

Present: Councillor McLaren (Chair)
Councillors Aslam, Chauhan, Cosgrove, Hughes, Ibrahim, Kenyon, Lancaster and Rustidge (Vice-Chair)

Also in Attendance:

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| Councillor Mohon Ali | Cabinet Member for Education and Skills |
| Emma Barton | Deputy Chief Executive (Place) |
| Alex Bougatet | Borough Solicitor and Director of Legal |
| Councillor Barbara Brownridge | Cabinet Member for Adults, Health and Wellbeing |
| Neil Consterdine | Director of Communities |
| Nasir Dad | Director of Environment |
| Julie Daniels | Executive Director Children and Young People |
| Councillor Peter Dean | Cabinet Member for Culture and Leisure |
| Mark Edmondson | Revenues and Benefits Services, Oldham MBC |
| Rebecca Fletcher | Director of Public Health |
| Councillor Chris Goodwin | Cabinet Member for Transport and Highways |
| Jack Grennan | Constitutional Services |
| Councillor Fida Hussain | Cabinet Member for Enterprise |
| Councillor Abdul Jabbar MBE | Deputy Leader and Cabinet Member for Finance, Corporate Services and Sustainability |
| Shelley Kipling | Chief Executive |
| Vickie Lambert | Finance Services |
| Darren Millward | Financial Management |
| Councillor Shaid Mushtaq | Cabinet Member for Children and Young People |
| Jayne Ratcliffe | Director of Adult Social Services |
| Councillor Arooj Shah | Leader and Cabinet Member for Growth |
| Councillor Elaine Taylor | Statutory Deputy Leader and Cabinet Member for Neighbourhoods |
| Christian Walsh | Deputy DASS |
| Lee Walsh | Director of Finance |

1 APOLOGIES FOR ABSENCE

There were no apologies for absence received.

2 URGENT BUSINESS

There were no items of urgent business received.

3 DECLARATIONS OF INTEREST

There were no declarations of interest received.

4

PUBLIC QUESTION TIME

There were no public questions received.

5

MINUTES OF PREVIOUS GOVERNANCE, STRATEGY AND RESOURCES SCRUTINY BOARD MEETING

RESOLVED that the minutes of the meeting held on 4th December 2025 be approved as a correct record.

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REVENUE MONITOR AND CAPITAL INVESTMENT PROGRAMME 2025/26: QUARTER 3 DECEMBER 2025

The Cabinet Member for Finance and Corporate Resources made an introductory statement setting out the background and context including pressures faced in the current year and developing the budget for 2026/27.

The forecast adverse position for 2025/26 at the end of Quarter 3 was estimated to be £15.199m (£21.094m at the end of Quarter 2).

The details within the revenue monitoring report for Quarter 3 followed on from the Quarter 2 report previously presented and highlighted any significant areas of concern which may not just impact on the current year, but also when preparing future budgets. A forecast adverse position based on the Quarter 3 revenue controllable budget is £15.199m which is a favourable movement of £5.894m from the position previously reported. The Council is currently exploring opportunities in conjunction with its external treasury advisors to look at our current policy on capitalising interest costs for assets under construction. This could generate a potential revenue adjustment to the Council which would reduce the forecast adverse variance for 2025/26. The outcome of this work would be reported to Cabinet in the Month 10 revenue monitoring report.

Since the last report was presented to this meeting, the implementation of the agreed enhanced controls had continued to have an impact on the forecast position resulting in the favourable movement between periods. It was expected that the position will continue to improve as these agreed controls are embedded further. It was important that the organisation continued this work on mitigating and reducing the forecast revenue variance by the end of the financial year, limiting any unbudgeted use of reserves and protecting its financial resilience.

Given the in-year financial position of the Council, the level of reserves available and the budgetary gaps reported within the Council's Medium Term Financial Strategy (MTFS), the recent publication of the Provisional Local Government Finance Settlement provided some additional support to the Council as a result of the Fair Funding Review and the continuation of the Recovery Grant for another 3 years. Whilst this funding was welcomed, the Council must deliver within the financial resources allocated for 2026/27 onwards. The Council's strategy to transfer much needed resources to reserves to increase

reserves is a positive movement in ensuring the organisations financial resilience over the medium term.

Information on the forecast year end position of the Dedicated Schools Grant (DSG), and Housing Revenue Account (HRA) were also outlined in the report.

Members ask questions on the JR Clynes and Spindles Buildings overspends, querying why this wasn't anticipated. It was noted that the majority of this spend was on the Spindles due to Business rates valuations.

Members also requested that the minutes of the delivery board be included in future agendas and it was noted that this would be looked at. Members also queried why the Capital Strategy had increased next year. It was noted that the primary reason for this was slippage with spending having been pushed back to next year, which was standard practice. It was also highlighted that due to some decisions being called in, there had been delays to Capital items which had subsequently been reprofiled. It was noted that the overall value of the Capital Strategy was the same.

RESOLVED: that the Report and recommendations be accepted and commended to Cabinet

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REVENUE BUDGET 2026/27 AND MEDIUM TERM FINANCIAL STRATEGY 2027/28 TO 2028/29

Consideration was given to a report by the Director of Finance providing the Governance, Strategy & Resources Scrutiny Board with the budget reduction requirement and the Administration's budget proposals for 2026/27 having regard to the Provisional Local Government Finance Settlement (PLGFS) published on 17 December 2025. The report also presented the financial forecasts for the remainder of the Medium-Term Financial Strategy (MTFS) period 2027/28 to 2028/29 based on the Settlement information received from Central Government and provided an indicative narrative on the years 2029/30 and 2030/31 which are outside the PLGFS period.

This report presented the Council's Revenue Budget for 2026/27 together with the budget reduction requirement and the Administration's budget proposals for 2026/27 including Council Tax intentions. It also provided the financial forecasts for the MTFS period, 2027/28 to 2028/29 on the known settlement information and a high level indicative narrative for the years 2029/30 and 2030/31 which are outside the PLGFS period. Included within this report are a number of budget reduction proposals for consideration and a budgeted transfer to reserves for the financial years 2026/27 to 2028/29 which is the second consecutive year that the Council's revenue budget has been balanced without the need to use general revenue reserves to support it.

The Council had reviewed all the underlying assumptions in its approach to setting the revenue budget for 2026/27 onwards having regard for the impact of the Fair Funding Review 2.0 and the indicative allocations published in the Provisional Local Government Finance Settlement. The revenue budget gap for 2026/27 is therefore revised to £20.301m. To balance the budget, a resources review has enabled budget adjustments of £10.196m, with Transformation Programme savings of £2.000m to be applied. £8.105m of budget reductions are proposed for delivery in 2026/27 which would balance the revenue budget position.

The Leader of the Council and Cabinet Member each presented the budget reduction proposals with their individual Portfolio area. Scrutiny Board members were able to ask questions of the portfolio holder to seek further information and clarification of the proposals.

RESOLVED that the Report and the following recommendations be accepted and commended to Cabinet.

1. The policy landscape and context in which the Council is setting its revenue budget for 2026/27;
2. The financial forecast for 2026/27 having regard to the Provisional Local Government Finance Settlement and associated funding announcements;
3. The Flexible Use of Capital Receipts at a value of £2.6m for 2026/27;
4. A proposed overall 2026/27 Council Tax increase of 4.99% for Oldham Council services (2.99% for general purposes and 2% Adult Social Care Precept) resulting in the charges set out at Table 10 of the report;
5. The Transformation Programme savings for 2026/27 at £2.000m
6. The 2026/27 Budget Reduction proposals at a value of £8.105m;
7. The proposed transfer to reserves of £1.600m in 2026/27 to improve the financial robustness of the Council;
8. The proposal to draw on the Collection Fund for major preceptors of £153.167m for Borough Wide services and £129.237m for Council services (subject to confirmation);
9. The proposed net revenue expenditure budget for 2026/27 for the Council set at £367.259m;
10. The proposed fees and charges as set out in the schedule included at Appendix 8
11. The level of general fund balances supporting the 2026/27 budget of £18.865m underpinned by the agreed policy on Reserves.

Councillor Hughes made known her disagreement with recommendation 4.

The Director of Finance submitted a report setting out the Capital Strategy for 2026/27 to 2030/31 and thereby the proposed 2026/27 capital programme, including identified capital investment priorities, together with the indicative capital programme for 2027/28 to 2030/31, having regard to the resources available over the life of the programme.

The Council had set out its capital programme for the period 2026/27 to 2030/31 based on the principles of the Capital Strategy. The Capital programme and Capital Strategy were influenced by the level of resources available. The level of prudential borrowing included reflected the financing available in the revenue budget, capital receipts align with forecasts, and grant funding and other contributions were based on already notified allocations or best estimates.

The capital programme for the period 2026/27 to 2030/31 included additional Transport schemes funded by Grant £16.630m, additional Council funded investment in Transport specifically for Potholes (£2.000m) and additional resource for Emerging Priorities (£1.592m), both funded by Prudential Borrowing and an increase in The Use of Flexible Capital Receipts of £2.600m (£0.600m per year) until its expiry of the direction in 2030, financed from Capital Receipts.

The revised capital programme included proposed expenditure for 2026/27 of £99.556m, of which the largest category is £72.953m of expenditure on regeneration, schools, transport and infrastructure projects within the Place Directorate. Total expenditure decreases to £49.047m, £14.923m, £ 5.972m and £1.592m in 2027/28, 2028/29, 2029/30 and 2030/31 respectively.

RESOLVED that the following recommendations be accepted and commended to Cabinet:

1. The Capital Strategy for 2026/27 to 2030/31 at Appendix 1 of this report and summarised at Section 2.1.
2. The capital programme for 2026/27 and indicative programmes for 2027/28 to 2029/30 at Annex C of Appendix 1 and summarised at sections 2.2 to 2.5 of this report.
3. The Flexible Use of Capital Receipts Strategy as presented at Annex D of Appendix 1.
4. The Minimum Revenue Provision (MRP) Policy Statement 2026/27 and method of calculation and Prudential Indicators detailed in Appendix 2.

HOUSING REVENUE ACCOUNT ESTIMATES FOR 2026/27 TO 2030/31 AND FORECAST OUTTURN FOR 2025/26

The Director of Finance submitted a report which set out the Housing Revenue Account (HRA), the detailed budget estimates for 2026/27, the strategic estimates for the four years 2027/28 through to 2030/31 and outturn estimate for 2025/26. The report also set out the recommended dwelling, non-dwelling rents and service and concierge charges to be applied from April 2026.

After taking all relevant issues into account, the projected financial position for 2025/26 was estimated to be a £3.723m positive variance when compared to the original budget forecast for 2025/26 approved at the Budget Council meeting, 6 March 2025. This was largely due to the contribution to capital of £3m being delayed until 2026/27. It should be noted that the revised forecast outturn would still see HRA expenditure at £0.757m greater than income, and reserves reducing as a result.

The 2026/27 position had been presented after allowing for a proposed increase in dwelling rents of 4.8%, an increase in non-dwelling rents in line with individual contracts, a nominal increase of 2% on service charges and the setting of Extra Care Housing concierge charges to fully recover costs. The majority of HRA tenants were either the recipient of Housing Benefit or Universal Credit, and it was assumed that the proposed increase in rents would not be an additional financial pressure to the majority of tenants.

The financial projections for the HRA over the period 2025/26 to 2030/31 showed an overall reduction in the level of balances from £22.173m at the start of 2025/26 to £15.628m at the end of 2030/31.

The HRA detailed budget for 2026/27, strategic estimates for the four years 2027/28 to 2030/31, and the outturn estimate for 2025/26 were presented to the Governance, Strategy and Resources Scrutiny Board for comment.

RESOLVED that the following recommendations be accepted and commended to Cabinet:

1. Forecast HRA outturn for 2025/26 (as per Appendix A)
2. Proposed HRA budget for 2026/27 (as per Appendix B)
3. Strategic estimates for 2026/27 to 2030/31 (as per Appendix D)
4. Proposed increase to dwelling rents for all properties of 4.8%.
5. Proposed increase to non-dwelling rents as per individual contracts.
6. Proposal that service charges are increased by 2%.
7. Proposal to set Extra Care Housing concierge charges to fully recover actual costs

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WORK PROGRAMME

RESOLVED: That the Governance, Strategy and Resources Scrutiny Board's Work Programme for 2025/26 be noted.

11

KEY DECISION DOCUMENT

The Scrutiny Board considered the Key Decision Document, which records key decisions that the authority is due to take.

RESOLVED: That the Key Decision Document be noted.

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RULE 13 AND 14

There were no Rule 13 or 14 decisions to be considered.

The meeting started at 6.00 pm and ended at 7.50 pm