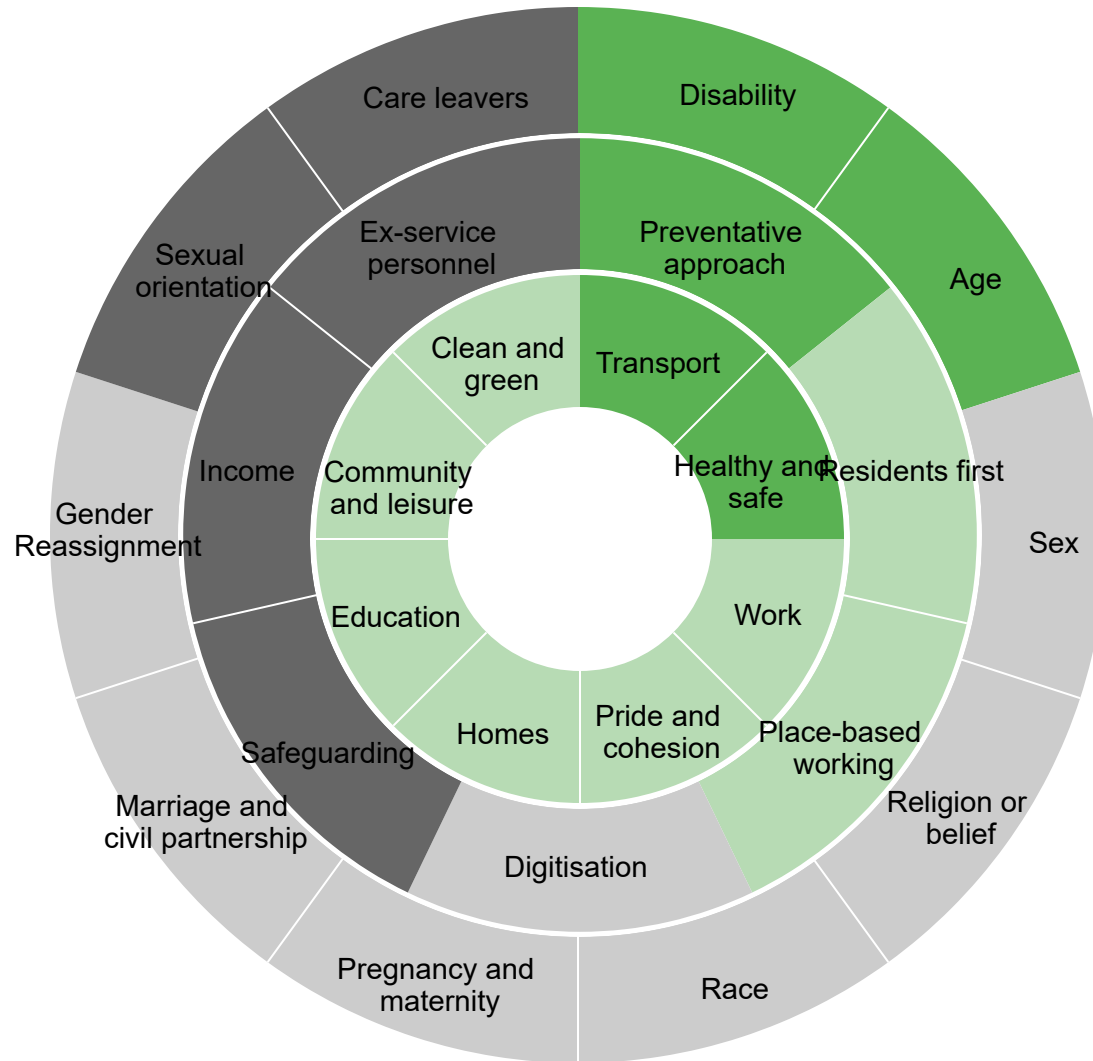
REF	Scheme Name	Extents	Ward	2023/24 Allocation
Carriageway Resurfacing				
				£394,240
1	The Square	Full Length	Saddleworth North	£56,110
2	Crofton Street	Wyndale Rd to Hollins Rd	Medlock Vale	£75,052
3	Knowsley Green	Full Length	Saddleworth North	£16,365
4	Broomhurst Avenue	Full Length	Wernerth	£36,542
5	Stephenson Street / Ash Square	Full Length	Waterhead	£21,080
6	Brooks Drive	Marlborough Dr to Props Hall Dr	Failsworth West	£114,853
7	Maple Close	Full Length	Crompton	£44,184
8	Bronte Close	Full Length	St James	£30,054
Footway Resurfacing				
				£100,000
Boroughwide Footway Resurfacing		Schemes to be prioritised from latest condition data		
Machine Laid Patching				
				£50,000
Boroughwide Machine Laid Patching		Schemes to be priorities from latest condition data		

This page is intentionally left blank

Pot Hole Funding 2023/24

completed/last updated by Nigel Molden on 12/10/2023

Portfolio	
Neighbourhoods	
Directorate	
PEG (Place and Economic Growth)	
Service/Team	
PEG - Environment	
Is this IA related to a Budget Reduction proposal?	<input type="text" value="No"/>



Equality Characteristics

Category	Impact	Likely	Duration	Impact Score	Comment
Care leavers	Neutral	Very Likely	Select Duration		comment required
Sexual orientation	Neutral	Very Likely	Select Duration		comment required
Gender Reassignment	Neutral	Very Likely	Long Term	0	
Marriage and civil partnership	Neutral	Very Likely	Long Term	0	
Pregnancy and maternity	Neutral	Very Likely	Long Term	0	
Race	Neutral	Very Likely	Long Term	0	
Religion or belief	Neutral	Very Likely	Long Term	0	
Sex	Neutral	Very Likely	Long Term	0	
Age	Moderate Positive	Very Likely	Long Term	4	Improves mobility
Disability	Moderate Positive	Very Likely	Long Term	4	improved carriageways which aids mobility

Corporate Priorities

Category	Impact	Likely	Duration	Impact Score	Comment
Ex-service personnel	Neutral	Very Likely	Select Duration		comment required
Income	Neutral	Very Likely	Select Duration		comment required
Safeguarding	Neutral	Very Likely	Select Duration		comment required
Digitisation	Neutral	Very Likely	Long Term	0	
Place-based working	Moderate Positive	Very Likely	Short Term	2	Improved connectivity
Residents first	Moderate Positive	Very Likely	Short Term	2	Improvement of potholes putting residents first
Preventative approach	Strong Positive	Very Likely	Short Term	4	target potholes for repair, although only short term fix, requires further investment.

Future Oldham Aims

Category	Impact	Likely	Duration	Impact Score	Comment
Clean and green	Moderate Positive	Very Likely	Short Term	2	sustainable materials to be used
Community and leisure	Moderate Positive	Very Likely	Short Term	2	Improved connectivity
Education	Moderate Positive	Very Likely	Short Term	2	Improved connectivity
Homes	Moderate Positive	Very Likely	Short Term	2	Improved connectivity
Pride and cohesion	Moderate Positive	Very Likely	Short Term	2	improves the perception of the overall condition of the councils roads which leads to pride in the town.
Work	Moderate Positive	Very Likely	Short Term	2	Improved connectivity
Healthy and safe	Strong Positive	Very Likely	Short Term	4	Repairing potholes reduces accidents on the carriageway
Transport	Strong Positive	Very Likely	Short Term	4	Improved connectivity

Negative Impacts

Category	Impact	Likely	Duration	Impact Score	What action can be taken to mitigate the potential negative impacts?	Action(s)	Owner(s)	Timescale(s)	If the negative impacts can't be mitigated, why should the project/decision proceed?
----------	--------	--------	----------	--------------	--	-----------	----------	--------------	--

Strong Positive Impacts that are Possible

Category	Impact	Likely	Duration	Impact Score	What action can be taken to increase the likelihood that positive impacts are realised?	Action(s)	Owner(s)	Timescale(s)
----------	--------	--------	----------	--------------	---	-----------	----------	--------------

Report to CABINET

Sustainable Oldham Strategic Partnership Agreement

Portfolio Holder:

Councillor Arooj Shah,
Leader of the Council and Cabinet Member for Reform and Regeneration

Officer Contact: Emma Barton, Deputy Chief Executive, Place

Report Author: Alex Shaw Principal Engineer, Highways & Engineering

13th November 2023

Reason for Decision

To delegate authority to the Deputy Chief Executive (Place) in consultation with the Council Leader, to award the Sustainable Oldham Strategic Partnership Agreement (SOSPA) and a Reserve Supplier Agreement as a mechanism for delivery of key capital programmes across Oldham of up to £35m.

To delegate authority to the Deputy Chief Executive (Place) and Director of Economy, in consultation with the Portfolio Holder for Neighbourhoods, to award the individual call off orders for individual projects, due to the urgency to deliver a programme of works in accordance with the funding timeline constraints.

Finally, to delegate low value Call Off Orders (<£50K) under a direct award via the Head of Highways in consultation with Budget Holder and Finance Officer.

Executive Summary

The Strategic Transport and Planning Team in collaboration with Highways & Engineering have successfully bid for several capital funded multi-disciplinary highway improvement programmes of work over the last few years.

The most recent of these is the City Region Sustainable Transport Settlement (CRSTS). Oldham Council's Highways & Engineering and Strategic Transport & Planning Teams are currently preparing to deliver up to £35m of highways work in the borough over the next 4 years using funding secured through a joint bid for GM via Transport for Greater Manchester, who bid to the Department for Transport (DfT) on behalf of the city-region.

In addition, Oldham Council have been awarded Levelling Up 2 Funding (LUF2) of which £4.79m has been identified for delivery via the SOSPA Contract.

For Oldham Council to deliver this ambitious programme of work it was considered necessary to seek a new Strategic Partner (Contractor) to work alongside the Delivery Team at key stages of the design and construction process.

The current method of delivery of highway construction work can take 12-16 weeks from tender stage to commencement on site. To deliver the CRSTS & LUF2 programmes within the set timeframes, a more streamlined method of procuring construction work is required. The intention is that individual projects will be procured via a Call Off procedure under the Strategic Partnership Agreement. This will require Director sign off (in liaison with the Directors of Finance and Legal Services) rather than an individual Cabinet report for each element of work.

The Sustainable Oldham Strategic Partnership Agreement was advertised by the Procurement Team in September 2023, and it is expected to be available for use in early 2024.

The single supplier delivery model currently exists namely the 'Accessible Oldham Strategic Partnership Agreement.' This method has proven extremely successful and afforded Oldham Council a robust vehicle to deliver a large and diverse programme of civil engineering projects efficiently and effectively.

Recommendations

It is recommended that delegated authority is given to:

- The Deputy Chief Executive (Place) and Economic Growth in consultation with the Council Leader to award the Sustainable Oldham Strategic Partnership Agreement (SOSPA) and Reserve Supplier Agreement, in consultation with the Director of Finance and Director of Legal Services
- The Directors of Economy/Environment in consultation with the Portfolio Holder for Neighbourhoods to award the individual call off contracts for the separate works packages under the Strategic Partnership Agreement and Reserve Supplier Agreement.
- The Director of Legal Services to affix the Council's seal to the Strategic Partnership Agreements and Reserve Supplier Agreements, any incidental and ancillary documentation, and to the individual call off contracts under the Strategic Partnership Agreements and Reserve Supplier Agreements.
- The Head of Highways & Engineering to award low value Call Off Orders (<£50K) in line with Head of Service financial approval limits and in consultation with Budget Holder and Finance Officer.

Sustainable Oldham Strategic Partnership Agreement

1 Background

- 1.1 The key objectives of awarding the Sustainable Oldham Strategic Partnership Agreement are to:
- Facilitate the development and regeneration of Oldham's sustainable transport infrastructure.
 - Improve the attractiveness of sustainable transport routes and infrastructure for pedestrians and cyclists and sustainable travel usage.
 - Maintain the integrity of the highway network in Oldham.
 - The objectives align to the CRSTS & LUF2 priorities and regional and local strategy such as the GM 2040 Transport Strategy and Oldham's Transport Strategy.
- 1.2 The Strategic Transport and Planning Team in collaboration with Highways & Engineering have successfully bid for several capital funded multi-disciplinary highway improvement programmes of work, namely City Region Sustainable Transport Settlement (£21m) managed by Transport for Greater Manchester (TfGM) under the overarching administration of Department for Transport (DfT).
- 1.3 Separately in collaboration with Regeneration colleagues Oldham Council have successfully bid for £20m of Levelling Up 2 funding of which £4m has been identified for delivery via the SOSPA Contract.

Project Name	Programme	Budget	Design & Supervision Fees	Construction
Quality Bus Transit	CRSTS	£ 10,000,000.00	£ 1,500,000.00	£ 8,500,000.00
Beal Valley Broadbent Moss	CRSTS	£ 5,700,000.00	£ 1,140,000.00	£ 4,560,000.00
Mumps	CRSTS	£ 4,500,000.00	£ 900,000.00	£ 3,600,000.00
Town Centre	CRSTS	£ 6,000,000.00	£ 1,200,000.00	£ 4,800,000.00
Oldham Greenway Corridor & Jubilee Park	LUF2	£ 4,790,000.00	£ 958,000.00	£ 3,832,000.00
Sub-total		£ 30,990,000.00	£ 5,698,000.00	£ 25,292,000.00

Fig 1. Indicative budgets and project allocations

- 1.4 TfGM have increased their expectations, with regards to information being provided by Local Authority Bidders, at all stages of the process and thus increased their scrutiny of cost, risk, and resource, at development, design and delivery stages.
- 1.5 For Oldham Council to adapt and proactively address the changes to the process, it is considered necessary to seek a mid-term (4 years) Strategic Partner (contractor) to assist the Delivery Team at key stages of the business case development and bidding process and fast-track, where applicable, the construction of projects, to meet the expectations and demands of the overseeing organisations.
- 1.6 The rationale behind the streamlined procurement process is evident when reviewing the existing route to market. The current Construction and Highways Work and Services

Framework (CHWSF) ceases to provide a route to market as the Contract duration has now been extended.

- 1.7 The alternative process would be to approach the market in an open tender format for delivery of each element of the programmes. Typically, a project is offered to prospective Bidders who submit costed bids for evaluation. Following the evaluation process and a winner is identified, a report is distributed for comments, which are compiled and placed on the Cabinet approvals list to seek consent to award the Contract. This typically can take up to ten to twelve weeks due to the process which in turn increases the risk of delivery when working to fixed deadlines imposed by TfGM and/or DfT.
- 1.8 The current Accessible Oldham Strategic Partnership is approximately two years through its four-year term and the current pipeline of work will exhaust the term and financial commitment (£20m) by Spring 2025.

2 **Current Position**

- 2.1 In order to mitigate the risks of the programme slippage, development funding via TfGM has been identified to fund the creation of a Strategic Partnership Agreement and Reserve Supplier Agreements using an NEC4 Framework Contract as the basis of the Agreement (included in the recommendations of the Cabinet report of 17th October 2022 – Grant Acceptance: City Region Sustainable Transport Settlement (CRSTS) - Quality Bus Transit (QBT) Corridor).
- 2.2 The awarding of works packages funded by CRSTS or LUF2 (but not exclusively), to a single Contractor is the preferred method. Highways & Engineering has engaged external expertise to assist in the creation of a Contract and supporting information that meets the current/future demands of the programme allowing the flexibility which Oldham Council requires and includes Social Value (TOMS) to ensure the Contractor aligns its aspirations with those of Oldham Council.
- 2.3 It is expected that the benefits will provide the Delivery Team with the necessary support with current and future bidding opportunities whilst also providing Oldham Council with a mid-term Delivery Partner. It also enables construction work to begin a great deal sooner than the traditional route as projects will be issued via a Call Off procedure and awarded through a delegated decision process.
- 2.4 The proposed way forward is to prepare reports seeking the approval of the Director of Economy in consultation with the Portfolio Holder for Neighbourhoods through appropriate delegation. All reports will contain views from Legal Services, Finance Risk & Insurance and Procurement amongst others.
- 2.5 The Strategic Partnership Agreement has been advertised by the Procurement Team and feedback received to shape the Contract to the current market.
- 2.6 The Sustainable Oldham Strategic Partnership Agreement was advertised via The Chest on the 8th September 2023 and is expected to be available for use in early 2024.

2.7 The current procurement timetable is shown below

	Event	Date
1	SQ/draft ITT published	8 th September 2023
2	Deadline for clarifications on SQ	25 th September 2023
3	Deadline for return of SQs (12:00 hours)	9 th October 2023
4	Evaluation of SQ responses and shortlisting	October 2023
5	Issue SQ notification letters	November 2023
6	Invitation to Tender (ITT) published	10 th November 2023
7	Deadline for clarifications (ITT)	11 th December 2023
8	Deadline for return of ITT (12:00 hours)	8 th January 2024
9	Evaluation of ITT	January/February 2024
10	Governance and Approval	February/March 2024
11	Notify Tenderers of tender outcome and commence Standstill Period	March 2024

2.8 The Procurement Strategy adopted is a restricted tender procedure. An initial sift will be undertaken with a shortlist of five Contractors being invited to tender with one being awarded as the outright winner and one reserve contractor. This report will be signed by the Leader of the Council and the Executive Director for Place and Economic Growth.

2.9 A selection procedure is set out within the Contract for each 'Call Off Order'. A quotation procedure is also set out. The Council retains the right not to issue the Call Off Order should the Client's Representative not be content to do so based on cost, programme, or any other reason.

2.10 The appointed Contractor will be continually monitored on performance via Key Performance Indicators (KPI) based on the following criteria:

- Health and Safety
- Social Value
- Time
- Cost
- Quality
- Local Supply
- Local Employment

2.11 If performance criteria are not met then the Council will retain the option to allocate the construction work to the Reserve Contractor. There is also provision for a Reserve Contractor to be utilised if the Primary Contractor is unable to perform its obligations under the Contract.

3 Options/Alternatives

3.1 Option 1 - Delegated authority is given to:

- the Deputy Chief Executive (Place) and Economic Growth in consultation with the Leader to award the Strategic Partnership Agreement and Reserve Supplier Agreement.
- the Director of Economy in consultation with the Portfolio Holder for Neighbourhoods, to award the individual Call Off Contracts for the works packages under the Strategic Partnership Agreement and Reserve Supplier Agreement if necessary.
- the Director of Legal Services to affix the Council's seal to the Strategic Partnership Agreement and Reserve Supplier Agreement, any incidental and ancillary documentation and to the individual Call Off Contracts under the Strategic Partnership Agreement and Reserve Supplier Agreement.
- The Head of Highways & Engineering award low value Call Off Orders (<£50K) in line with Head of Service financial approval limits and in consultation with Budget Holder and Finance Officer.

3.2 Option 2 – Competitive Tender process for individual Call Off Orders

- On completion of the individual design packages, adopt a competitive tendering opportunity and present to the market via The Chest to invite submissions in the conventional manner.
- This would involve an extensive process to procure a suitable Contractor for each project featured across the programmes which in turn would increase the number of Cabinet reports requiring approval and drastically increases the timeframe associated with delivery.
- This process increases risk and limits opportunities to maximise seasonal windows of opportunity conducive to certain elements of the construction process.

4 Preferred Option

4.1 Option 1 - Delegated authority is given to:

- the Deputy Chief Executive (Place) in consultation with the Leader to award the Strategic Partnership Agreement and Reserve Supplier Agreement.
- the Director of Economy in consultation with the Portfolio Holder for Neighbourhoods, to award the individual Call Off Contracts for the works packages under the Strategic Partnership Agreement and Reserve Supplier Agreement if necessary.
- the Director of Legal Services to affix the Council's seal to the Strategic Partnership Agreement and Reserve Supplier Agreement, any incidental and ancillary documentation and to the individual Call Off Contracts under the Strategic Partnership Agreement and Reserve Supplier Agreement.
- The Head of Highways & Engineering award low value Call Off Orders (<£50K) in line with Head of Service financial approval limits and in consultation with Budget Holder and Finance Officer.

5 Consultation

5.1 All relevant Council Departments have been consulted during the production phase of the Sustainable Oldham Strategic Partnership Agreement.

6 Financial Implications

6.1 The appointment of a Strategic Partner via the Sustainable Oldham Framework should streamline the procurement of the works to be undertaken as part of the Sustainable Oldham Capital Programme and enable the completion of the works within the grant funding timescales. The total value of the works that will be awarded via this Framework will be dependent on the levels of grant funding available for works and will include both CRSTS and Levelling Up grants. The total value of works is expected to be in the region of £35m.

-
- 6.2 The procurement will ensure that the most economically advantageous tender is selected and enable Value for Money to be achieved for the Sustainable Oldham works. The revenue costs of conducting the tender exercise will be met within existing budgets.

(James Postle, Senior Finance Officer)

7 Legal Services Comments

- 7.1 Legal Services supports the recommendations. The procurement process is being conducted in full compliance with the Public Contract Regulations 2015 and the Council's Contract Procedure Rules. The suite of documents including the contracts is being well drafted to suit the Council's needs and there will be adequate protections in the contract to protect the Council and promote the Council's best interests.

(Sukie Kaur – Solicitor)

8. Co-operative Implications

- 8.1 The proposal to commission a strategic partner to support the delivery of major highways and transport projects and to delegate powers to the Deputy Chief Executive (Place) and Director of Economy to sign off individual projects is recommended as this will ensure that major works can be completed within their proposed funded timeline and that highways and transport infrastructures are safe for residents and people entering and leaving the borough

(Mahmuda Khanom, Policy Support Officer).

9 Human Resources Comments

- 9.1 No direct HR implications.

(Catherine Pearson, Strategic HR Lead)

10 Risk Assessments

- 10.1 The risks of this option include balancing the efficiencies of having a pre-approved contractor with the availability for one single contractor to carry out all the £35m of works in a 4-year period within the timescales for the projects. The use of a reserve contractor will help to mitigate this risk. The Council will need to ensure that appropriate insurances are in place for the contractor and that all grant conditions are complied with. Procurement and Legal and financial risks are noted within other sections of this report.

(Vicki Gallacher, Head of Insurance and Information Governance)

11 IT Implications

- 11.1 The proposals do not require acquisition of or amendments to IT systems.

(Alex Shaw, Highways & Engineering)

12 Property Implications

- 12.1 Proposals neither reduce nor increase the use of property and therefore considered not applicable.

(Katy Webster, Assistant Director, Property & Projects)

13 **Procurement Implications**

13.1 The procurement process is being conducted in full compliance with the Public Contract Regulations 2015. The Council is using the Restricted Procedure pursuant to Regulation 28 of the Public Contracts Regulations 2015 (as amended) (PCR) which will involve the following two core stages:

- Stage 1 – assessment of capacity, capability, and financial standing to meet Council requirements and shortlisting (SQ);
- Stage 2 – Invitation to Tender to those shortlisted (ITT).

Those Tenderers shortlisted at Stage 1 will be invited to Tender and will be requested to provide proposals to meet the requirements outlined in the Project Specification and the Tender Evaluation Criteria.

The suite of documents including the contracts have been drafted to suit the Council's needs and there will be adequate protections in the contract to protect the Council and promote the Council's best interests.

A further report will be presented in Q1 2024 once a full tender evaluation process has been completed; seeking approval for the award of the framework and reserve supplier agreements'.

(Dan Cheetham, Procurement Business Partner)

14 **Environmental and Health & Safety Implications**

14.1 None. (Alex Shaw, Highways & Engineering)

15 **Community cohesion disorder implications in accordance with Section 17 of the Crime and Disorder Act 1998**

15.1 There are no Crime and Disorder implications in relation to the proposals contained within this report.

(Philip Bonworth, Community Safety Operational Manager)

16 **Oldham Impact Assessment Completed (Including impact on Children and Young People)**

16.1 No negative impact – refer to Appendix B Impact Assessment

(Alex Shaw, Highways & Engineering)

17 **Key Decision**

17.1 Yes

18 **Key Decision Reference**

18.1 ESR-32-23

19 **Background Papers**

19.1 The entitled *Cabinet Report QBT (Development Funding)* sought and gained approval in October 2022 to use part of the resource affiliated with the Quality Bus Transit Design Team to progress the development of and tender a Strategic Partnership Agreement with a view to awarding the works packages to a single Contractor to meet the expectations and timescales of the funders that were granted. Refer to Appendix A.

File Ref : N/A

Name of File : Cabinet Report QBT Development Funding

Records held in Transportation & Policy Department and ModGov System

Officer Name : Eleanor Sykes

Contact No : Teams or email

19.2 The Equality Impact Assessment borne out of the Council's Corvu System illustrates the impact of the proposal.

File Ref : N/A

Name of File : SOSPA EIA Report & Wheel

Records held in Highways & Engineering Project Folder and Corvu System

Officer Name : Alex Shaw

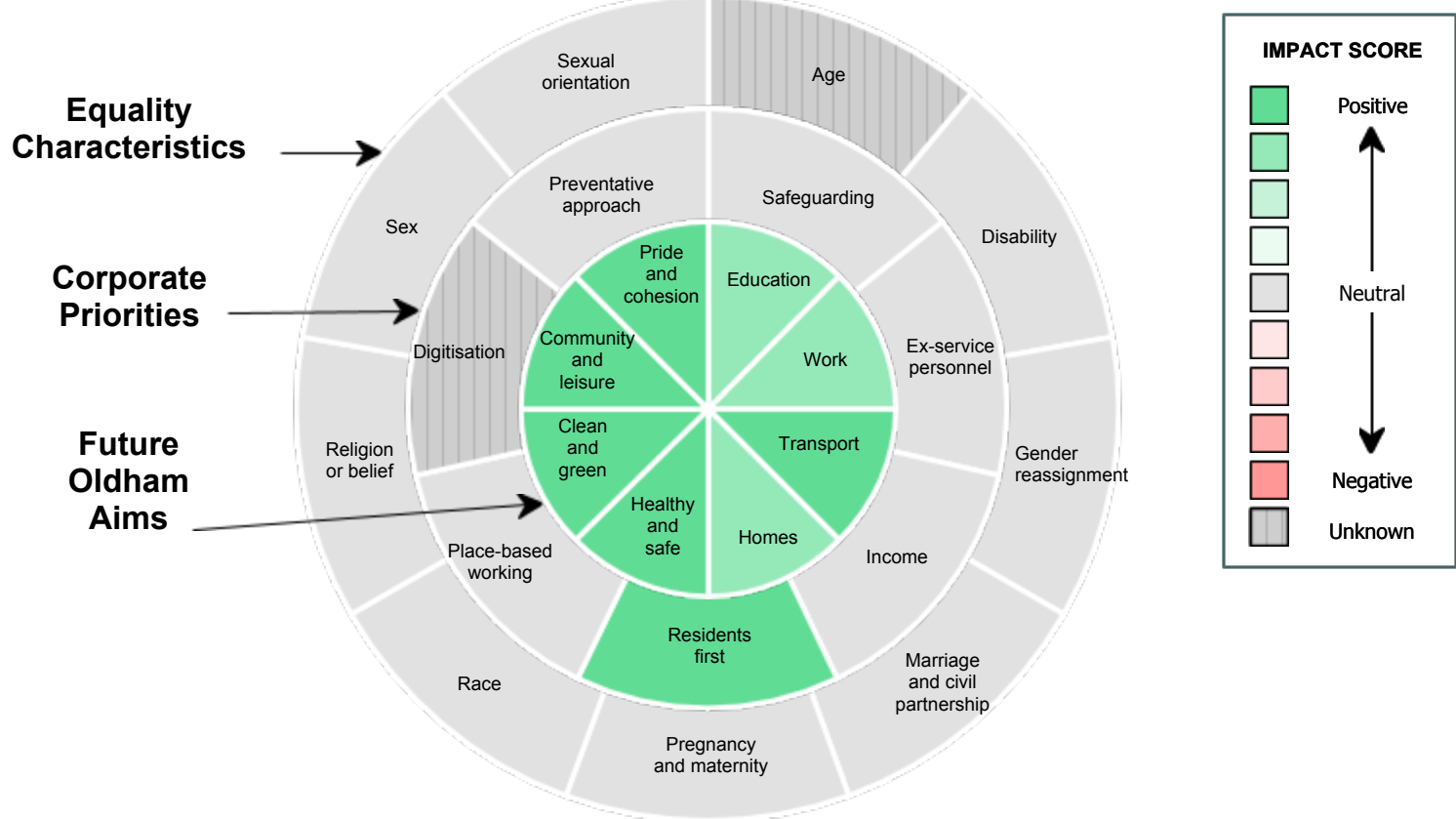
Contact No : Teams or email

20 **Appendices**

Appendix	Document
A	Report to Cabinet
B	Equality Assessment SOSPA

This page is intentionally left blank

Sustainable Oldham SPA



Sustainable Oldham SPA				
Impact	Likelihood	Duration	Comment	
Equality Characteristics				
Age	Neutral			
Disability	Neutral	Possible	Long Term	
Gender reassignment	Neutral	Possible	Long Term	
Marriage and civil partnership	Neutral	Possible	Long Term	
Pregnancy and maternity	Neutral	Possible	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	Neutral	Very Likely	Long Term	
Residents first	Strong Positive	Very Likely	Long Term	The aims of delivering improvements to infrastructure via SOSPA increases the likelihood of Residents opting to choose sustainable travel and contributes to model shift objectives by putting their needs first.
Place-based working	Neutral	Very Likely	Long Term	
Digitisation				
Preventative approach	Neutral	Very Likely	Long Term	
Future Oldham Aims				
Education	Moderate Positive	Very Likely	Long Term	By providing an improved sustainable transport network it is likely to improve attendance at educational facilities.
Work	Moderate Positive	Very Likely	Long Term	The construction of the individual projects is aimed at improving Residents movements through the enhancement of infrastructure to and from their workplace.
Transport	Strong Positive	Very Likely	Long Term	The Sustainable Oldham Strategic Partnership Agreement's primary role is a delivery mechanism to enhance public transport connectivity for Oldham Residents. It also aims to deliver minor public realm elements to enhance the built environment.
Homes	Moderate Positive	Very Likely	Long Term	Providing improved connectivity links via SOSPA is considered to improve the appeal to prospective housing market as well as improve current communities.
Healthy and safe	Strong Positive	Very Likely	Long Term	By constructing a safe and connected infrastructure it is the aspiration to encourage the usage of the infrastructure on sustainable modes of transport thus improving health and safety of users.
Clean and green	Strong Positive	Very Likely	Long Term	Sustainable Oldham Strategic Partnership Agreement is aimed at constructing sustainable modes of transport infrastructure improvements.
Community and leisure	Strong Positive	Very Likely	Long Term	Links to community hubs and leisure/recreational facilities will be improved via the SOSPA programme of works.
Pride and cohesion	Strong Positive	Very Likely	Long Term	Improvements to public realm areas offers a greater sense of cohesion and sense of pride in the areas where enhancements are planned.

This page is intentionally left blank



Report to CABINET

Construction and Highways Works & Services (CHWS) Framework Agreement - Existing Framework

Portfolio Holder:

Cllr Arooj Shah,
Leader and Cabinet Member for Reform & Regeneration

Officer Contact: Emma Barton, Deputy Chief Executive, Place

Report Author(s):

John Winterbottom – Property Services, Divisional Manager
Nigel Molden – Team Leader Place and Economic Growth and Irfan Oomer – Senior Category Manager Commercial Procurement Unit

13th November 2023

Reason for Decision

This report requests approval to:

- (a) modify existing CHWS Framework Agreements, which expired on 2nd October 2023, by extending the term of the agreements by 1 year (to expire on 2nd October 2024) to facilitate the design and completion of a fit for purpose procurement process for the establishment of new multi lot CHWS Framework Agreements and by uplifting Charges payable to appointed suppliers.

Executive Summary

Current Framework Agreements for CHWS expired on 2nd October 2023 and there is insufficient time to develop and complete a tender process for a replacement framework arrangement that meets service delivery requirements and wider corporate objectives (e.g. social value) prior to the expiry of the agreements. There is also insufficient time to conduct the extensive market engagement required to ensure an appropriate procurement model is deployed to attract the most economically advantageous suppliers.

If the current CHWS Framework Agreements were to expire without new arrangements being in place, this would leave officers without access to procurement compliant framework arrangements which facilitate the efficient weekly procurement of statutory compliance works and services, maintenance and minor works without the need to commission on a case by case basis in accordance with Contract Procedure Rules. It is, therefore, proposed that current Framework Agreements are modified to extend their expiry date to 2nd October 2024, but also to apply an inflationary increase to the Charges payable to suppliers.

~~Appendix A to this report details the current suppliers appointed to the CHWS Framework Agreements.~~

Recommendations

That Cabinet approval is given to –

- approve a modification to extend those current CHWS Framework Agreements detailed in Appendix A for a term of 12-months to allow sufficient time to robustly procure and mobilise a new CHWS framework arrangements from 3rd October 2024 and to apply an inflationary uplift to the charges payable under the Framework Agreements, as detailed in this report.
- delegate approval to the Deputy Chief Executive (Place), Director of Environment and the Director of Economy, as relevant, to award call-off contracts under the Framework Agreement entered into under the CHWS framework arrangements, subject to compliance with the prescribed call-off procedures and the formalisation of call-offs using the prescribed forms of contract.

-
- Delegate authority to the Director of Legal Services or nominee to carry out all legal formalities.

Cabinet

13 November 2023

Construction and Highways Works & Services Framework Agreement (CHWSFA) - Existing Framework

1 Background

- 1.1 The current Construction and Highways Works & Services Frameworks were procured during 2019 and became contractually effective from 3rd October 2019. The contract term for each of the 23 lots was 2 years with the option to extend by an additional two years in one-year increments (2+1+1). The frameworks are now in the final year and will end on 2nd October 2023. The Council did not extend the term for Lot 8 Legionella Risk Assessments & Remediation for the period 3rd October 2022 to 2nd October 2023.
- 1.2 On 3 January 2023 approval was granted to apply an inflationary increase to the charges payable by the Council under the following Lots –

Lot 1 - Roofing Works – Flat / Pitched - Responsive & Minor Repairs

Lot 3 - Building Repairs/Maintenance

Lot 4 - Mechanical Works

Lot 5 - Electrical Works

Lot 6 - Asbestos Remediation Works

Lot 7 - Lift Servicing

Lot 9 - Fire Alarms Servicing

Lot 10 - Security & CCTV

Lot 15 - Roller Shutter and Automatic Doors

Lot 16 - Lightning Protection

Lot 17 - Roofing Works – Flat / Pitched

Lot 23 - Fire extinguishers/Fire Signage

Lot 24 - Sprinklers

The increase was effective from 1 February 2023 and was applied because of the significant changes to the strength of the economy and because contractors indicated that they could not continue to honour their Schedules of Rates formed in 2019.

- 1.3 The existing Construction and Highways Works & Services Framework Agreements are coming to their expiry date, which is 2nd October 2023. The Council requires the continued delivery of the works and services currently commissioned under the Framework Agreements; however, the Council needs to ensure all procurement activity is fully compliant with Oldham Council Contract Procedure Rules (CPRs) and UK Procurement Regulations.
- 1.4 Due to the amount of work involved in the re-tendering of multi lot framework arrangements and the resource requirements from various departments such as Place & Economic Growth, the Commercial Procurement Unit, Finance and Legal Services it is deemed that additional time is needed to deliver the overall project robustly including market engagement, a fit for purpose procurement exercise, tender evaluation, contract development and execution and mobilisation. Consequently, it is considered necessary to extend the existing Framework Agreements (as identified in Appendix B) for a period of 12 months (3rd October 2023 to 2nd October 2024), with the new CHWS Framework Agreements commencing from 3rd October 2024. In addition to this, due to the value of the existing CHWS framework arrangements, circa £13m per annum, it is necessary to extend the existing CHWS Framework Agreements in line with the Council's Contract Procedure Rules incorporating the Public Contract Regulations 2015. The following Lots will be extended under the Framework Agreement –

Lot 1 - Roofing Works – Flat / Pitched - Responsive & Minor Repairs
Lot 3 - Building Repairs/Maintenance
Lot 4 - Mechanical Works
Lot 5 - Electrical Works
Lot 6 - Asbestos Remediation Works
Lot 7 - Lift Servicing
Lot 9 - Fire Alarms Servicing
Lot 10 - Security & CCTV
Lot 12 - Minor Works – Highways / Structures / Drainage
Lot 13 - Highways Lining / Road Marking
Lot 14 - Building Repairs / Maintenance / New Build / Extensions / Refurbishment
Lot 15 - Roller Shutter and Automatic Doors
Lot 16 - Lightning Protection
Lot 17 - Roofing Works – Flat / Pitched
Lot 19 - Highways Surface Dressing
Lot 20 - Major Works - Bridges & Structures
Lot 21 - Major Works – Drainage
Lot 22 - Groundworks & Landscaping
Lot 23 - Fire extinguishers/Fire Signage

The following Lots will not be extended under the Framework Agreement –

Lot 8 - Legionella Risk Assessments & Remediation
Lot 11 - Highways Minor Works
Lot 18 - Highways Carriageway Surfacing
Lot 24 - Sprinklers

Please note, Works and/or Services under the Lots that are not going to be extended, will be procured outside of the CHWS Framework Agreements in line with CPRs and PCR 2015 (for example, other local authority framework agreements and other procurement processes such as open tender, request for quotations).

-
- 1.5 Further, in light of the increasing cost of supplies and staffing, it is considered appropriate to apply an inflationary increase to the Charges payable to suppliers under the Framework Agreements in order to make the offer of a one year extension to the term both attractive to suppliers but also deliverable. The proposed mechanism has been calculated in accordance with the BCIS (Building Cost Information Service) index and is intended to address concerns raised in respect of the present and future inflationary environment. Previously, the Charges were subject to a 10.47% uplift which was in effect from 1 February 2023; The basis on which Specifications / Pricing Schedules is to be revised with effect from 3 October 2023 is the percentage change of the Building Maintenance Institution Local Authority Maintenance Cost Indices published by the Royal Institution of Chartered Surveyors 'General Maintenance' between the period 1 February 2023 to 1 February 2024 (see Appendix C – BCIS Indices Results). As a result, the Charges will be subject to a further 6.1% uplift with effect from 3 October 2023 which will apply to all of the Lots being extended under the Framework Agreement.

2 Current Position

- 2.1 As stated above, the current Construction and Highways Works & Services Frameworks were procured during 2019 and became contractually effective from 3rd October 2019. The contract term for each of the 23 lots was 2 years with the option to extend by an additional two years in one-year increments (2+1+1). The frameworks are now in the final year and will end on 2nd October 2023. The Council requires the continued delivery of the works and services currently commissioned under the Framework Agreements and it is therefore considered necessary to extend the existing Framework Agreements for a period of 12 months (3 October 2023 to 2 October 2024).

3 Options/Alternatives

- 3.1 There are two options available:
- 3.2 Option 1 – To modify and extend current CHWS Framework Agreements for a period 3rd October 2023 to 2nd October 2024 to facilitate the development and implementation of new arrangements. Also, to modify current CHWS Framework Agreements to apply an inflationary increase to charges payable to suppliers.
- 3.3 Option 2 – Not to approve the further 12-month extension of the existing CHWS Framework Agreements until 2nd October 2024 and not to apply an inflationary increase to charges. This option is not considered viable as the consequence of this will leave the Council without access to framework suppliers and each scheme or works package would need to be individually quoted or tendered for in accordance with Contract Procedure Rules, which is considered an inefficient procurement method and would not provide best value.

4 Preferred Option

- 4.1 Option 1 – To modify and extend current CHWS Framework Agreements for a period 3rd October 2023 to 2nd October 2024 to facilitate the development and implementation of new arrangements. Also, to modify current CHWS Framework Agreements to apply an inflationary increase to charges payable to suppliers.

5 Consultation

- 5.1 The procurement process will be progressed in consultation with the Corporate Procurement teams, Legal teams along with Property and Highways representatives.

6 Financial Implications

-
- 6.1 Oldham Council has a Repairs & Maintenance (R20100) and Maintenance Contracts (R210106) revenue budget of £2,019,900 for 2023/24.
- 6.2 As at Month 6 financial monitoring, the forecast expenditure for Repairs & Maintenance and Maintenance Contracts in 2023/24 is £2,779,200, a current forecast pressure of £759,390.
- 6.3 Actual expenditure for Repairs and Maintenance and Maintenance contracts for the period April 2023 to September 2023 is £1,589,650. The remaining forecast expenditure for the period October 2023 to March 2024 is therefore £1,189,550.
- 6.4 The assumption is that it is this forecast expenditure of £1,189,550 that will be subject to the new inflated contracts of 6.1%. This will result in an additional cost of £72,563. This will increase the forecast pressure against Repairs and Maintenance and Maintenance Contracts to £831,953.
- 6.5 Whilst the above pressure is the current best forecast, proactive work continues to help reduce this expenditure for the remainder of the financial year. A working group has been set up to limit the financial pressure on repairs and maintenance works with a real focus on those works that impact health and safety, are required for compliance or those that have operational implications.

John Hoskins (Finance Manager)

7 Legal Services Comments

- 7.1 The proposed contract modification has been approved by the Commercial Procurement Unit on the basis of assessment against Regulation 72 of the Public Contract Regulations 2015 as per below.

Contracts and framework agreements may be modified without a new procurement procedure in accordance with this Part:

72. (1) Contracts and framework agreements may be modified without a new procurement procedure in accordance with this Part in any of the following cases:—

(b)for additional works, services or supplies by the original contractor that have become necessary and were not included in the initial procurement, where a change of contractor—

(i)cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, services or installations procured under the initial procurement, or

(ii)would cause significant inconvenience or substantial duplication of costs for the contracting authority, provided that any increase in price does not exceed 50% of the value of the original contract;

- 7.2 The application of paragraph (b) has been assessed in conjunction with the report author and this decision has been deemed compliant by the Commercial Procurement Unit.
- 7.3 A Modification of a Contract which is subject to the Procurement Regulations, shall be governed by the relevant legislation and the procedure in Paragraph 17.5 of the Contract Procedure Rules including in particular the following requirements:-

The Head of the Commercial Procurement Unit is responsible for ensuring that a complete record of all Modifications is kept and a record of the decision approving a Modification and the reasons for it must be stored electronically in Modern.gov and on The Chest.

A notice of the Modification of a Contract under Rules 17.1 (b) and (c) with a value over the relevant procurement threshold shall, where required, be published in the Find a Tender in accordance with the Procurement Regulations.

7.4 The report author has considered Paragraph 17 of the CPRs alongside Regulation 72 of the Public Contract Regulations in conjunction with the Procurement Team and confirmed that paragraph 17.1 (b) of the Contract Procedure Rules applies to justify and authorise the Modification referred to above and that the Council's Contract Procedure and Financial Procedure Rules have been and will continue to be complied with.

7.5 There are risks involved in making modifications to contracts which can be mitigated by careful consideration of the circumstances, appropriate due diligence and advice in applying the rules and diligent record keeping to evidence the route to and justification for making the decision.

(Rebecca Boyle – Corporate Group Solicitor).

8. **Co-operative Implications**

8.1 The proposal to extend current CHWS Framework Agreements are in line with the Council's Co-operative agenda as an up to date CHWS Framework Agreement will enable staff to carry out major and minor construction and highway works in the borough which will improve and enhance existing infrastructure or establish new ones for residents. Maintaining the borough's infrastructure for resident satisfaction is a key corporate priority.

(Mahmuda Khanom, Policy Support Officer)

9 **Human Resources Comments**

9.1 No HR implications.

(Catherine Reed, Strategic HR Lead)

10 **Risk Assessments**

10.1 The procurement risks have been considered in the legal services comments. The balance is of risks of extending an existing framework and adding in the inflationary costs which are included as part of the contract and balancing the opportunity that this framework agreement has in providing known cost measures for dealing with outstanding backlog maintenance issues and liabilities arising from the property estate. The extension of the framework agreement which reduces the financial risks of further works if remedial work is not carried out in a timely manner or the risk of further liabilities. All contractors insurance requirements should be rechecked as part of the extension.

Vicki Gallacher (Head of Insurance and Information Governance)

11 **IT Implications**

11.1 There are no IT implications from the framework agreements. IT services can be requested for project work using the Council IT Request for Service (RFS) process as and when required, where IT is charged at Finance agreed daily charge rates.

Lindsey Al-Basri (IT Head of Projects)

12 **Property Implications**

-
- 12.1 The Council understands that if buildings are not maintained, they will cease to fulfil their intended functions. Continuing and implementing the existing CHWS Framework Agreements is recognised as a cost-effective measure of dealing with outstanding backlog maintenance issues, which if deferred or left will ultimately result in future increased costs, possible consequential damage and liabilities to the property estate. Continuing with the existing CHWS Framework Agreements will create an efficient model for dealing with building and highway maintenance issues, it also reduces the Council's risks in terms of loss of service and business continuity.

Katy Webster (Assistant Director – Property & Projects)

13 Procurement Implications

- 13.1 The present framework agreement requires modifying and approval to extend for a further 12-month period until October 2024 which will be compliant in line with Regulation 72 (1)(b) of PCR 2015, which states -

“Contracts and framework agreements may be modified without a new procurement procedure, for additional works, services or supplies by the original contractor that have become necessary and were not included in the initial procurement, where a change of contractor, would cause significant inconvenience or substantial duplication of costs for the contracting authority, provided that any increase in price does not exceed 50% of the value of the original contract.”

The modification is to also address the present and future inflationary reality. By providing approval for these modifications to the existing CHWS Framework Agreements will continue the flexibility and choice in selecting the most appropriate procurement procedures for individual service requirements.

- 13.2 Failure to approve the proposed modifications would result in the stakeholder department using alternative accessible market frameworks with potential increased cost implications, as Oldham Council has not created or negotiated the agreement rates, terms, and contractor selection for these alternative options which may not offer the specialist services required. If having to rely on national frameworks there is the real possibility local SME'S would not be included which is contrary to Oldham Council's own Contract Procedural Rules and the recommendations of the Public Contracts Regulations 2015.
- 13.3 Approval of the inflationary increase and the option to extend affords the stakeholder departments the continued ability to deliver and strive for best possible value in the present challenging inflationary circumstances moving forward into the new year. The use of other alternative procurement procedures would cause delays as other traditional procedures have longer procurement periods having additional resource costs.

Irfan Oomer (Senior Category Manager)

14 Environmental and Health & Safety Implications

- 14.1 Environmental - If the current framework agreements are to be extended the contract management arrangements around environmental performance which have been applied to date will continue to be in force for the period of the extension.

Andrew Hunt (Green Energy & Sustainability Manager)

- 14.2 Health & Safety – As an employer/duty holder, Oldham Council has a statutory duty to ensure so far as is reasonably practicable, the health, safety and welfare at work of all it's employees, and that persons not in his employment who may be affected by their work, are

not exposed to risks to their health or safety. Oldham Council's Health and Safety Team have no objections to the extension as we have been assured that all contractors will have signed up to construction line. Specific risk assessments and other safety documentation will still need to be checked for individual jobs/projects during the planning/construction phases of any works.

(Neil Crabtree, Head of Public Protection)

15 Community cohesion disorder implications in accordance with Section 17 of the Crime and Disorder Act 1998

15.1 There are no community cohesion implications arising from the proposals within the report.
Natalie Downs (Stronger Communities Manager)

15.2 Failure to adequately maintain Council Assets particularly CCTV and Security, could lead to the properties becoming vulnerable to Crime and promote an increase in Anti-Social Behaviour. The proposals outlined in the report will not contribute towards Crime and Disorder within the Borough and should reduce Crime and Disorder in respect of Local Authority assets.

Phil Bonworth (Community Safety Services)

15.3 There are no equality implications arising from the proposals within the report.

(Mahmuda Khanom, Policy Support Officer)

16 Oldham Impact Assessment Completed (Including impact on Children and Young People)

16.1 Oldham Impact Assessment completed (See Appendix D - Oldham Impact Assessment CHWS Framework Agreement). Please note, there are no equality implications arising from the proposals which will impact any of the equality groups.

17 Key Decision

17.1 Yes (see below)

18 Key Decision Reference

18.1 NEI-13-23

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: CHWS Framework Agreement Approval Report August 2019

Name of File: Construction Highways Services Framework Procurement Approval Report - August 2019

Records held in Property Services Department, Henshaw House, Cheapside, Oldham. OL1 1NY

Officer Name: Peter Wood

Contact No: 0161 770 4028

File Ref: CHWS Framework Agreement Approval Official Recorded Minutes August 2019
Name of File: Construction Highways Services Framework Approval Official Recorded Minutes August 2019
Records held in Property Services Department, Henshaw House, Cheapside, Oldham. OL1 1NY
Officer Name: Peter Wood
Contact No: 0161 770 4028

20 **Appendices**

Appendix A – Current CHWS Framework Contractors

Appendix B – Lot Structure during Extension Year of Framework Agreement

Appendix C – BCIS Indices Results

Appendix D – Oldham Impact Assessment CHWS Framework Agreement

Current CHWS Frameworks

Lot Nr	Work Type	Award letters	Location	Reactive/Planned
Lot 1	Roofing Works – Flat / Pitched - Responsive & Minor Repairs	1. Fulwood Roofing Services (Northern) Ltd	Swinton, Manchester	Reactive
Lot 2	N/a			
Lot 3	Building Repairs/Maintenance	1. E Smith & Son 2. Connor Ltd 3. J Greenwood Builders Limited 4. P&L Construction Ltd	Hyde, Chesire Oldham Oldham Oldham	Reactive/Planned
Lot 4	Mechanical Works	1. Ellesmere Goup Limited 2. MWA Ecosystems Ltd 3. DFP Services Ltd 4. WH Good Ltd	Worsley, Manchester Bolton Co. Durham Haslingden, Lancs	Reactive/Planned
Lot 5	Electrical Works	1. Corlett Electrical Engineering Co Ltd 2. DFP Services Ltd 3. Openview Security Solutions Limited 4. GTM Electrical Services Ltd 5. MUK Failsworth Electrical Limited	Wigan Co Durham Romford Rochdale Failsworth	Reactive/Planned
Lot 6	Asbestos Remediation Works	1. D Hughes Demolition & Excavation Ltd 2. Northern Insulation Contractors (UK) Ltd 3. Woods Building Services Limited t/a AA Woods 4. Reddish Vale Insulations Ltd	Altrincham, Chesire Stalybridge, Chesire Harlow, Essex Oldham	Planned
Lot 7	Lift Servicing	1. Concept Elevators (UK) Ltd 2. Total Lift Care Ltd 3. Ascendant Lifts Limited	Cannock, Staffs Ormskirk, Lancs Stockport	Reactive/Planned
Lot 8	Legionella Risk Assessments & Remediation	1. Maxigiene Environmental Services Ltd 2. HSL Compliance 3. Integrated Water Services Ltd 4. Pure Tech UK Ltd	Thornton Cleveleys, Lancs Herts Walsall Oldham	Planned
Lot 9	Fire Alarms Servicing	1. Guardian Technical Maintenance Ltd 2. SPIE Scotshield Ltd 3. Amalgamated Ltd 4. Openview Security Solutions Limited	Orrell, Wigan Glasgow Swinton, Manchester Romford	Reactive/Planned
Lot 10	Security & CCTV	1. Openview Security Solutions Limited 2. SPIE Scotshield Ltd 3. ADT Fire and Security Plc 4. Amalgamated Ltd	Romford Glasgow Middlesex Swinton, Manchester	Reactive/Planned
Lot 11	Highways Minor Works	1. J Hopkins (Contractors) Ltd 2. J Cooney Ltd 3. Knowsley Contractors Limited trading as King Construction 4. Colas Ltd 5. Bethell Construction Ltd 6. George Cox & Sons Ltd	Sale, Chesire Rochdale Speke, Liverpool Co Durham Kersley, Manchester Bolton	Planned
Lot 12	Minor Works - Highway Structures & Drainage	1. Rowan Ashworth Ltd 2. Bethell Construction Ltd 3. Coating Services Ltd 4. First Time Drainage Solutions Ltd	Oldham Kersley, Manchester Cheshire Oldham	Planned
		1. Rhodes & Sons Construction Ltd 2. Northern Marking Ltd	Oldham Failsworth	

Lot 13	Highways Lining / Road Marking	3. Knowsley Contractors Limited trading as King Construction 4. Wilson & Scott Highways Ltd 5. Kays Traffic Management Limited 6. Trustseal Ltd	Speke, Liverpool Liverpool Great Harwood, Lancs Whitewell, Worksop	Planned/Reactive
Lot 14	Building Repairs / Maintenance / New Build / Extensions / Refurbishment	1. E Smith & Son 2. F Parkinson Ltd 3. J Greenwood Builders Limited 4. Connor Ltd 5. Westshield Limited 6. P&L Construction Ltd	Hyde, Cheshire Blackpool, Lancs Oldham Oldham Bolton Oldham	Planned
Lot 15	Roller Shutter and Automatic Doors	1. Industrial Doors Solutions Ltd 2. ABC Industrial Doors Ltd	Barnsley Irlam, Manchester	Reactive/Planned
Lot 16	Lightning Protection	1. Osborne Delta Limited	Oldham	Reactive/Planned
Lot 17	Roofing Works – Flat / Pitched	1. Fullwood Roofing Services (Northern) Limited 2. Mac Roofing & Contracting Limited 3. SBS Roofing Ltd	Swinton, Manchester Preston Clayton, Bradford	Planned
Lot 18	Highways Carriageway Surfacing	1. J Hopkins (Contractors) Ltd 2. Knowsley Contractors Limited trading as King Construction 3. Colas Ltd 4. Tarmac Trading Limited 5. Hanson Quarry Products Europe Ltd t/a Hanson Asphalt & Contracting 6. Aggregate Industries UK Ltd	Sale, Manchester Speke, Liverpool Co Durham Solihull, Birmingham Cumbria Coalville, Leics	Planned
Lot 19	Highways Surface Dressing	1. Kier Highways Limited 2. Colas Ltd 3. Knowsley Contractors Limited trading as King Construction 4. Road Maintenance Services Limited	Sandy, Beds Co Durham Speke, Liverpool Nutsford, Cheshire	Planned
Lot 20	Major Works - Bridges & Structures	1. Dyer & Butler Ltd 2. Rowan Ashworth Ltd 3. The Casey Group Ltd 4. Bethell Construction Ltd 5. Eric Wright Civil Engineering Ltd 6. Westshield Limited	Stevenage, Herts Oldham Rochdale Kersley, Manchester Preston Bolton	Planned
Lot 21	Major Works - Drainage	1. Bethell Construction Ltd 2. Westshield Limited 3. Eric Wright Civil Engineering Ltd 4. Dyer & Butler Ltd 5. Coating Services Limited 6. STEM Construction Ltd	Kersley, Manchester Bolton Preston Stevenage, Herts Hyde, Cheshire Rossendale	Planned
Lot 22	Groundworks & Landscaping	1. Saddleworth Plant Hire Ltd 2. The Casey Group Ltd 3. Horticon Ltd 4. Rowan Ashworth Ltd 5. Carey McMullan Limited	Oldham Rochdale Wilslow, Cheshire Oldham Oldham	Planned
Lot 23	Fire extinguishers/Fire Signage	1. Walker Fire UK Ltd 2. Fire Queen Limited 3. DFP Services Ltd 4. Amalgamated Ltd	Preston, Lancs Stockport, Cheshire Co Durham Swinton, Manchester	Planned
Lot 24	Sprinklers	1. Openview Security Solutions Limited	Romford	Reactive/Planned

CURRENT FRAMEWORK – LOTS TO BE EXTENDED

Lot Nr	Work Type
Lot 1	Roofing Works – Flat / Pitched – Responsive & Minor Repairs
Lot 3	Building Repairs/Maintenance
Lot 4	Mechanical Works
Lot 5	Electrical Works
Lot 6	Asbestos Remediation Works
Lot 7	Lift Servicing
Lot 9	Fire Alarms Servicing
Lot 10	Security & CCTV
Lot 12	Minor Works – Highways / Structures / Drainage
Lot 13	Highways Lining / Road Marking
Lot 14	Building Repairs / Maintenance / New Build / Extensions / Refurbishment
Lot 15	Roller Shutter and Automatic Doors
Lot 16	Lightning Protection
Lot 17	Roofing Works – Flat / Pitched
Lot 19	Highways Surface Dressing
Lot 20	Major Works - Bridges & Structures
Lot 21	Major Works - Drainage
Lot 22	Groundworks & Landscaping
Lot 23	Fire Extinguishers/Fire Signage

Please note the following Lots are not going to be extended during the Extension Year of the Framework Agreement –

Lot Nr	Work Type
Lot 8	Legionella Risk Assessments & Remediation
Lot 11	Highways Minor Works
Lot 18	Highways Carriageway Surfacing

Lot 24	Sprinklers
--------	------------

Works and/or Services under the Lots that are not going to be extended, will be procured outside of the CHWS Framework Agreements in line with CPRs and PCR 2015 (for example, other local authority framework agreements and other procurement processes such as open tender, request for quotations).

BCIS All-in Maintenance Cost Indices - General #9244
 BCIS All-in Maintenance Cost Indices - General

Base date:
 1st Qtr 1990=100
 Updated:
 22-Aug-2023
 Series no.
 #9244

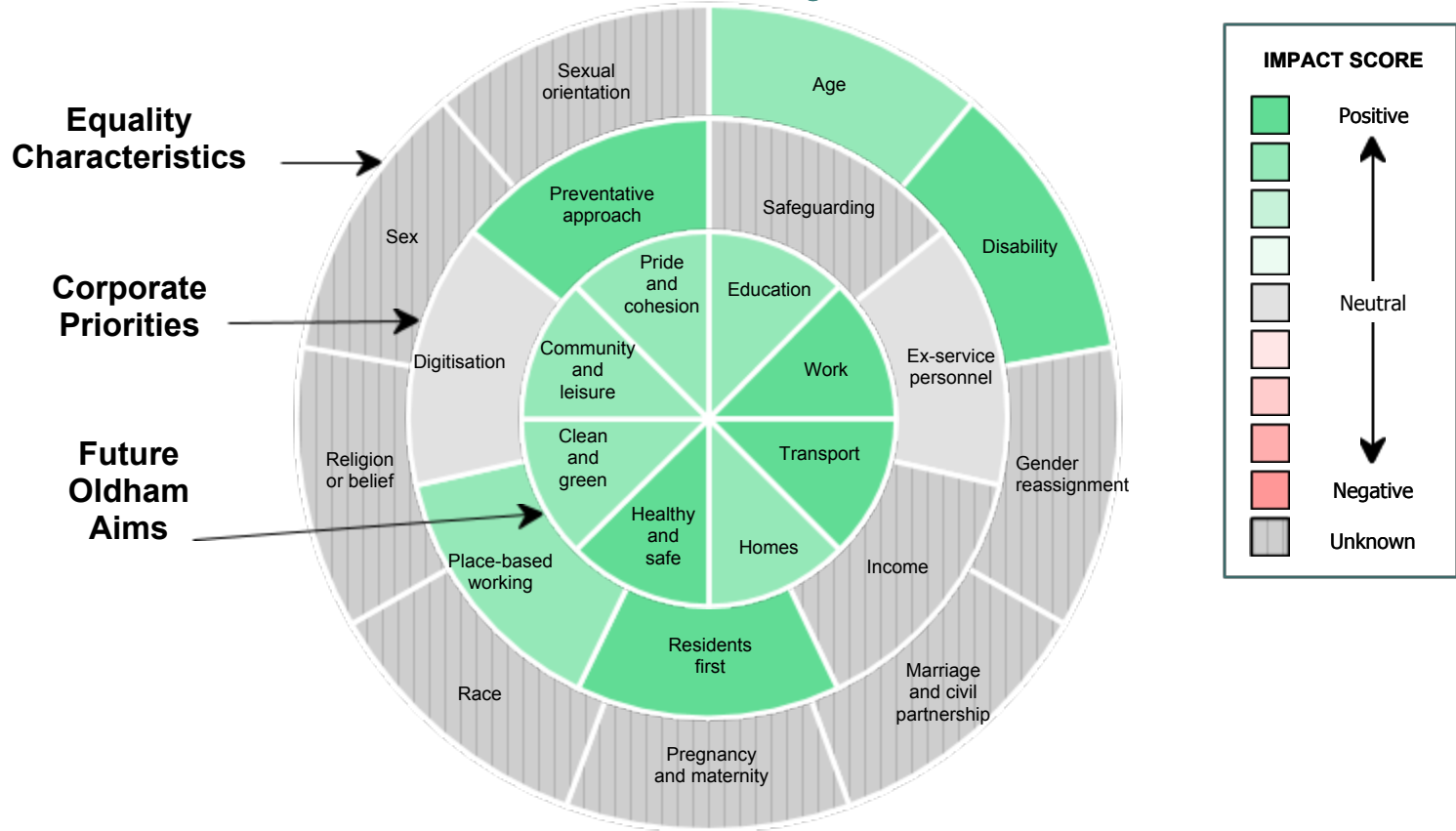
Date	General	Status	Percentage change		
			On year	On quarter	On month
Sep-2021	293.2	Revised	5.6%	0.7%	0.1%
Oct-2021	293.9	Revised	5.7%	0.6%	0.2%
Nov-2021	295.1	Revised	6.0%	0.7%	0.4%
Dec-2021	296.2	Revised	6.2%	1.0%	0.4%
Jan-2022	297.1	Revised	6.3%	1.1%	0.3%
Feb-2022	297.8	Revised	6.4%	0.9%	0.2%
Mar-2022	298.2	Revised	6.2%	0.7%	0.1%
Apr-2022	308.9	Revised	7.1%	4.0%	3.6%
May-2022	310.3	Revised	7.3%	4.2%	0.5%
Jun-2022	314.0	Revised	7.8%	5.3%	1.2%
Jul-2022	314.3	Revised	7.6%	1.7%	0.1%
Aug-2022	314.9	Revised	7.5%	1.5%	0.2%
Sep-2022	316.2	Revised	7.8%	0.7%	0.4%
Oct-2022	317.6	Revised	8.1%	1.0%	0.4%
Nov-2022	316.3	Revised	7.2%	0.4%	-0.4%
Dec-2022	316.8	Revised	7.0%	0.2%	0.2%
Jan-2023	318.2	Revised	7.1%	0.2%	0.4%
Feb-2023	318.3	Revised	6.9%	0.6%	0.0%
Mar-2023	319.4	Revised	7.1%	0.8%	0.3%
Apr-2023	330.1	Revised	6.9%	3.7%	3.4%

Date	General	Status	Percentage change		
			On year	On quarter	On month
May-2023	330.5	Firm	6.5%	3.8%	0.1%
Jun-2023	392.3	Provisional	24.9%	22.8%	18.7%
Jul-2023	334.4	Provisional	6.4%	1.3%	-14.8%
Aug-2023	334.7	Forecast	6.3%	1.3%	0.1%
Sep-2023	334.7	Forecast	5.9%	-14.7%	0.0%
Oct-2023	335.7	Forecast	5.7%	0.4%	0.3%
Nov-2023	335.7	Forecast	6.1%	0.3%	0.0%
Dec-2023	335.7	Forecast	6.0%	0.3%	0.0%
Jan-2024	337.5	Forecast	6.1%	0.5%	0.5%
Feb-2024	337.8	Forecast	6.1%	0.6%	0.1%
Mar-2024	337.9	Forecast	5.8%	0.7%	0.0%
Apr-2024	345.5	Forecast	4.7%	2.4%	2.2%
May-2024	345.7	Forecast	4.6%	2.3%	0.1%
Jun-2024	345.5	Forecast	-11.9%	2.2%	-0.1%
Jul-2024	348.2	Forecast	4.1%	0.8%	0.8%
Aug-2024	348.2	Forecast	4.0%	0.7%	0.0%
Sep-2024	348.2	Forecast	4.0%	0.8%	0.0%
Oct-2024	348.9	Forecast	3.9%	0.2%	0.2%
Nov-2024	349.0	Forecast	4.0%	0.2%	0.0%
Dec-2024	349.0	Forecast	4.0%	0.2%	0.0%
Jan-2025	350.4	Forecast	3.8%	0.4%	0.4%

Date	General	Status	Percentage change		
			On year	On quarter	On month
Feb-2025	350.8	Forecast	3.8%	0.5%	0.1%
Mar-2025	351.0	Forecast	3.9%	0.6%	0.1%
Apr-2025	356.2	Forecast	3.1%	1.7%	1.5%
May-2025	356.5	Forecast	3.1%	1.6%	0.1%
Jun-2025	356.4	Forecast	3.2%	1.5%	-0.0%
Jul-2025	358.1	Forecast	2.8%	0.5%	0.5%
Aug-2025	358.1	Forecast	2.8%	0.4%	0.0%
Sep-2025	358.1	Forecast	2.8%	0.5%	0.0%
Oct-2025	358.6	Forecast	2.8%	0.1%	0.1%
Nov-2025	358.6	Forecast	2.8%	0.1%	0.0%
Dec-2025	358.7	Forecast	2.8%	0.2%	0.0%
Jan-2026	359.4	Forecast	2.6%	0.2%	0.2%
Feb-2026	359.9	Forecast	2.6%	0.4%	0.1%
Mar-2026	360.1	Forecast	2.6%	0.4%	0.1%
Apr-2026	365.6	Forecast	2.6%	1.7%	1.5%
May-2026	365.9	Forecast	2.6%	1.7%	0.1%
Jun-2026	365.8	Forecast	2.6%	1.6%	-0.0%
Jul-2026	367.6	Forecast	2.7%	0.5%	0.5%
Aug-2026	367.8	Forecast	2.7%	0.5%	0.1%
Sep-2026	367.8	Forecast	2.7%	0.5%	0.0%
Oct-2026	368.2	Forecast	2.7%	0.2%	0.1%

Date	General	Status	Percentage change		
			On year	On quarter	On month
Nov-2026	368.4	Forecast	2.7%	0.2%	0.1%
Dec-2026	368.4	Forecast	2.7%	0.2%	0.0%
Jan-2027	369.2	Forecast	2.7%	0.3%	0.2%
Feb-2027	369.7	Forecast	2.7%	0.4%	0.1%
Mar-2027	370.0	Forecast	2.7%	0.4%	0.1%
Apr-2027	375.6	Forecast	2.7%	1.7%	1.5%
May-2027	376.0	Forecast	2.8%	1.7%	0.1%
Jun-2027	375.9	Forecast	2.8%	1.6%	-0.0%
Jul-2027	377.8	Forecast	2.8%	0.6%	0.5%
Aug-2027	377.9	Forecast	2.7%	0.5%	0.0%
Sep-2027	378.0	Forecast	2.8%	0.6%	0.0%
Oct-2027	378.4	Forecast	2.8%	0.2%	0.1%
Nov-2027	378.4	Forecast	2.7%	0.1%	0.0%
Dec-2027	378.4	Forecast	2.7%	0.1%	0.0%
Jan-2028	379.2	Forecast	2.7%	0.2%	0.2%
Feb-2028	379.7	Forecast	2.7%	0.3%	0.1%
Mar-2028	380.0	Forecast	2.7%	0.4%	0.1%
Apr-2028	385.4	Forecast	2.6%	1.6%	1.4%
May-2028	385.8	Forecast	2.6%	1.6%	0.1%
Jun-2028	385.8	Forecast	2.6%	1.5%	0.0%

CHWS Framework Agreement



CHWS Framework Agreement				
	Impact	Likelihood	Duration	Comment
Equality Characteristics				
Age	Moderate Positive	Very Likely	Long Term	
Disability	Strong Positive	Very Likely	Long Term	
Gender reassignment	Neutral			
Marriage and civil partnership	Neutral			
Pregnancy and maternity	Neutral			
Race	Neutral			
Religion or belief	Neutral			
Sex	Neutral			
Sexual orientation	Neutral			
Corporate Priorities				
Safeguarding	Neutral			
Ex-service personnel	Neutral	Very Likely	Long Term	
Income	Neutral			
Residents first	Strong Positive	Very Likely	Long Term	
Place-based working	Moderate Positive	Very Likely	Long Term	
Digitisation	Neutral	Very Likely	Long Term	
Preventative approach	Strong Positive	Very Likely	Long Term	
Future Oldham Aims				
Education	Moderate Positive	Very Likely	Long Term	
Work	Strong Positive	Very Likely	Long Term	
Transport	Strong Positive	Very Likely	Long Term	
Homes	Moderate Positive	Very Likely	Long Term	
Healthy and safe	Strong Positive	Very Likely	Long Term	
Clean and green	Moderate Positive	Very Likely	Long Term	
Community and leisure	Moderate Positive	Very Likely	Long Term	
Pride and cohesion	Moderate Positive	Very Likely	Long Term	

This page is intentionally left blank



Report to CABINET

Council Tax Reduction Scheme 2024/25

Portfolio Holder: Councillor Abdul Jabbar MBE, Cabinet Member for Finance and Corporate Resources

Officer Contact: *Anne Ryans, Director of Finance*

Report Author: Julie Smethurst, Assistant Director of Finance (Revenues and Benefits)

Contact: julie.smethurst@oldham.gov.uk

13 November 2023

Reason for Decision

The purpose of this report is to present to Cabinet the proposed Council Tax Reduction Scheme for 2023/24 prior to formal approval by full Council.

Executive Summary

There is a legal 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 requires 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 2024/25 scheme must be agreed by full Council in line with budget setting arrangements and no later than 10 March 2024. Any proposed change must be subject to prior consultation with major preceptors (for Oldham this is the Greater Manchester Combined Authority on behalf of the Mayor of Greater Manchester and the Greater Manchester Police and Crime Commissioner) and with the public. The scheme for those of pensionable age is set by the Government and cannot be changed.

CTR is a demand led discount scheme so the greater the demand, the higher the impact on Council resources. If the number of CTR claimants increases, it impacts the amount of Council Tax that can be collected by reducing the Council's Council Tax Taxbase.

A major consultation exercise has not been undertaken regarding changes to the CTR scheme and the Greater Manchester Combined Authority has been provisionally advised that no change to the scheme is proposed. In this regard, the proposal is that the CTR scheme for 2024/25 remains the same as that operating in 2023/24 and therefore no consultation exercise is required. The current CTR scheme provides a maximum reduction equivalent to 85% of the Council Tax charge for a Band A property and this has been unchanged since 2014/15.

In order to inform this proposal, the Council has undertaken some initial analysis regarding a change to the CTR scheme and the appropriateness of introducing an income banded scheme. An income banded scheme would mean that the level of CTR would be based on a claimant's weekly household income assessed against pre-determined income bands. This means if a claimant's household income varies but remains in the same band, the amount of support they get won't change. The amount of support only varies if their income changes and moves them into another income band.

In this regard, a modelling exercise has been undertaken. Firstly, leaving the 2023/24 scheme unchanged was modelled. Then two income banded scheme options were modeled (Model 1 and Model 2 as described at 2.14). The results of the exercise undertaken have been analysed and the results are presented at section 3.

There is significant uncertainty around the extent that the transition of residents from legacy welfare benefits onto Universal Credit would have on a claimant's household income and how this would then impact on the cost of an income banded scheme if it were to be introduced in 2024/25. The Council cannot currently accurately determine the level of income those transitioning residents will ultimately receive, which will be critical for an appropriate scheme design.

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 2024/25. This will provide continuity regarding entitlement to those residents on the lowest incomes and allow time for the impact of the roll out of UC to become clearer.

Recommendation

It is recommended that Cabinet approves and commends to Council the proposal to keep the Council Tax Reduction Scheme unchanged in 2024/25.

Council Tax Reduction Scheme 2024/25**1 Background**

- 1.1 Prior to April 2013, Council Taxpayers 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 Taxpayers 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. Whilst Revenue Support Grant (RSG) was initially reduced each year in line with Government policy and has more recently stabilised, since the introduction of the piloting of 100% Business Rates Retention by the Council 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 broken. 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.
- 1.4 The CTR scheme for 2024/25 will require Council approval whether it is changed or not. If there is no change to the scheme it can be considered by Council in December 2023.
- 1.5 A change to the scheme for 2024/25 would require a consultation exercise and approval by full Council prior to the deadline for the setting of the Council's budget (which is no later than 10 March 2024). The last Council meeting before this date is 28 February 2024.
- 1.6 The evaluation of potential changes to the scheme for 2024/25 has factored in the operation and cost of the current scheme. In recommending potential options for 2024/25, consideration has also been given to the cost-of-living crisis, and the effects of the transition of residents to Universal Credit and its impact on those residents, the economy, and on Council resources and caseload. When considering the approach to the CTR scheme, over the past few years, the availability of additional Government resources has also been a factor. However, there is uncertainty over the continuation of Government funding streams into 2024/25 or if there will be some other national cost of living support, so this cannot be included in the context of the 2024/25 CTR scheme.

1.7 On 1 March 2023, Council agreed budget reduction proposals relating to the Revenues and Benefits Department, which included a review of the administration of the CTR scheme for 2024/25 to introduce efficiencies in operating arrangements, improving the service for CTR recipients and the Council. The Revenues and Benefits service has commenced work to automate several back-office processes. It is anticipated that this automation will enable the service to reduce the level of administrative input on simple tasks and therefore deliver the 2024/25 budget reduction without any implications for the actual CTR scheme

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 2014/15. The minimum weekly payment has risen from £3.64 in 2019/20 to £4.25 in 2023/24, because of annual increases in Council Tax charges.

2.3 On 1 August 2023, there were 14,297 working age CTR claimants. Current projections for the annual collection rates for CTR cases due in 2023/24 suggest a collection rate of between 75-80%. Given the 5% collection rate range, this is potentially lower CTR collection rate to that recovered in 2022/23 (79.51%) and 2021/22 (80.24%), although an 80% collection rate would compare well to both years. However, both 2021/22 and 2022/23 were impacted to varying degrees by the major social and economic impact of the COVID-19 pandemic and the cost-of-living crisis, and, although the pandemic is less relevant in 2023/24, the cost-of-living crisis still prevails.

2.4 A reduced collection rate of 1.5% of CTR debt could result in a reduction of £83k in Council Tax receipts for 2023/24 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).

2.5 The roll out of the full service of UC commenced in Oldham from April 2017. 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 (ESA) (Income-related) and Job Seekers Allowance (JSA) (Income-related). The 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 February 2023 (the latest available figures), rollout was 74% complete in Oldham East and Saddleworth and 70% in Oldham West and Royton. The North West average is 69%.

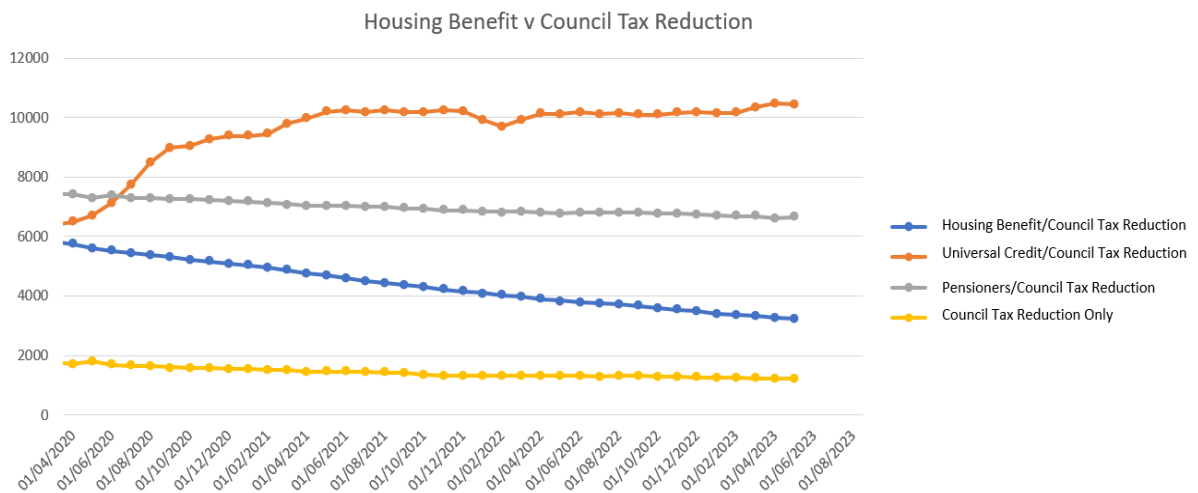
2.6 From April 2023, the DWP reinstated the UC managed migration programme which was suspended during the period of the COVID-19 pandemic starting with all claimants in receipt of tax credits. Migration notices have been issued to claimants in Oldham since June 2023.

2.7 Throughout 2024/25, nationally, working age claimants with tax credits (including those in receipt of ESA, WTC and CTC), all cases on Income Support and Jobseeker's Allowance (Income Based) and all Housing Benefit cases (including combinations of these benefits) will be required to move to Universal Credit.

2.8 In most cases, claimants in receipt of legacy welfare benefits receive a higher income than those residents in receipt of UC. This means that residents on legacy welfare benefits receive less support under the current CTR scheme. Moving to an income banded scheme in 2024/25 would adversely affect a significant number of legacy claimants who are yet to migrate to UC.

2.9 As of 1 August 2023, the overall CTR caseload was 20,920. The caseload for those of pensionable age remains relatively static but Table 1 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 1: CTR Caseload Changes



2.10 The rapidly changing environment created by the cost-of-living crisis, and the transition of working age claimants from legacy benefits to UC has presented difficulties in accurately modelling financial impacts of both retaining the existing CTR scheme for 2024/25 or introducing a revised scheme.

2.11 However, work to look at the practical issues of changing the CTR scheme has been progressed. Options in relation to an income banded CTR scheme have been considered. An income banded scheme would mean that the level of CTR would be based on a claimant's weekly household income assessed against pre-determined income bands. This means if a claimant's household income varies but remains in the same band, the amount of support they get won't change. The amount of support only varies if their income changes and moves them into another income band.

2.12 This assessment of income banded options involved working in partnership with Policy in Practice. Policy in Practice is a social policy software and analytics company that works with Councils, Government, housing providers and community organisations. They are a team of policy experts who combine innovative technology, insightful data and expert analysis in helping organisations analyse the impact of policy, identify and engage the people impacted, and track the effectiveness of interventions.

2.13 Policy in Practice provided support by analysing the Councils current CTR caseload and scheme and modelling the impact of potential income banded schemes in conjunction with the Revenues and Benefits department. The criteria used for the development of the options to revise the scheme was to simplify the administration process but not to

significantly impact the overall level of support provided to claimants and thereby keeping within the existing budget provision.

2.14 All options were analysed on the following basis:

- Council Tax for 2024/25 would increase by 3.99% (in line with current policy)
- That the DWP would have migrated 58% of remaining legacy welfare benefit claimants to UC in 2023/24.
- That projected uprating regarding Earnings and Tax Thresholds, Benefit Rates, Non-Dependent Deductions, and Local Housing Allowance rates are applied.

2.15 The modelling undertaken looked at:

- The continuation of the existing CTR scheme
- An income-based scheme - Model 1
 - Includes all income from benefits and earnings, apart from the default disregards, and the Housing Element and Limited Capability for Work element of UC.
 - The UC Limited Capability for Work element is disregarded to reduce the disparity between employed households gaining support and out of work households losing out.
 - Includes a £2.50 flat-rate non-dependent deduction.
 - The current scheme's Band A cap remains
- An income-based scheme - Model 2
 - Includes all income from benefits and earnings, apart from the default disregards, and the Housing Element and Limited Capability for Work element of Universal Credit.
 - UC Limited Capability for Work element is disregarded to reduce the disparity between employed households gaining support and out of work households losing out.
 - Includes £2.50 flat-rate non-dependent deduction.
 - The current scheme's Band A cap remains.
 - Introduces a disregard for Carers Allowance in the income calculation.

2.16 Maintaining the current scheme into 2024/25 would result in an increase in costs from £21.350m to £21.770m, an increase of £0.420m or 2% (purely due to the anticipated increase in Council Tax in line with current Council Tax policy adjusted for a change in numbers of recipients). The costs of each income based model in comparison to maintaining the current scheme is shown below.

Table 2 – Costs of the Three Modelled Options

Current scheme 2023/24	Current Scheme – no change 2024/25	Income Based Scheme (Model 1) 2024/25	Income Based Scheme (Model 2) 2024/25
£21.35m	£21.77m	£22.44m	£21.92m

2.17 The current CTR scheme requires officers to assess a self-employed household's entitlement to CTR based on their actual income. This places a significant administrative burden on the Council to individually assess fluctuating income for each claimant, and in most cases requires the claimants to periodically provide evidence of their income.

-
- 2.18 Universal Credit (UC) introduced the concept of the ‘minimum income floor’ (MIF) which does not exist in the legacy benefits that UC is replacing. The MIF is an earnings threshold that applies to some self-employed claimants. If their actual declared self-employed earnings are below the MIF, they will be treated as having earnings at the level of the MIF instead.
- 2.19 Several Local Authorities have adopted a MIF approach for self-employed claimants within their CTR schemes. Under those schemes any applicant commencing in self-employment would be allowed to declare zero income for the first year from the date of start up on the new business. Thereafter, the scheme would assume that income generated from the business would be at least the National Minimum/Living Wage x 35 hours per week.
- 2.20 If the Council introduced a MIF approach, there would be a reduction in the administrative burden of administering self-employed CTR claims, as the service would not need to request evidence from self-employed claimants who declare their earnings to be below the MIF. However, for self-employed claimants whose actual income is below the MIF, they would likely see significant increases in the amount of Council Tax they were being asked to pay. This is because those claimants would have their CTR assessed on the basis of the minimum floor calculation and not their actual earnings.
- 2.21 The analysis provided in relation to the income-based models show significant variations in the level of support for residents in receipt of legacy welfare benefits in comparison to those residents in receipt of UC. Whilst legacy benefit claimants are still incrementally migrating to UC the overall costs of the scheme therefore remain volatile and difficult to predict.
- 2.22 The DWP has committed to completing the migration of all legacy welfare benefits by the end of 2025/26. It is expected that most claimants will migrate in 2023/24 and 2024/25. This means that the Council would be able to more accurately predict the impact and cost of an income banded scheme for working age claimants for 2025/26.
- 2.23 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 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: Introduce income banded scheme Model 1

Option 3: Introduce income banded scheme Model 2

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 £1,254.82 (the difference between the Band A charge and the minimum payment).

- 3.3 An overall CTR collection rate of 80% would deliver the income needed to meet the Council Tax requirements for 2023/24 if the current scheme remained in place. A comparison of the maximum levels of support for 2023/24 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 2023/24

Local Authority	Council Tax Band A 2023/24	Maximum Support %	Annual Charge At Band A	Monthly (12 Months)	Monthly (10 Months)	Minimum Weekly Payment if in receipt of Full CTR
Bolton	£1,359.24	82.50%	£237.87	£19.82	£23.79	£4.56
Bury	£1,453.03	80%	£290.61	£24.22	£29.06	£5.57
Manchester	£1,312.99	82.50%	£229.77	£19.15	£22.98	£4.41
Oldham	£1,476.26	85%	£221.44	£18.45	£22.14	£4.25
Rochdale	£1,479.34	85%	£221.90	£18.49	£22.19	£4.26
Salford	£1,475.68	88%	£177.08	£14.76	£17.71	£3.40
Stockport	£1,489.77	100%	£0.00	£0.00	£0.00	£0.00
Tameside	£1,390.53	75%	£347.63	£28.97	£34.76	£6.67
Trafford	£1,251.16	100%	£0.00	£0.00	£0.00	£0.00
Wigan*	£1,160.32	80%	£232.06	£19.34	£23.21	£4.45

*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 UC 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 as a result of the cost-of-living crisis meaning that the Council Tax that can be collected will reduce.

Option 2 – Introduce an Income Banded Scheme - Model 1

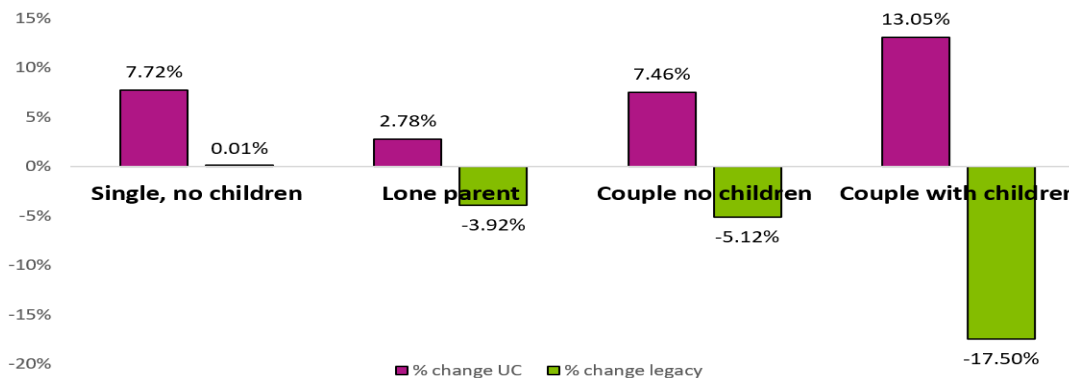
- 3.5 As set out in section 2.15, two income- based CTR schemes have been modelled. Model 1 is based on the current Council Tax reduction caseload and suggests a scheme that would introduce six Council Tax reduction eligibility bands based on weekly income and household status (single person, couple and additional allowances for a maximum of 2 children) as set out in Table 4 below.

Table 4: Model 1 Council Tax Reduction Income Bands

Band/Discount		Income - Weekly			
Band	Discount	Single Person	Couple	1 child addition	2 child addition
		£	£	£	£
<u>1</u>	85%	0-90	0-220	100	200
<u>2</u>	75%	90-120	220-260	100	200
<u>3</u>	65%	120-170	260-340	100	200
<u>4</u>	45%	170-220	340-390	100	200
<u>5</u>	30%	220-270	390-440	100	200
<u>6</u>	20%	270-340	440-490	100	200

3.6 An initial analysis of this scheme suggests that households who migrate to UC would receive an increased amount of CTR under this model. Table 5 below sets out the projected 2024/25 percentage change in weekly CTR compared to the current scheme by household type.

Table 5: Percentage change in weekly Council Tax reduction compared to current scheme in 2024/25 by household type.



3.7 A total of 1,316 households would see a reduction of more than £5 per week if this Model was to be applied and 167 households would lose all support. This is set out in the table below.

Table 6: Model 1 - Number of Households who would see a reduction in the amount of support they would receive by more than £5 per week and those losing all support

Type of Household	Number of Households losing CTR support of more than £5 per week	Number of Households losing all CTR support
Couple with Children	602	69
Couple without Children	60	6
Lone Parent	505	65
Single Person	149	27
Total	1,316	167

3.8 The scheme would disproportionately affect those households on legacy benefits with children. Whilst further analysis is needed to determine the reason behind this, it is believed that households with children are more likely to have adults in paid employment.

3.9 The cost of the scheme would incrementally increase as households transfer to UC throughout 2024/25. An analysis undertaken suggests that introducing this scheme would cost £22.44m in 2024/25. An increase of £0.670m from maintaining the current scheme.

3.10 A major consultation exercise would be required if the Council wished to introduce an income banded scheme based on Model 1.

Option 3 – Introduce an Income Banded Scheme - Model 2

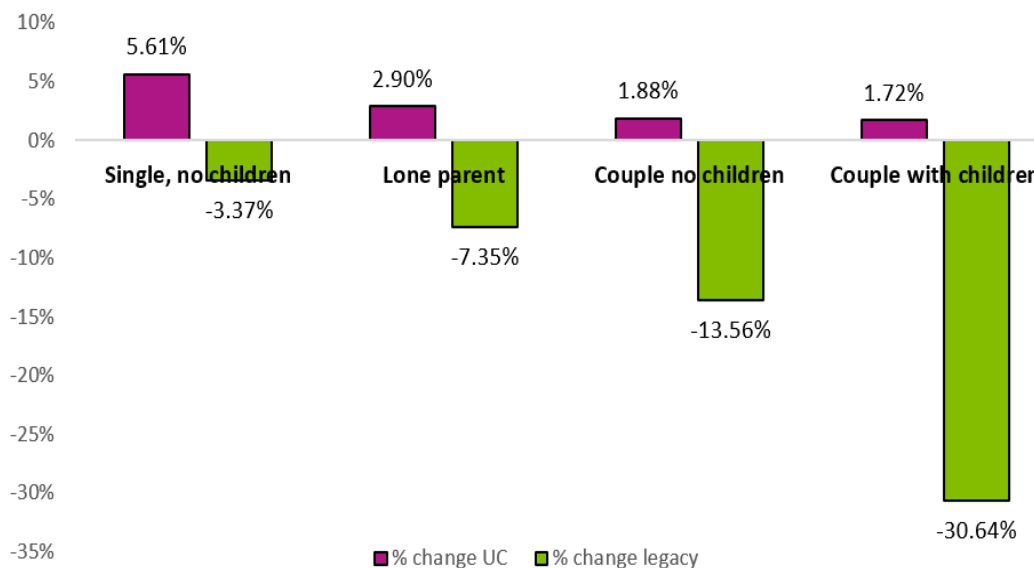
3.11 A second banded income based CTR scheme has been modelled based on the current Council Tax reduction caseload. This scheme is similar to Model 1 but introduces a disregard for Carers Allowance in the income calculation. Model 2 suggests a scheme that could introduce the following CTR eligibility income bands based on weekly income and household status as set out in Table 7 below.

Table 7: Model 2 Council Tax Reduction Income Bands

Band/Discount		Income - Weekly			
Band	Discount	Single Person	Couple	1 child addition	2 child addition
		£	£	£	£
1	85%	0-90	0-190	100	190
2	75%	90-120	190-220	100	190
3	65%	120-170	220-280	100	190
4	45%	170-220	280-330	100	190
5	30%	220-270	330-380	100	190
6	20%	270-340	380-450	100	190

3.12 As in Model 1, an initial analysis of this scheme suggests that households who migrate to UC would receive an increased amount of CTR.

Table 8: Percentage change in weekly Council Tax reduction compared to current scheme in 2024/25 by household type.



3.13 A total of 1,651 households would see a reduction of more than £5 per week by using this model and 235 households would lose all support. This is set out in the table below.

Table 9: Model 2 - Number of Households who would see a reduction in the amount of support they would receive by more than £5 per week and the number losing all support

Type of Household	Number of Households losing CTR support of more than £5 per week	Number of Households losing all CTR support
Couple with Children	786	138
Couple without Children	127	7
Lone Parent	491	62
Single Person	247	28
Total	1,651	235

- 3.14 A scheme using Model 2 would disproportionately affect those households with children on legacy benefits. As with Model 1, whilst further analysis is needed to determine the reason behind this, it is believed that households with children are more likely to have adults in paid employment.
- 3.15 The introduction of a Carers disregard in comparison to Model 1, means that the average amount of support the Council can provide to other claimants has to reduce to maintain the cost of the scheme.
- 3.16 The cost of the scheme would incrementally increase as households transfer to UC throughout 2024/25. An analysis undertaken suggests that introducing this scheme would cost £21.92m in 2024/25, an increase of £0.150m compared to maintaining the current scheme.
- 3.17 A with Model 1, a major consultation exercise would be required if the Council wished to introduce an income banded scheme.

4 Preferred Option

- 4.1 The preferred option is Option 1 – to retain the current 85% scheme in 2024/25.
- 4.2 The delayed migration of claimants from legacy welfare benefits to UC has resulted in differences in calculation methods to determine income for CTR. This means two claimants with a similar household composition, and income could receive varying levels of CTR dependent on whether they have migrated or waiting to migrate.
- 4.3 In most cases, claimants in receipt of legacy welfare benefits receive a higher income than those residents in receipt of UC. This means that residents on legacy welfare benefits receive less support under the current CTR scheme. Moving to an income banded scheme in 2024/25 would adversely affect a significant number of legacy claimants who are yet to migrate to UC.
- 4.4 Moving to an income banded scheme in 2024/25 will adversely affect a significant number of legacy claimants who migrate to UC during the year. They would see a decrease in the level of CTR they would receive and consequently an increased Council Tax bill. Retaining the 85% scheme in 2024/25 would provide some certainty for residents subject to UC migration.

4.5 Members will be aware that discretionary funding is available to support those residents in most need. A discretionary Exceptional Hardship discount can be awarded under Section 13a(1)(c) of the Local Government Finance Act 1992 (as amended).

5 Consultation

5.1 Any changes to the 2024/25 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 There is no requirement to undertake public consultation if the scheme is left unchanged.

5.3 This report has been discussed with the Chair of the Governance, Strategy and Scrutiny Board, who supports the preferred option, Option 1, to continue with the current scheme in 2024/25, This will be reported to the Governance, Strategy and Scrutiny meeting to be held on 14 November.

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, 86.32% of CTR claimants have had some contribution towards their 2023/24 Council Tax bills, suggesting a collection rate at the end of the financial year of approximately 75%-80%. Data is not available to assess how many of these claimants 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 2023/24. 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 due to 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 estimated cost/income under the current CTR scheme and the 2 proposed Income Banded schemes. The cost differential between all 3 schemes is relatively low, a variance of £0.670m between the current scheme and Income Banded Scheme 1 and £0.150m between the current scheme and Income Banded Scheme 2. With Option 1, maintaining the current scheme, presenting the lowest cost.

Scheme Options	Estimated Cost of Scheme 2024/25	CTR billed	Collection Rate	CTR income
Maintain current scheme	£21.77m	£6.45m	80%	£5.16m
Income Banded Scheme 1	£22.44m	£5.79m	80%	£4.63m
Income Banded Scheme 2	£21.92m	£6.30m	80%	£5.04m

6.4 The Council Tax income figures in the table above is prior to apportionment of costs between the Council and the precepting bodies. In 2023/24, the present allocation percentages are Oldham Council 84.18%, GMCA for Mayoral Police and Crime Commissioner Services 10.96% and finally GMCA for Mayoral General Services including Fire Services at 4.86%. Therefore, the additional CTR income resulting from maintaining the current CTR scheme compared to the Income banded schemes (£0.530m compared to Income Banded scheme 1 and £0.120m compared to Income Banded scheme 2) would reduce to £0.446m and £0.100m respectively.

6.5 Given all the information presented above, adopting the recommended approach, the maintenance of an unchanged CTR scheme, can be managed within the context of the current financial position of the Council and is in line with current budget estimates.

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 – Legal Services)

8. **Co-operative Implications**

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 scheme is not subject to a legal challenge on the basis of equality legislation although as the proposal is for an unchanged scheme, this risk is considered to be extremely low;
 - Ensuring that a scheme is both fair and affordable to the Council in 2023/24 particularly as it will only be based on collection rates information from part of the financial year;
 - There continues to be a challenging financial environment facing both the Council and Council Taxpayers, however, the agreement of the CTR scheme for 2024/25 establishes one key element of the Councils financial strategy and an unchanged scheme provides certainty for recipients of CTR.

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 **Community cohesion disorder implications in accordance with Section 17 of the Crime and Disorder Act 1998**

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

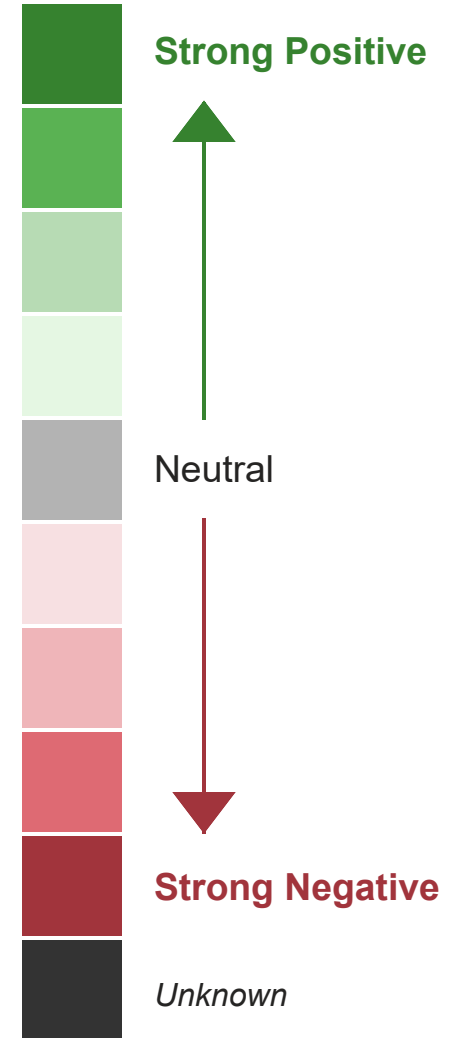
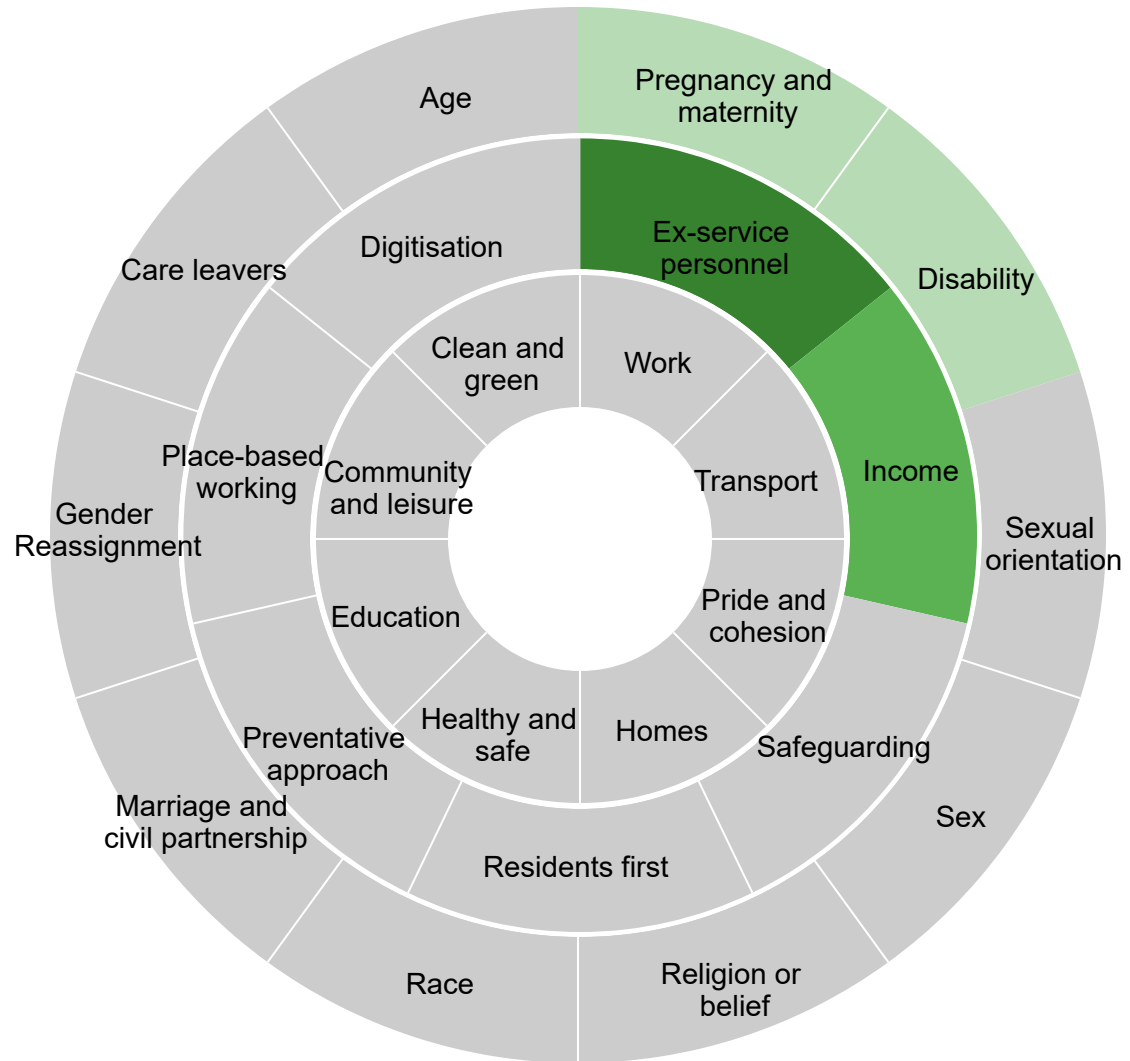
-
- Set out arrangements for monitoring the actual impact of the proposal
- 15.4 As with previous Council Tax Reduction Schemes from 2013, an Equality Impact Assessment has been prepared to try to identify any potential disproportionate adverse impact arising from the proposed scheme and to identify any actions which might mitigate these impacts.
- 16 **Oldham Impact Assessment Completed (Including impact on Children and Young People)**
- 16.1 An Oldham Equality Impact Assessment is set out at Appendix 1.
- 17 **Key Decision**
- 17.1 Yes
- 18 **Key Decision Reference**
- 18.1 FLC-09-23
- 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 included at Appendix 1
Officer Name: Adam Parsey – Exchequer Client Manager
Contact: adam.parsey@oldham.gov.uk
- 20 **Appendices**
- 20.1 Appendix 1 – Oldham Equality Impact Assessment

This page is intentionally left blank

Council Tax Reduction Scheme 2024-25

completed/last updated by Adam Parsey on 19/10/2022

Portfolio	
Finance and Low Carbon	
Directorate	
Finance	
Service/Team	
Finance	
Is this IA related to a Budget Reduction proposal?	<input type="checkbox"/> No



Equality Characteristics

Category	Impact	Likely	Duration	Impact Score	Comment
Age	Neutral	Very Likely	Short Term	0	
Care leavers	Neutral	Very Likely	Short Term	0	
Gender Reassignment	Neutral	Very Likely	Short Term	0	
Marriage and civil partnership	Neutral	Very Likely	Short Term	0	
Race	Neutral	Very Likely	Short Term	0	
Religion or belief	Neutral	Very Likely	Short Term	0	
Sex	Neutral	Very Likely	Short Term	0	
Sexual orientation	Neutral	Very Likely	Short Term	0	
Disability	Moderate Positive	Very Likely	Short Term	2	Residents in receipt of disability premium will have an increased applicable amount (See income), and may be eligible for further Council Tax Reduction.
Pregnancy and maternity	Moderate Positive	Very Likely	Short Term	2	Residents whose household income drops below the applicable amount set by the Department for Works and Pensions may be entitled to Council Tax reduction.

Corporate Priorities

Category	Impact	Likely	Duration	Impact Score	Comment
Digitisation	Neutral	Very Likely	Short Term	0	
Place-based working	Neutral	Very Likely	Short Term	0	
Preventative approach	Neutral	Very Likely	Short Term	0	
Residents first	Neutral	Very Likely	Short Term	0	
Safeguarding	Neutral	Very Likely	Short Term	0	
Income	Moderate Positive	Very Likely	Long Term	4	The CTR Scheme provides financial support to residents who receive a range of benefits including Universal Credit. The amount awarded depends on how much a household's income is less than or equal to their Applicable Amount. The Applicable Amount is the amount of monthly income the government calculates that different categories of household need to live.
Ex-service personnel	Strong Positive	Very Likely	Long Term	8	Income relating to Armed Forces pensions will be disregarding for the purposes of calculating Council Tax reduction.

Future Oldham Aims

Category	Impact	Likely	Duration	Impact Score	Comment
Clean and green	Neutral	Very Likely	Short Term	0	
Community and leisure	Neutral	Very Likely	Short Term	0	
Education	Neutral	Very Likely	Short Term	0	
Healthy and safe	Neutral	Very Likely	Short Term	0	
Homes	Neutral	Very Likely	Short Term	0	
Pride and cohesion	Neutral	Very Likely	Short Term	0	
Transport	Neutral	Very Likely	Short Term	0	
Work	Neutral	Very Likely	Short Term	0	

Negative Impacts

Category	Impact	Likely	Duration	Impact Score	What action can be taken to mitigate the potential negative impacts?	Action(s)	Owner(s)	Timescale(s)	If the negative impacts can't be mitigated, why should the project/decision proceed?
----------	--------	--------	----------	--------------	--	-----------	----------	--------------	--

Strong Positive Impacts that are Possible

Category	Impact	Likely	Duration	Impact Score	What action can be taken to increase the likelihood that positive impacts are realised?	Action(s)	Owner(s)	Timescale(s)
----------	--------	--------	----------	--------------	---	-----------	----------	--------------